Ethical Dilemmas in Businesses

**In** a perfect world, businesses and their employees would always do the right thing. Unfortunately, in the real world, ethical dilemmas are a common occurrence in the workplace. According to the Merriam Webster Dictionary, dilemmas are situations or problems where a person has to make a difficult choice; an ethical dilemma is a problem where a person has to choose between a moral and an immoral act. Employees must deal with pressures to perform and help the company succeed as well as personal temptations to take the easy way out. In the end, workers will likely face many dilemmas in their careers; companies should provide training and information to assist them in making the right decision

Corporate social responsibility (CSR) means businesses making choices, not only based on profit margins but also the best options for society. This can encompass an area as small as the community surrounding the business, the country associated with the business or even global social responsibility. When thinking in terms of social responsibility, ethical problems inevitably arise. From an ethical standpoint, these considerations are subjective, leading to debate over the choices you make as a company.

Ethics can be dangerous to your career. The danger may come not from your own ethics but from the ethics of people around you and the organization of which you are a part. At work, you may be called upon to do things that turn out to be unethical or even illegal. What should you do if that occurs? According to the old adage, “The best defense is a good offense.” And the best defense against involvement in wrongdoing is being prepared for organizational challenges that will inevitably test your personal values, moral beliefs, and commitment to doing the right thing.

I believe that most people use a faulty model of unethical behavior because they think that “bad” people do “bad” things. In many cases, however, wrongdoing is done by people who are viewed as good employees, good managers, and even good leaders. The real challenge understands why “good” people do “bad” things. One reason is that they fail to recognize that the problem they are confronting has an ethical component and is not solely marketing or finance or other kind of problem. As a result, they often lack the ability to analyze the problem from an ethical perspective. Thus, the goal of ethics training is not to change people’s ethics — that is, make bad people good — but, rather, to enhance people’s sensitivity to ethical issues and provide them with tools for resolving ethical dilemmas effectively.

**Financial Concerns**

Doing good deeds and helping the community often times costs money. This can still turn a profit for a company as the positive press can increase business and potential revenue. The company must weigh the overall expenditures even if it is willing to accept a loss for some of the community work. The business maintains an ethical responsibility to its shareholders and employees to be as successful as possible in order to ensure the security of the business long term. This is where the social financial responsibility gets murky. The benefits and costs must be analyzed to determine how much money the business can afford to pump into the community to fulfill a social obligation.

**Pressure from Management**

Each company's culture is different, but some companies stress profits and results above all else. In these environments, management may turn a blind eye to ethical breaches if a worker produces results, given the firm's mentality of "the end justifies the means." Whistle-blowers may be reluctant to come forward for fear of being regarded as untrustworthy and not a team player. Therefore, ethical dilemmas can arise when people feel pressured to do immoral things to please their bosses or when they feel that they can't point out their coworkers' or superiors' bad behaviors.

**Social Norms**

Because individual ethical codes vary greatly, businesses must find an identity, and this is usually by weighing the standard social norms. This keeps the company away from hot button issues and helps to provide a structure for business activity. It also outlines an ethical form of involvement with society yet steers away from offending potential consumers. While these are standard practices, other companies have increased success by tying in with a particular social cause or cultural phenomenon. In these cases the company should work to ensure the involvement is genuine and a part of the charter or mission to define its goals. Some companies work from a particular religious background, whereas others make improving education a goal. Sometimes these goals include donating portions of profits to social causes that the business has deemed worthy.

**Ambition and Discrimination**

Individual workers may be under financial pressure or simply hunger for recognition. If they can't get the rewards they seek through accepted channels, they may be desperate enough to do something unethical, such as falsifying numbers or taking credit for another person's work to get ahead.   
Though diversity is an important part of business, some people may not be comfortable with people from different backgrounds and possibly be reluctant to treat them fairly. This kind of discrimination is not only unethical but illegal and still remains common.

**Negotiation Tactics**

While these factors can cause ethical dilemmas for workers within their own companies, doing business with other firms can also present opportunities for breaches. Pressure to get the very best deal or price from another business can cause some workers to negotiate in bad faith or lie to get a concession. Negotiators may also try to bribe their way to a good deal. While this is illegal in the U.S., it still sometimes happens; in other nations, it is more common, and sometimes even expected, which can put negotiators in a difficult position.

**Environmental Responsibility**

A growing concern for corporate social responsibility has been the treatment of the environment, especially those that manufacture or create goods. While the governments of areas tend to make the rules, companies can choose to hold a higher standard. This oftentimes gives a good face to the public and might increase business. Other issues include not doing business in countries where manufacturing is causing damage to the environment. While the transition to becoming a “green” company might require an initial investment, it is socially responsible, ethically sound and in the long run might end up saving significant amounts of money.

**Labor Markets**

Business continues to flee the United States due to the strict labor laws in place and the increase in the cost of workers due to the cost of living. It is much more economical to farm work out to locales where wages are lower. This has developed into an ethical issue of corporate social responsibility. While the profit margins might be greater if the labor is outsourced, many analysts believe companies need to look at the long-term effects of such moves as they might increase profits now; but if people can no longer afford your products, in time this move could damage the company and even put it out of business. Labor unions and the business world need to work together to ensure sustainability of the market for the overall success of society as well as the company.

**Solutions**

These ethical dilemmas can be difficult for workers to grapple with, especially if they don't know what the company's official guidelines are. Therefore, it is in an organization's best interest to provide ethical training to its employees, to help them identify unethical behavior and give them tools with which to comply. Every company should have an ethical policy that spells out its penalties for infractions. Moreover, management must lead by example, showing that the company takes ethics seriously and that violators will be punished according to the organization's policies, including possible suspension or termination.

**Good business practices aren’t just about the**

**bottom line \_they’re also about morality**.

## Examples of Ethical Dilemmas

**Accounting:**

Your supervisor enters your office and asks you for a check for $150.00 for expenses he tells you he incurred entertaining a client last night. He submits receipts from a restaurant and lounge. At lunch your supervisor’s girlfriend stops by to pick him up for lunch and you overhear her telling the receptionist what a great time she had at dinner and dancing with your supervisor the night before. What do you do? Bank Teller: You have worked as a bank teller for several months when one of the other tellers who has become a good friend tells you that her daughter is extremely ill and that se must have an operation to survive. She also tells you that she has no insurance and the operation will cost $10,000. Sometime later you ask her about her daughter and she tells you she is just fine now. She then confides in you that she took $10,000.00 from a dormant account at the bank to pay for the operation. She assures you that she has already started paying it back and will continue to do so until it is all returned. What do you do?

**Computers:**

In your spare time at work, you have developed a new spreadsheet program on the personal computer in your office. It is even more powerful, yet easier to sue than anything on the market. You share your new program with a friend who encourages you to market it on your own because you could probably make an incredible profit in a very short time. This is a very attractive option, yet you developed it using company equipment and during time that you were at work. What do you do?

**Journalism/Advertising**

Your newspaper has published a report on a national study, which concluded that bottled water has virtually no health advantages over the tap water in more cities, including yours. The study included comments from local health storeowners and water distributors challenging the study. The Aqua Pure Bottled Water Company, advertising account worth over $75,000. a year, has threatened to pull its account with your newspaper unless you run another story of equal prominence, focusing on the benefits of bottled water. What do you do?

**Law Enforcement**

You are a rookie officer assigned to a training officer for the first six months of your employment. The raining officer is a 20-year veteran and is a close friend of thee Assistant Chief of Police and the brother-in-law of the Watch Commander. The third day that you are working with him you respond to a burglary call at a local convenience store. It is 2:30 am and the manager has been notified. You are directed to wait 30-35 minutes for his arrival. A short time later you observe your partner take a soda, candy and a bag of chips. e consumes the soda and chips. When the manager arrives, the two of you depart. What, if anything, should you do?

**Personnel**

Your company has a firm policy regarding cases of theft of company property. Used company equipment is on a table to be sold by bid each month. You see a valued employee who is 2 months from retirement slip an electric drill from the table and put it in his car before the day of the sale. What so you do? Real Estate A lady from out of town calls you to list her deceased parent’s home in Liberty. She is not sure what it is worth, but says she will be happy to get $50,000.00 for the home. You look at the home and feel it is worth at least $75,000, and re4laise it would be perfect for your brother. What do you do?

**Retailing**

You are the buyer for a retail-clothing store. Your store has a policy of not accepting gifts. However, over the years, salesmen have offered, and other employees have accepted lunch, theater and baseball tickets. You arrive home from the office and find a new TV and DVD player on your doorstep with a note that says: “A personal gift for our long standing friendship. Enjoy it with you family in good health. The Jones Clothing Company” What do you do?

**Teacher**

You have a student who is from a single parent family. The student must work to attend college. However, the job is interfering with the student’s performance and several assignments have not been turned in. You have determined that a “D” is all the student can make when a counselor informs you that the tudent need a “C” to qualify for an academic scholarship. ‘What do you do?

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