

Chapter - 1

Concepts And Theories Of Business Ethics.

Q) What is Ethics? Explain various branches of ethics in brief (3-Marks)

* Meaning of ethics :-

Ethics is the study of what we understand to be good and right behaviour and how people make those judgments.

The word 'ethics' derived from the Greek 'ethos' which means 'the characteristic spirit or attitudes of a community, people or system'.

* Various Branches of Ethics :-

There are mainly four branches of ethics which are as follows

- 1) Normative Ethics
- 2) Descriptive Ethics
- 3) Meta Ethics
- 4) Applied Ethics

1) Normative Ethics :-

- It deals with the study of developing standards and benchmarks for what is good,

what is moral etc.

- ↳ It concerned with criteria of what is morally right and wrong.
- ↳ It includes the formation of moral rules.

2) Descriptive Ethics :-

↳ It involves the observation of the moral decision making process with the goal of describing the phenomenon.

↳ It deals with the study of morality or moral phenomena by asking different questions.

3) Meta - Ethics :-

↳ It is the branch of ethics that seeks to understand the nature of ethical properties, statements, attitudes and judgements.

↳ It is the study of moral thought and moral language by understanding the underlying assumptions behind moral theories.

4) Applied Ethics :-

↳ It deals with the practical application of moral considerations.

↳ It is a branch of ethics devoted to the treatment of moral problems, practices and policies in personal life, professions, technology and government.

Q2 Diff

Q2 Distinguish between personal ethics and professional ethics. (4 Marks)

Personal Ethics

- It refers to the ethics that a person identifies with in respect to people and situations that they deal with in everyday life

- The individual has a choice between what is right and what is wrong

- It includes your personal morals & values

- Learned from family, friends and relatives since childhood.

- Not conforming that this may hurt others

- By this personal needs are satisfied

Professional Ethics.

- It refers to the ethics that a person must adhere to in respect of their business dealings in their professional life.

- The individual has no choice

- Rules imposed on the individuals by his organisation.

- Learned when become part of corporate world

- This may destroy your professional reputation.

- By this professional needs are satisfied.

for example:

Honesty, Loyalty,
Respect for others etc

for example:

Industry Standards,
Abiding by the law,
Worker treatment etc

Q3 Why should we learn and follow ethics?
(3 Marks)

- It helps a person to look at his own life critically and to evaluate his actions and decisions.
- It helps us to think better about morality.
- It improves our perspective and makes it more reflective and better throughout.
- It helps us to sharpen our general thinking processes.
- It trains our mind to think logically and reasonably and to handle moral issues with greater clarity.
- Ethics are a set of guiding principles or do's and don't which help us to decide what actions are to be taken in a situation.
- In many circumstances our ethics guide us through difficult situations.

- It assists a person in knowing what he/she really is and what is best for him/her and what he/she has to do in order to attain it.

Q4. Define ethics and discuss the principles of ethics - (4 Marks)

* Meaning of Ethics : Refer Q:-1

* Principles of Ethics :-

↳ Principles of Personal Ethics.

- It is influenced by family, friends, culture, religion, education, any other factors personal ethics principles are as follows:-

- Give respect to other people autonomy.
- A caring person is considerate, kind, compassionate and generous.
- Empathy is one's ability to recognize and understand another.
- The Six pillars of character are trustworthiness, respect, responsibility, fairness, caring and citizenship

- Ethical expectations often take the form of principles such as:

- ↳ concern for the well-being of others
- ↳ respect for others
- ↳ trustworthiness & honesty
- ↳ Compliance with the law
- ↳ preventing harm to others.

↳ Principles of Professional Ethics:-

"Good ethics is good business" as it not only leads to run the business successfully, but it also provides many ways for growth and development by leaving a good impression about an organization in the market.

↳ five fundamental principles of professional ethics for all are as follows

- ↳ Integrity
- ↳ Objectivity
- ↳ Professional competence & due care
- ↳ Confidentiality
- ↳ Professional behaviour

↳ Other ethical principles in businesses are:

- ↳ Honesty
- ↳ Promise Keeping
- ↳ Loyalty
- ↳ Respect for others
- ↳ Law abiding
- ↳ Accountability
- ↳ Leadership
- ↳ Fairness

Q5 Discuss any one Normative Theory of business ethics (7 Marks)

The three leading normative theories of business ethics are:

- 1) Stakeholder Theory
- 2) Stackholder Theory
- 3) Social Contract Theory

* Stakeholder Theory :-

- It suggests there are differences between individual groups within an organization such as
 - The Employees
 - Investors
 - Suppliers
- It holds that a business should also take into consideration the needs and wants of its customers, suppliers, owners and employees.
- The ultimate goal of this model is also to maximize the firm's financial success.
- Stakeholders must sometimes be sacrificed in an effort to ensure a company's survival.
- Internal stakeholders can include employees, investors or owners.

- External stakeholders include those that are affected by a company's decisions. Such as suppliers or creditors.
- This theory is based on Immanuel Kant's philosophy that all people are to be treated with respect and consideration and allowed to participate by openly voicing their opinions as equal partners.
- Managers have a duty to both the co-operation's shareholders and individuals that contribute, either voluntarily or involuntarily, to wealth creating capacity and activities and who are therefore its potential beneficiaries and risk bearers.
- The fundamental distinction is that the stakeholder theory demands that interests of all stakeholders be considered even if it reduces company profitability.

Q6

Define the term: Morals, Values and Ethics.
(3 Marks)

* Morals:-

- Morals are values that we attribute to a system of beliefs that help the individual define right versus wrong, good versus bad.

- Morals are standards of behaviour, principles of right and wrong. Such as faithfulness, loyalty, love and respect.

* Values :-

- Values are individual beliefs that motivate people to act one way or another. They serve as a guide for human behavior.

- It can be categorized into three areas: Moral-fairness, truth, justice, love, Pragmatic-efficiency, health, patience, Aesthetic-attractive, Soft, cold.

* Ethics:-

Refer Q-1

Q7 Explain Indian Ethical Tradition - (4 Marks)

- Indian ethics is one of the great traditions of moral thought in world philosophy that influenced thinkers in early Greece, Asia etc.

- Many Indian Companies now have recognized the importance of integrity, transparency and open communications.

- Most companies started ethics programs to be compliant with the Guidelines.

- It has become obvious that proactively managing corporate ethics is good business, and directly affects the bottom line.
- Indian ethics will play a very central role in the development of culture of the country like village culture, seasons of festival time, Rangoli, Dances, paddy fields, these all are to make our culture to be proud.
- The Gita, the Mahabharat, it is considered to be the essence of the Upanishads, bringing out their moral philosophy.
- Because of its small size and simple language many more Hindus know about the Gita than about Vedas and Upanishads.

Q8 Explain Personal ethics and business ethics
(4 Marks)

Refer Q:2

Q9 Describe Etiquette and Professional code
(4 Marks)

* Etiquette :-

- It is the set of rules or customs that control accepted behaviour in particular social groups or social situations.

- A set of rules that helps people understand how they should behave in particular business or professional situations.
- It is concerned with social norms of behaviour and is largely cultural rather than moral. It is mainly concerned with manners.

* Professional Code :-

- Professional code outlines the ethical principles that govern decisions and behavior at a company or organization.
- They give general outlines of how employees should behave, as well as specific guidance for handling issues like harassment, safety and conflicts of interest.

Chapter - 2

Business Ethics

Q1 what do you mean by unethical behaviour? (3 Marks)

OR

Explain roots of unethical behaviour. (4 Marks)

OR

Different kinds of unethical behaviour (7 Marks)

- It can be defined as actions that are against social norms or acts that are considered unacceptable to the public.
- It is completely opposite of ethical behaviour.
- Unethical behaviour is an action that falls outside of what is considered morally right or proper for a person, a profession or an industry.
- There are certain roots/factors that make the employees think and act in unethical ways such as
 - pressure to balance work & family
 - poor communications
 - poor leadership
 - long work hours

- heavy work load
- lack of management support
- pressure to meet sales or profit goals.
- company politics.
- personal financial worries
- little or no achievement etc.

* Examples of Unethical Behaviour in the workplace :

L> Misusing company time :-

This is common unethical behaviour that many businesses face. Many employees misuse company time in a variety of ways such as surfing the internet during business hours, taking extended breaks etc.

L> Lying :-

Lying to your employees or customers is the biggest way to break trust. Trust is the best source of dedication and loyalty that any business has. Once the trust is broken, it is extremely difficult to get it back. Telling obvious lies isn't just unethical, it will drive people away from your business.

L> Abusive Behavior :-

Too many workplaces are filled with leaders who use their position and power to mistreat others. There is often little or no legal protection against abusive behaviour in the workplace.

↳ Employee Theft :-

Whether it's check tampering, not recording sales in order to scheme or manipulating expense reimbursements, employee theft is a crime and unethical.

↳ Violating Company Internet Policies :-

This is a huge, multi-billion dollar problem for companies who would have thought that checking your Facebook or Twitter account is becoming an ethical issue. It is violating company internet policies is unethical such as cyber slackers & cyber loafers.

Q2 State difference / distinction between ethics and value. (4 Marks)

Ethics

Value

It refers to the guidelines - It refers to the principles for conduct, that address and ideals that helps them in making judgement of what is more important.

- They are system of moral principles

- They are stimuli for thinking.

- Consistency is uniform

- Consistency is differ from person to person

- | | |
|--|---|
| - What is morally correct or incorrect in the given situation. | - It tells what we want to do or achieve |
| - Extent of rightness or wrongness of our options. | - Level of importance |
| - Constrains | - Motivates |
| - Different professions, organization etc | - family background, culture, religion etc. |

Q3 Write short note on role of honesty, integrity and transparency in business ethics. (7 Marks)

OR

what are the touchstones of Business Ethics? Explain it in detail. (3 Marks)

* Honesty :-

Honesty is the human quality of communicating and acting truthful and with fairness, as best one is able. It is related to truth as a value. It includes both honesty to others, and to oneself and about ones own motives and inner reality.

* Integrity :-

Integrity is the unity of character based on moral values. Consistency in attitudes, emotions and conduct in relations to morally justified actions and values are also the part of integrity of individual.

* Transparency

It is about information. It is about the ability of the receiver to have full access to the information he wants, not just the information the sender is willing to provide. It embodies honesty and open communication.

* Honesty, integrity and transparency are the touchstones of business ethics according to Fernando. It is observed that the ethical corporate behaviour is nothing but a 'honesty is the best policy'

* The collapse of some businesses in recent times comes as a result of lack of practice of basic principles of integrity by the managers, lack of transparency etc.

* Transparency therefore promotes accountability and provides information for citizen about what their government and its agents are doing as well as information to the company managers, customers etc.

* There are number of reasons why businesses should act ethically

- To protect its own interest.
- To protect the interest of business community so that public will have trust in it.
- To keep its commitment to society to act ethically.

- * Businesses can also build trust between the business and consumers. If consumers feel that a business can be trusted, they will be more likely to choose that business over its competition.
- * Therefore Honesty, Integrity and Transparency are the seal Touchstones of business ethics.

Q4 Describe the fundamental principles relating to professional ethics.

Refer :- chapter - 1 Q :- 4.

Q5 Describe framework to understand the Ethical Decision Making in business (7 Marks)

- Ethical decision making considers positive values and principles for successful business relationships beyond economics for successful business relationships and results.
- ~~Strong~~ ethical decision making ability is important for every employee in every kind of business
- Ethical decision making means doing things the right way by paying attention to moral values like responsibility, trust etc to avoid business failures.

- It can help to reduce risks, minimise brand damage and create value.
- Organisations with a strong ethical standpoint are more likely to attract a new generation of ethically-minded consumers & jobseekers.
- It is a very tough prospect in this dog-eat-dog world. However in the long run, all will have to fall in and play fair.
- It is the process in which you aim to make your decisions in line with a code of ethics.
- It involves five steps to ethical decision making.

* Five steps to Ethical Decision Making:-

1) Assessment :-

Make sure that you have all the facts about the dilemma.

2) Alternatives :-

In this step you have to consider all your choices.

3) Analysis :-

Now identify your candidate decision and test its validity.

4) Application :-

Apply ethical principles to your candidate decision.

5) Action :-

Make a decision finally.

Q6 Define business ethics with the help of suitable examples. Discuss the major ethical issues that business faces today (7 Marks)

OR

What are the major ethical issues that business faces today? Discuss them with suitable example (7 Marks)

* Meaning of Business Ethics :-

Business ethics is when moral rules are applied by a corporation to determine how best to treat its employees, shareholders and customers.

It is the study of appropriate business policies and practices regarding corporate governance, insider trading, bribery etc.

* Major Ethical issues that Business faces:-

→ Unethical Accounting:-

Conducting unethical accounting practices is a serious problem, especially in publicly traded

Companies. It is also called 'cooking the books'

for eg:- 2001 scandal that enveloped American energy company Enron which for years inaccurately reported its financial statements. Enron's shareholder lost Rs 25 billion and the firm's closure resulted in 85,000 jobs lost

↳ Social Media Ethics :-

The widespread nature of social media has made it a factor in employee conduct online and after hours. An employee's online activities are considered disloyal to the employer.

for eg:- A yelp employee wrote an article on Medium , a popular blogging website

↳ Harassment and Discrimination :-

Racial discrimination, sexual harassment, wage inequality are all costly ethical issues that employers and employees encounter on a daily basis across the country.

for eg:- According to EEOC, they settled Rs 505 million for victims of discrimination in the private sector and government workplace in 2019.

↳ Health and Safety.

factors like job insecurity, high demands, low autonomy have been associated with health related behavioral risks including a sedentary life cycle, heavy alcohol consumption increased cigarette smoking and eating disorders.

for eg:- ILO states that 7,397 people die everyday from occupational accidents or work-related diseases. This results in more than 2.7 million deaths per year.

Chapter - 3

Ethical Dilemmas

Q1 How to resolve ethical problem? (3/4 Marks)

- The issues involved in understanding ethical problems can be split into three categories:

- ↳ Factual
- ↳ Conceptual
- ↳ Moral.

⇒ Steps involved in Resolving Ethical Problems

Step 1: Gather the relevant facts and identify the problems.

- Is there a conflict of values, rights or professional responsibilities? First of all we have to identify the problem and have to gather facts about that problem.

Step 2: Consider the ethical issues involved

- what meanings and limitations are typically attached to these competing values? In this step we have to consider the ethical issues involved in the problem.

Step 3: Identify which fundamental principles are affected.

- what are the threats to compliance with the fundamental principles of:

- * Integrity
- * Objectivity
- * Confidentiality
- * Self-interest
- * Self-review
- * Advocacy etc.

Step 4: Refer to the organisation's internal procedures.

- Does your organisation's policies and procedure provide guidance on the situation?
- Who should be involved, in what role and at what stage?

Step 5: Consider and evaluate alternative courses of action

- Organisation's policies, procedures and guidelines.
- Applicable laws and regulation.
- Universal values and principles generally accepted by society.
- Consequences.

Step 6: Implement the course of action and monitor its progress

- when faced with an ethical issue, it may be in your best interests to document your thought processes, discussions and the decisions taken.
- Written records will be useful if you need to justify your course of action.

Q2

What is ethical dilemma? Discuss the sources of ethical dilemma and method of resolving the same. (+ Marks)

* Meaning of Ethical Dilemma.

- An ethical dilemma is a moral situation in which a choice has to be made between two equally undesirable alternatives.
- An ethical dilemma is hard to identify as it is very specific in nature and many situational factors are embedded in it.
- It occurs in the type of situations when one has to choose between eight vs eight sorts.

According to Doug Wallace:-

An ethical dilemma exists when one is faced with having to make a choice among following alternatives:-

- Significant values conflict among differing interests.
- Real alternatives those are equally justifiable
- Significant consequences on stakeholders in the situations.

↳ An ethical dilemma is very specific in nature and having some special and salient features as follows:-

- * Outcome is uncertain
- * Multiple choices and alternatives.

- * Mixed consequences
- * Direct / indirect involvement.

* Sources of Ethical Dilemma:

- failure of personal character.
- Conflict of personal values and organizational goals.
- Organizational goals vs social values.
- Hazardous, but popular products.
- Corporations cross boundaries & become multi-national companies.
- Newer technologies.
- Diverse religious, cultural & social beliefs.
- Different economic systems.
- Political Systems and ideologies.
- Due to bribery, corruption or anti-competition issues.
- Competing interests.
- Misaligned incentives.
- Clashing cultures
- Leaders lead the way.

* Method of Resolving Ethical Dilemma

- Methods of resolving ethical dilemmas occur in organisation in different forms, framework and structure so single unique and standard method cannot be applied to resolve them.

- There are some classical approaches and traditional methods developed in resolving ethical dilemmas.

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- Methods of resolving ethical dilemmas occur in organisation in different forms, framework and structure so single unique and standard method cannot be applied to resolve them.

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- 1) utilitarian (end-based approach)
- 2) Universalism (rule based)
- 3) case-based approach
- 4) action-oriented approach
- 5) Result-oriented ethics etc.

↳ Steps in Resolving Ethical Dilemmas:

Step 1:- Determine whether there is an ethical issue or dilemma. Is there a conflict of values, rights or professional responsibilities?

Step 2:- Identify the key values and principles involved. What meanings and limitations are typically attached to these competing values?

Step 3: Rank the values or ethical principles which in your professional judgement are most relevant to the issue or dilemma. What reasons can you provide for prioritizing one competing values/principle over another?

Step 4: Develop an action plan that is consistent with the ethical priorities that have been determined as central to the dilemma.

Step 5: Implement the plan, utilizing the most appropriate practice skills and competencies.

Step 6: Reflect on the outcome of this ethical decision making process.

- In this way we can resolve ethical dilemmas.

Q3 what are sources of ethical behaviour?
(4Marks)

These are the following sources of ethical behaviour

- ↳ Religion
- ↳ Culture
- ↳ Law
- ↳ corresponds to basic human needs
- ↳ credibility in the public
- ↳ credibility with the Employees
- ↳ Better Decision Making
- ↳ Profitability
- ↳ Moral Sensitivity
- ↳ Moral Judgement
- ↳ Moral Motivation
- ↳ Moral character
- ↳ Cultural norms
- ↳ Knowledge & values.

Chapter-4

Ethical Decision Making In Business

Q1 Write short note : Kohlberg's Model on Cognitive Moral Development (7 Marks)

↳ Lawrence Kohlberg suggested psychological theory of moral development. Based on knowledge of moral development which an individual adopts in response to moral questions. Kohlberg suggested three main levels of moral development. These are as follows.

- 1) Preconventional level
- 2) Conventional level
- 3) Post conventional level.

1) Preconventional level

↳ The most basic and original is this level in which right conduct is considered as the direct benefits than an individual gets.

↳ The individuals are motivated primarily by the desire to avoid punishment, without considering the power or by desire to meet their own needs.

- ↳ This level is the level of development of all young children
- ↳ Right conduct is viewed in a selfish manner as only what is good for one self

2) Conventional level.

- ↳ In this level of moral development the norm's of one's family, group or society are accepted as the final standard of morality.
- ↳ These norms represent authority hence adopted uncritically.
- ↳ The individuals are motivated by desire to please others and to meet the expectations of the society.
- ↳ This theory state that most adults never mature much beyond this stage.

3) Post Conventional level

- ↳ This level is said to be attained when an individual considers the standard of right or wrong.
- ↳ These individuals are called autonomous since they think for themselves and do not assume that customers are always right.
- ↳ Their motivation is to do what is morally reasonable for its own together with a desire to maintain moral integrity and self respect.

* Kohlberg's Six stage Model of Cognitive Development :-

This model explains why people make different decisions in similar ethical situations.

- 1) The stage of punishment and obedience
- 2) The stage of individual instrumental purpose and exchange
- 3) The stage of mutual interpersonal expectations, relationships and conformity.
- 4) The stage of social system and conscience maintenance.
- 5) The stage of prior rights, social contract or utility.
- 6) The stage of universal ethical principles

Q2 Explain the limitation of Kohlberg's Model on cognitive Moral Development (4Marks)

↳ One of the major limitations of this theory is its focus on reasoning rather than on actual behaviour.

↳ It shows that children's moral reasoning and moral behaviour may be quite weak.

- ↳ children may have learned to say certain things about moral decisions at various ages but what they do is different.
- ↳ People can place their own moral principles above the laws of the society they live in and the established laws of that country.
- ↳ It emphasizes justice to the exclusion of other values and so may not adequately address the arguments of those who value other moral aspects of actions.
- ↳ The consideration of a set of cultural norms in one society without adequate consideration of how the same norms can effectively be applied to a different culture.

Q3 How personal value affect ethical decision making? (3 Marks)

- ↳ for an individual to be considered as an ethical decision maker, he needs to build and develop certain values.
- ↳ The Josephson Institute of Ethics proposed the following six pillars of character.
 - * Trustworthiness
 - * Respect
 - * Responsibility
 - * Fairness
 - * Caring
 - * Citizenship.

- ↳ Personal values are the bedrock of ethics as they guide what a person considers good or bad.
- ↳ Values create the foundation for personal and societal judgement and action.
- ↳ Values play a central role in ethical decision making.
- ↳ When we make decisions and take actions that honor our values, we are best able to maximize our feelings of satisfaction and fulfillment.

Q4

Explain ethical decision making with cross holder conflicts and competition (4 Marks).

↳ Barry proposed the following decision making rules regarding cases of conflicts and mixed effects.

- 1) choose the more important obligation between two or more conflicting obligations
- 2) choose an action of higher ideal when two or more ideals conflict or when ideals conflict with obligations.
- 3) choose the action that produces the greater good or the lesser harm, when the effects are mixed.

- ↳ These guidelines when used along with various ethical principles offer an acceptable solution to those decision makers confronted with the ethical dilemmas arising out of cross stakeholder conflicts and competitions.
- ↳ Therefore, ethical decision making has to be made against standards that are set by the use of moral philosophy.

Q5 What are the stages in Modern Decision Making process? (4 Marks)

Step-1: Identify the Decision :-

- you realize that you need to make a decision.
Try to clearly define the nature of the decision you must make.

Step 2: Gather relevant information

- collect relevant information before you make your decision. you will find it online in books, from other people etc.

Step 3: Identify the Alternatives

- you can use your imagination and additional information to construct new alternatives. In this step you will list all possible and desirable alternatives.

Step 4: Weigh the evidence

- Evaluate whether the need identified in Step-1 would be met or resolved through the

use of each alternatives. Finally, place the alternatives in a priority order, based upon your own value system.

Step 5: Choose among alternatives:-

- Now you are ready to select the alternative that seems to be best one for you. You may even choose a combination of alternatives.

Step 6 Take action.

- You are now ready to take some positive action by begining to implement the alternative you choose in Step-5.

Step-7 Review your decision & it's consequences:-

- In this final step, consider the results of your decision and evaluate whether or not it has resolved the need you identified in Step-1

Q6 Describe the advantages associated with ethical decision making (3 Marks)

- It helps to build customer loyalty
- It helps in enhancing a company's reputation
- It helps in retaining good employees in business.

- It helps to create positive work environment in company.
- It helps in improving productivity and better teamwork.
- It helps to create strong public image
- To promote integrity among their employees and gain trust from investors and consumers

Q7 Describe the features of Ethical Model for Decision Making Process. (7 Marks)

Various ethical models that guide business decision making process are as follows:-

↳ Right Theories

- These were advocated by Immanuel Kant and Locke.
- It based on the view that ethical decisions should protect the legal and moral rights that an individual is entitled to.

↳ Justice Theories

- These were originally advocated by Greek philosophers and more recently by Rawl.
- It is based on the view that ethical decisions should result in a situation where all human beings are treated equally and in case some are treated unequally

- It must be based on some defensible reasons.

↳ Utilitarianism :-

- These were advocated by Adam Smith, David Ricardo, Jeremy Bentham and John Mill

- This theory employs a teleological approach to ethics and asserts that behaviours or actions should be evaluated in terms of their consequences.

↳ The Virtue Approach

- It advocates that ethical actions should be consistent with certain morally acceptable virtues that would pave the way for full development of humanity.

↳ The Common Good Approach.

- It underlines the societal view that life in a community is good in itself and that it is every person's moral responsibility not only to contribute, but also to enrich it.

Q8

How moral philosophies are used in Business Decision? (4 Marks)

- Moral philosophies provide guidelines for determining how to settle conflicts and optimize mutual benefit.

- It direct business people in formulating strategies and resolving ethical issues.

- Moral philosophies are useful for organizational culture, discipline, employee relations, public perception in business decisions.
- It present guidelines for determining how conflicts in human interests are to be settled and for optimizing mutual benefit of people living together in groups.
- The philosophy of a company reflects its leader's values, helping the business to feel more personal.
- Some of the business philosophies of large companies are well-known.

Q9 which ethical model can be considered as best model for ethical decision making ?
(3 Marks)

- Utilitarianism is one of the most common and best model to make ethical decisions, especially decisions with consequences that concern large groups of people.
- It weigh the different amounts of good and that will produced by our action.
- It is ethics of welfare
- It is one of the building blocks of democratic system.

- The end justifies the means and actions are judged on the result not on the intentions or motives.

Q10 Explain Rules for Ethical decision making for cross over conflicts

Refer Q4

Q11 Explain Cross holder conflict and competition. How one can make ethical decision with it

Refer Q4.

Chapter - 5

Individual Factors

Q1) what do you understand by philosophy and moral philosophy? (4 Marks)

* Philosophy :-

- philosophy is the study of the fundamental nature of knowledge, reality and existence, especially when considered as an academic discipline.

- philosophy is an activity people undertake when they seek to understand fundamental truths about themselves, the world in which they live, and their relationships to the world and to each other

* Moral Philosophy :-

- Moral philosophy is the branch of philosophy that contemplates what is right and wrong. It explores the nature of morality and examines how people should live their lives in relation to others.

- Moral philosophy is usually divided into three different subject areas such as

- Meta ethics
 - Normative ethics
 - Applied ethics.
- It provide guidelines for determining how to settle conflicts and optimize mutual benefit

Q2

State various types and impacts of white collar crime - (7 Marks)

OR

Short note on white collar crime (4 Marks)

OR

What are common justifications for white collar crime? (3 Marks)

- The term white collar crime was coined by sociologist Edwin Sutherland in 1939.
- He defined it as "crime committed by persons of respectability and high social status in the course of their occupation."
- White-collar crimes are committed in the daily business activities by individuals, companies and government for financial benefits and power
- Not every crime is violent or requires a gun

it is called extortion.

for example: 'Hapta Vasuli' by local guns or police.

↳ Bankruptcy fraud:- when a person or company files for bankruptcy declaring that they can no longer pay the heavy debts due to heavy losses, but hide some properties then it is called bankruptcy fraud.

↳ Insider Trading: The illegal practice of trading of the stock exchange to one's own advantage having an access to confidential information is called insider trading

↳ Money Laundering: It is the illegal process of concealing the origins of money obtained illegally by passing it through a complex sequence of banking transfers.

for example:- Vijay Mallya, Narendra Modi etc.

* Impacts of white collar crime:-

- It threatens the country's economy by bank frauds, economic thefts, evasion of tax etc.
- It not only affects the financial status of a country or person but it has also a negative impact on the society.

Various crime such as bribery, corruption etc has affected society in a negative way.

↳ Endangers employees through unsafe working conditions, dangerous products and cause pollution problems for a community.

* Common justifications for white collar crime:-

↳ The top investigating agencies of the country like CBI, Income-tax department ensure transparency in the systems.

↳ Training of the investigating officials for complicated cases.

↳ To uproot the existence of such crimes, it is very important to include strict laws into the system.

↳ fast track courts & tribunals should be set in all the parts of the country.

↳ long term imprisonment should be given to offenders.

↳ The electronic & print media should be utilized in the right way to spread awareness about this.

↳ National crime commission should be established.

Q3 Discuss the role of individual factors in business ethics. (4 Marks)

OR

Explain individual factor in business ethics
(4 Marks)

- Individual, social, and opportunity factors all affect the level of ethical behaviour in an organization.
- Individual factors include Knowledge level, moral values and attitudes and personal goals.
- The individual factors that determine health are factors identified within an individual including attitudes, knowledge, skills, genetics and personal characteristics.
- These factors vary from person to person that results in a different set of perceptions, attitudes and behaviour towards certain goods and services.
- These factors are often inherent in our values and decision processes.
- Individual factors in ethical decision making are very complex and depends on various factors.
- It helps in leading economic growth of the company.

Q4 Define Deontology.

- Deontology

- Deontological theories focus on the act rather than the consequences. They emphasize on one's moral duties and obligations.
- Deontology directs attention on the intrinsic features of our actions. It is also called the Kant theory as philosopher Immanuel Kant believed that ethical actions must follow the universal moral laws like "Don't lie", "Don't cheat", etc.
- Making decisions based on deontological theory is easy as people just need to apply the rules and do their duty or fulfill obligations.

✗ Deontology advises not to violate the rule. However, letting the missile launch kill many people.] ✗

- Though deontology is easy to apply, if it fails to consider the possible outcomes that may not be acceptable to many people.

chapter - 6

Human Values For Indian Managers

Q1 Define Human Values (3 Marks)
OR

Explain Human Values for Indian Managers

OR (4 Marks)

Explain different types of Human Values (3 Marks)

- Human Values refer to those values which are at the core of being human.
- The values which are considered basic inherent values in humans include truth, honesty, loyalty, love, peace etc.
- Because they bring out the fundamental goodness of human beings and society at large
- Human Values are most important in life so important that people are and should be ready to sacrifice almost anything to live with their values.

* Values for Indian Managers :-

- ↳ Respect for Individual
- ↳ Co-operation and Trust
- ↳ Non-Jealousy
- ↳ Purification of Mind.

- ↳ Top quality product / Service
- ↳ Work is worship
- ↳ Non covetousness
- ↳ Ethical & Moral soundness
- ↳ Self discipline & self restraint
- ↳ Customer satisfaction
- ↳ Creativity etc.

* Different types of Human Values.

- ↳ Personal Values :- If is personal to an individual both in terms of their possession and their use. for example : being ambition, cleanliness, etc
- ↳ Family Values : These values comes from the lead of the family mostly father who transfer these values to their children, who further impart these values to future generation.
- ↳ Social Values : These values are good for Society like being courtesy, charity, Civic, duty etc.
- ↳ Moral values : It enables an individual in making a distinction between right and wrong for example being fairness, justice, human dignity etc.
- ↳ Spiritual Values : They affect individual in his relations with himself for example truth, beauty, goodness etc.

↳ Cultural Values: It gives importance to preserve cultural practices, ceremonies, traditions etc.

↳ Democratic Values: Respect for individuality, equal treatment to all, social & religious right to all, duty towards nation etc.

Q2 Discuss principles of quality of working life (4 Marks)

↳ Principle of Security

- Job security is at the top of their list. A worker who is free from the fear of loss of employment contributes more value to an organization.

↳ Principle of Equity

- There should be no distinction among the owners, management and workers. There should be a fair reward for all of them.

↳ Principle of Individuality

- Every individual employee should be motivated to make use of his existing capabilities.

↳ Principle of Democracy

- There should be a democratic environment at the work place. Rights such as personal privacy, freedom of speech etc.

↳ flexible work hours:-

- If possible and required by any employee then flexibility must be given in work hours.

↳ Open Environment

- If there is an open environment where everybody is heard and their opinions respected then it enhances QWL.

Q3 Explain the law of Karma (7 Marks)

- It refers to the law of cause and effect.
- It says that the results that we get in our lives depends on the causes that we make.
- If we do good, good shall come to us and if we do bad things then bad things will happen.
- It is strict and infallible. what goes around comes around.
- Karma includes our thoughts, ~~and~~ words and actions. It teaches that our thoughts, words and actions must always be good and positive if we want to get good and positive results in our lives.

- There is a deep knowledge about Karma in Hinduism which includes a detailed guidance of what are good and bad Karmas.
- It means "As you sow, so shall you reap"

* Law of Karma useful for Managers/ professionals.

- When manager works according to the law of Karma then he/she will be careful in making sure that their decisions and actions do not harm anyone.
- The focus of doing good Karma leads an organization to do 'good acts' for the society.
- This helps to create a peaceful co-existence of the organisation and its environment.
- It also helps managers to respect the human dignity of each and every employee of the organisation.
- The managers focusing on Karma will always be good to the employees and such positive environment motivates the employees to work for the betterment of the organization and not only their self-interests.

- Practically, the entire organization which creates a good cause will gain trust from people and will earn a goodwill and also profitability. It will lead to overall growth of the organisation.

Q4

Write short note on : Ethics in Ramayana
(7 Marks)

- Ramayan is a book of ideal behaviour. Even when there were painful twist in the story of Rama's life, there was a lesson to learn.
- Every character and every development in the story told in Ramayana is a valuable lesson for us all.
- Lord Rama's life was one of ethics and ideals, he preferred hardships of the jungle to the luxuries of the palace just because there were promises to keep.
- Ultimately good won over evil, but gave us lessons in ethics, integrity and righteous behaviour.
- Ramayan is an epic is an external source of guidance to mankind about how to live life in a manner such that it

benefits society and commits no acts that one lives to regret later.

- Lord Rama is not the only one ~~whose~~ whose actions leave an indelible mark on our minds. Almost every person of the Ayodhya royals i.e. the family of Mahasaj Dashrath is steeped in principles.
- If one were closely, the Ramayan gives us a number of lessons in ethics.
- From Ramayan we learnt that family is important by loving step mother Kaikeyi kept father's promise etc.
- we learnt to be careful of temptations from the story of Marich golden deer, that changed everything.
- Follow instructions & don't alter plans arbitrarily by the instruction given to laxman to watch over the Sita.
- Ram setu showed even the smallest animal matters
- Respect your enemy, we learnt from Ramayan as Ravana was given a proper funeral

- It depicts characters that we should aspire to be like, such as the ideal father, ideal son, ideal brother, ideal teacher, leader, ideal wife etc.
- Important values and ethics can be taught to children by way of story telling

Q5 What is ethical Paradox? (7Marks)

- In philosophy, ethical dilemmas also called ethical paradoxes or moral dilemmas
- These are situations in which an agent stands under two conflicting moral requirements, none of which overrides the other

for More refer chapter - 3 Q:2

Q6 Explain Heinz dilemma? Who developed it? (4Marks)

Heinz Dilemma was developed by Lawrence Kohlberg

- Heinz dilemma is a story about an ethical dilemma faced by a character named Heinz.
- It was used by Lawrence Kohlberg to assess the moral reasoning skills of those he asked

to respond to it.

- It is story of stages of moral development.
- A woman was on her deathbed. There was one drug that the doctor thought might save her.
- Having exhausted every other possibility, Heinz must decide whether to steal an expensive drug that offers the only hope of saving his dying wife.
- No, to solve this Heinz's dilemma the thinker has three options. Heinz should not steal the drug because it is disobedience of law. Heinz can steal the drug but should be punished by the law and no law should punish him.

Q7 Elaborate terms : Idealism and Realism

* Idealism (3 Marks)

- Idealism is the practice of forming ideals or living under their influence.

- It is based on the notion that reality is grounded in human consciousness.

- for example :- you might have the idealistic goal of bringing an end to childhood poverty in the world

- When you are idealistic, you dream of perfection, whether in yourself or other people.

* Realism

- Realism is a concern for fact or reality and rejection of the impractical and visionary
- It is the viewpoint which accords to things which are known in nature which is independent of whether anyone is thinking about them.
- for example: A work of realism might chronicle the life of an average farmer.

Q8 Explain Nature and Scope of Quality of work life (QWL)

- QWL depends on the quality of relationship that employees and their environment have.
- People can work with more efficiency where they enjoy working.
- Hence, QWL represents concerns for human dimension at work

⇒ Some aspects

1. Issues at work: The managers must address any issues that may lead to dissatisfaction. They must find out if training is needed, some facilities or resources are needed or some other issues are there and try to provide solutions for the same.

2. Flexible work hours: If possible and required by any employee, then flexibility must be given in work hours.

3. Freedom: Once the work is assigned, if freedom is given to the employees to work to the best of their abilities and take independent decisions, then they are motivated to work more effectively.

4. Open environment: If there is an open environment where everybody is heard and their opinions respected, then it enhances the QWL

5. Commitment to improvement: If the employees are committed to improvement in performance, then QWL can be enhanced. To motivate the employees, staff recognition and support programmes must be introduced

Q9 How is the Law of Karma useful for the managers / Professionals?

Refer Q:3

Q10 Describe Lessons from Ancient Indian Education System.

many others, will become an ethical manager. Hence, it would be senseless to consider education to be separate from religion and moral philosophies.

6.2 Lessons from Ancient Indian Education System

- The purpose of education is to teach a child how to live the life when she/he grows up, which is an overall development of the child. It makes the child ready for the future, which not only involves the "skills" to make living, but also life skills like discipline, honesty, decision-making, leadership, management of things, and many more. Just learning the vocational skills doesn't suffice as it only helps a person to carry out the activities. How to carry out those activities, how to deal with people and what kinds of decisions and actions one must take finds solutions in moral principles which are based on moral philosophies which are the result of religious teachings.
- The importance of religious teachings in education has gone down because firstly, people have distorted the meaning of religion and secondly because people feel that to carry out economic activities there is no need of religion. The original purpose of religion was to give philosophies to humankind to help them live a better life. If one merely perceives religion to be something where God is worshipped and some rituals are done, without even understanding their meaning, then it doesn't hold any good for one's life. But if viewed as "the way of life" then religion has those riches which everyone can use to live fulfilling and successful lives, not only spiritually but also materialistically.
- In the ancient education system, there used to be an overall development of a student with well understood moral values. The students were taught all subjects which used to be helpful to them in their life in every manner. Some of the important characteristics of the Indian ancient education system are as follows :
 1. There was a Gurukul system where a child was expected to leave family and live with the Guru (teacher) at his residence till the education is completed. This helped in keeping the child away from worldly distractions and taught discipline. A student used to do all work at the teacher's place and obeyed every instructions of the teacher, which brought humility. Student used to respect Guru just like parents or God.
 2. The four Vedas were taught which includes every truth one needs to know to be able to make one's life fulfilling. There is knowledge of the stages of life in Rigveda, how to perform sacrifices in Yajurveda, music in Samaveda and medical sciences in Atharvaveda. The Vedas are the root of all Hindu philosophies and enriches with the knowledge of culture, meaning of life and what is right and what is wrong. Thus, the knowledge of ethics was given from the childhood itself.

3. The education was conducted in 3 phases : Shravan, Manan and Nidhyasan. Shravan means listening mostly to what the Guru teaches. Manan means pondering over what one has learnt and then even discuss or debate about the topic. Nidhyasan means the self-realization of the truth, which means meditation. It is not limited to meditation but then extends to living and breathing the truth. That means it results into the practical application of the knowledge.
4. Self-discipline was most important and hence no punishment system was there.
5. The objective of education was the complete development of a person with sound body, mind and soul.
6. The spiritualistic nature of education does not mean that it was not materialistic. In fact, the education system was designed in such a manner which helped people in all spheres including materialistic aspect.
7. Moral upliftment of the student was given more importance.
- The above points are a few features of Indian education system from the point of view of learnings for managers. In today's world of fast development and high competition, the managers have various things to take care of in an organization. The position of any manager is very important not only for smooth management but also to create a culture of ethics. The managers also go through many challenges daily in the fast changing world. They are very overloaded and sometimes faces anxiety and stress as they face a lot of dilemma when it comes to wisdom to choose between the right and wrong and solving problems in a holistic manner. But, the Indian ancient education system was such that the managers can learn everything related to their work. The above points prove that the pupils in ancient education system learnt self-discipline, hard work, self-control, independent thinking (due to Manan and Nidhyasan), independent decision making (as they lived away from parents) and clarity about what is right or wrong as they were given moral education. All these are very helpful for a manager working in any kind of organization.
 - A manager also has a responsibility for the growth of the organization in terms of profitability. We already saw that the Indian ancient education system helps the manager in moral decisions. In addition to that, it also helps in the economic growth because ethical decisions and actions will lead an organization towards profitability as it helps in earning goodwill amongst all stakeholders which in turn brings more business. Also, the ancient education system was such that it can help the managers learn the necessary skills like communication, interpersonal skills, time-management, decision making capability, crisis management, handling resources, etc. Also, compassion and wisdom gained from such education help the managers to manage the most important resource i.e. the people in the best

manner. Thus, Indian ancient education system had features which are timeless and applicable even in today's world and today's working professionals are facing many problems just because of weak roots due to inefficient education system.

6.3 The Law of Karma

6.5.1 Ethics of Swami Vivekananda

Swami Vivekananda (real name Narendra Nath Dutta) was a disciple of Ramkrishna Paramhansa. He became a monk at a very early age, but he wasn't much like other saints. To describe Swami Vivekananda as a saint would be confining his identity because he was a great thinker, philosopher, peace-builder, a believer of modern science and education and most importantly a youth icon. His ethical philosophy was based on mutual respect of human beings, where one believes in equality.

- Swami Vivekananda said that morality is based on the purity of the soul and not on the societal censure.
- He believed that the intrinsic nature of human beings is purity.
- He said that our Atman i.e. our true divine self is one with the supreme spirit or Parmatman. This means that he believed in the highest true potential of human beings and the inclusivity of people and their surroundings.
- His theory of divine self and oneness with the supreme spirit teaches to love and serve everyone around, which leads to ethical behavior.
- Swami Vivekananda believed in serving people and he urged educated people to help those who lived in hunger and unfavorable conditions.
- He believed in the youth and urged them to make determination to work for bigger causes and attain success. He used to tell the youth that if they were determined then there is nothing that cannot be achieved.
- He urged the youth to persevere until the goal is achieved and gave the slogan, "Arise, awake and stop not, till the goal is reached."

6.5.2 Ethics of Mahatma Gandhi

Mahatma Gandhi, though born in a Hindu family, was highly influenced by other religions as well and he believed that religion is not something that is rigid but which leads to the moral government of the universe. He took insights from Bhagwad Gita and taught many lessons to humanity about moral values. His contribution to the independence of India through non-violence and satyagraha are known throughout the world. Following are his idealism :

- He believed that perfection cannot be achieved in terms of achieving the highest self and hence human beings must keep on striving to follow the virtues of truth, love, non-violence, tolerance, fearlessness, charity and service to mankind.

- He believed that service to mankind was service to God. He said that to see God one must see through his creations. This thought leads to the mutual growth of everyone.
- He talked about ethical conduct to be very important and that people must uphold the truth regardless of consequences.
- He strongly emphasized on cleanliness. He stressed on both- physical and spiritual cleanliness. Spiritual cleanliness leads to purity of mind and makes a person of high moral values.
- His Ahimsa or non-violence did not only mean refraining from killing, but also to show love and compassion to the entire humanity. Being inclusive and having compassion for everyone is actually non-violence. He believed in peaceful co-existence of the mankind.
- His doctrine of trusteeship regarded the wealthy to be the trustees for the disproportionate wealth they hold. Hence, they have to use it for the betterment of poor and underprivileged and build a society of equality.
- His term Satyagraha was given to the passive resistance movement by adopting the virtues of truth and non-violence. One who holds the virtues and follows the moral discipline and holds on the truth is called Satyagrahi. Satyagraha also means dialogue. That means that any conflict can be resolved by listening to both parties and getting the complete truth.

6.5.3 Ethics of Sri Aurobindo Ghose

Sri Aurobindo Ghose was an Indian philosopher, yogi, guru, poet, and a nationalist. He joined the Indian movement for Independence and was an influential leader. Later on he became a spiritual reformer, and gave his entire attention to yoga. He believed that moral principles must not be based on any external code as such an approach narrow and judgmental. Some of his views on ethical conducts are as below :

- He believed that people of moral values neither calculated the consequences, of less or more or of the greatest number of people using utilitarianism, nor does they lay down any conditions, but act ethically because that is the right thing to do.
- He believed that the true nature of the human beings is the highest self, where they always act according to what is right.
- He believed that when no rule is imposed on human beings and when there is a seeking of the true self, then the self evolves and then the act of justice, compassion, purity, truthfulness, etc. becomes a natural expression.

- He believed in the spiritual realization that not only liberated but transformed human nature. He developed a spiritual practice called *Internal Yoga*.

6.5.4 Ethics of Rabindranath Tagore

Rabindranath Tagore was a novelist, dramatist, educationist, poet, social reformer and politician. He had a vast knowledge of all fields that were of concern for Indian life. His significant ideas are as below :

- He believed in spiritual humanism. The supreme reality, according to him, can only be achieved through love of mankind. Love of god translated to love of human.
- He believed that every human being is entitled to freedom - spiritual, economic and political. He stood by individuals for justice because he thought that the state existed for the individuals and its activities must be directed towards the betterment of those individuals.
- He advocated stand-alone spirit and fearlessness and urged people to stand up for their rights.
- He had faith in social solidarity and ancient Indian culture and civilization. He felt that social and political institutions must go side by side. He therefore believed in making constructive efforts to revive ancient Indian culture.
- His education system is revolutionary and he believed that the objective of education is not merely an accumulation of knowledge, but it is for the overall development of a human being. He emphasized on freedom and joy in education and hence elimination of physical punishment, examination and fear.
- He believed in an education which allows the eastern and western culture to unite and understand each other. Therefore, he established "Shantiniketan" a new university, which acted as connecting thread between India and the world.
- While each of the above great men gave their own views in different words, their thoughts are targeted to only one direction and that is the achievement of the greater self through spiritual practice. Also, from their lives it is clear that spiritual practice is the purity of self and bringing out our highest potential and it does not involve any kind of rituals. All of these thinkers points out that doing good for others is the greatest good. Their philosophies are based on religion, but "religion" for them is not something with rigid rituals and rules, but that which liberates the human beings and help them find their ultimate self.
- In conclusion, we can say that there are many theories and values that are based on different moral reasoning and human beings use different theories at different point of time based on the situation and the reasoning which is best suited. Merely using these theories as reasoning tools without any kind of deep

knowledge or practical experience, usually leaves people in confusion. There can be inconsistency in moral behavior of people due to this. For this, we have seen that a strong educational system which makes the core values of the individual right from the childhood is necessary. And finally, from the lives of great individuals from the history, it is proved that every human being can achieve a highest state where they will naturally take the moral path.