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Formative Assessment 1: Business **Ethics** HBMN201-1

1.1. In South Africa, Ubuntu is a philosophy that embodies humanity and connection with each other. It emphasizes the belief that individuals exist in

relation to others and their community. Ubuntu promotes compassion, respect and harmony among people, focusing on shared humanity and collective wellbeing.

1.2. Historical Divisions: Deep-rooted historical divisions and inequalities have hindered the application of Ubuntu principles across all sectors of society. Corruption and Self-Interest: Rampant corruption and self-serving interests have undermined the spirit of Ubuntu, leading to exploitation rather than communal upliftment.

Political and Economic Challenges: Persistent political and economic challenges have created barriers to implementing Ubuntu effectively, with power struggles and resource disparities impeding progress.

1.3. Reconciliation Efforts: Tutu played a pivotal role in post-apartheid South Africa, promoting forgiveness and reconciliation, embodying the spirit of Ubuntu in fostering unity.

Advocacy for Justice: He has been a vocal advocate for social justice, equality, and human rights, aligning with Ubuntu's emphasis on fairness and inclusivity.

Compassionate Leadership: Tutu's leadership style reflects empathy, compassion, and a commitment to the well-being of all, showcasing Ubuntu values in action.

2.1. The Employment Equity (EE) Act in South Africa, introduced after 1994, aims to address discrimination in the workplace and promote fair employment practices. Here is how the EE Act addresses discrimination fairly during recruitment processes:

Theory Knowledge:

The EE Act is based on the principle of affirmative action, intending to redress past imbalances and promote equal opportunities for all individuals, irrespective of their race, gender, or other characteristics.

Application:

Equitable Representation: The EE Act requires businesses to ensure that their workforce reflects the demographic profile of the country. This means actively seeking to employ individuals from designated groups who have been disadvantaged in the past.

Recruitment Procedures: Employers are mandated to implement fair recruitment processes that do not discriminate against candidates based on characteristics such as race, gender, or disability. This involves advertising job vacancies widely, using unbiased selection criteria, and providing equal opportunities for all applicants.

Training and Development: The EE Act emphasizes the importance of training and development opportunities for employees from designated groups to enhance their skills and promote career advancement, thus addressing historical inequalities.

Argument:

The integration of the EE Act into recruitment processes ensures that businesses comply with the law and contribute to building a more inclusive and diverse workforce. By actively promoting equal opportunities and fair treatment, the EE Act helps to create a more equitable society and economy in post-apartheid South Africa.

In conclusion, the Employment Equity (EE) Act plays a crucial role in combating discrimination, promoting diversity, and fostering inclusivity in the workplace, aligning with the South African government's objective of achieving transformative change and addressing the legacies of apartheid.

3.1. Ethical Practices: Businesses need to uphold ethical standards in their operations, including transparency, honesty, and integrity.

Environmental Sustainability: Companies should be environmentally conscious, implementing practices that minimize their impact on the environment and promote sustainability.

Social Responsibility: This involves contributing positively to society, such as through community development projects, fair labor practices, and philanthropic initiatives.

Corporate Governance: Ensuring effective governance structures, accountability, and compliance with laws and regulations is vital for corporate responsibility.

3.2. Employee Rights: The Companies Act and business rescue legislation protect employees' rights during the process. Employees retain their jobs and benefits, and their salaries are prioritized for payment.

Consultation: Employers are required to consult with employee representatives during the business rescue process to ensure their interests are considered in decisions impacting the company's future.

Job Security: The business rescue plan must outline measures to stabilize the company's operations and preserve jobs where possible, providing a degree of job security for employees.

Skills Development: The restructuring may include provisions for skills development and training programs to enhance employee capabilities and adapt to changing business needs.

4.1. Unfair Competition: Competitors engaging in anti-competitive practices such as price-fixing or market manipulation can harm consumers and undermine fair competition.

Intellectual Property Infringement: Competitors stealing or misusing intellectual property, trade secrets, or innovations can lead to ethical concerns regarding intellectual property rights and innovation stifling.

4.2. Interests: The government seeks economic growth, job creation, and tax revenue from businesses, aligning with its role in promoting a stable and prosperous economy.

Roles: Governments regulate businesses to ensure compliance with laws, protect consumer rights, and promote fair competition. Additionally, they provide infrastructure, support economic development initiatives, and collect taxes to fund public services.