Managing Business Ethics with the context of Conflicting Purposes: Strategic Paradigm Review

Dr Ahmed houzayma
Amman *Jordan*

Abstract

Business ethics is defined as a system charecterised by an action that used to modify an abstract understanding of business role toward legacy aspects. In spite of such good meanings and content of the definition, the extent of empirical support is equivocal and riddled with problems of conceptualizing for common use system in different organizations and environments. As such, the term needs more investigation and discussion.

In today workplaces, the real applications and different scholars and researchers have contributed to form new paradigm toward an integrated meanings and understanding of business ethics as a system.

The article attempts to argue the most critical characteristics, which form to some extent a constructive paradigm toward an ethics system. Furthermore, the paper will focuses upon the most common conflicts and sources that occurred between different viewpoint and divergent meanings of ethics from a strategic outlook model.

This article applies the popular content analysis for theoretical investigation and modeling purposes and addresses the research concerns. So that, the outcome of analysis is aiming to be capable of producing an ethical quality system paradigm. Ethics Quality identifies what is broke, and then provides ways to fix it. Since prevention is always cheaper than damage control and crisis management. This system is useful to be use in different business tasks, regardless of being behavioral, technological and informational and other business aspects. To go further, I would like to say our intent in this context is to develop global total quality management ethics indications.

Introduction:

Business and ethics are inextricably linked. However, managing ethics in the workplace holds tremendous benefit for leaders and managers, benefits both moral and practical. This is particularly true today when it is critical to understand and manage highly diverse values in the workplace. Business ethics can be strong preventative medicine. Attention to ethics in the workplace helps employees face reality, both good and bad -- in the organization and themselves.

Employees feel full confidence they can admit and deal with whatever comes their way.

Managing ethics identify preferred values and ensuring organizational behaviors are aligned with those values. This effort includes recording the values, developing policies and procedures to align behaviors with preferred values, and then training all personnel about the policies and procedures. This overall effort is very useful for several other programs in the workplace that require behaviors to be aligned with values, including quality management, strategic planning and diversity management. Total Quality Management includes high priority on certain operating values, e.g., trust among stakeholders, performance, reliability, measurement, and feedback. Ethics management techniques are highly useful for managing strategic values, e.g., expand market share, reduce costs, etc. These activities are the basis of a sound ethics management program.

However, the field of business ethics has traditionally been the domain of philosophers, academics and social critics. Consequently, much of today's literature about business ethics is not geared toward the practical needs of leaders and managers -- the people primarily responsible for managing ethics in the workplace. The most frequent forms of business ethics literature today typically include: a) philosophical, which requires extensive orientation and analysis; b) anthologies, which require much time, review and integration; c) case studies, which require numerous cases, and much time and analyses to synthesize; and d) focus on social responsibility, which includes many examples of good and bad actions taken by companies. This lack of practical information is not the fault of philosophers, academic or social critics, but it is the lack of business leader's involvement in business ethics. Often ethicists advance a kind of moral absolutism that avoids many of the difficult and most interesting questions. Ethical dilemmas are often far too simplistic, presented as if every real-life situation has a right and wrong, many managers believe business ethics is irrelevant because too much business ethics avoids the real-to-life complexities in most organizations. Ethical decisions are not as easy as they used to be. They are the difference between right and right or to choose between right and wrong, by relying on principles. However, business activity often demands that we select from alternatives that are neither wholly right nor wholly wrong.

Research Problem:

This paper focuses on some “how”questions. It is as much about behavior in organization as it is as about business ethics. Business ethics has long needed a practical resource that is designed particularly for managers and groups or those people charged to ensure ethical practices in their organizations. Unfortunately, all parties (internal and external) have no any logical answers to the meaningful role of ethics in architecture of rationale business behavior. As such, ethics contain sensationalistic stories about businesses "gone bad" or prolonged preaching to businesses to "do the right thing". This simplistic view requires more logical information about managing ethics.

Research assumptions:

1-Due to the lack of involvement from leaders and managers in the field of business ethics, it has spawned a great deal of confusion and misunderstanding among leaders and managers about business ethics. (McDonald and Zepp, 1990)

2-Business Ethics Literature is Often Far Too Simplistic; often ethicists advance a kind of moral absolutism that avoids many of the difficult and most interesting questions.

Ethics concept:

Many people tend to equate ethics with their feelings, as sociologist Raymond Baumhart asked business people, "What do ethics mean to you?" Among their replies were the following: (Wikipedia) (Keith Davis, et-al, 1984, p.76.)

“Ethics has to do with what my feelings tell me is right or wrong.”
”Ethics has to do with my religious beliefs.”
”Being ethical is doing what the law requires.”

”Ethics consists of the standards of behavior our society accepts.” ”I don’t know what the word means.”

These replies convey the meaning of “ethics” as hard to pin down. However, Simply stated, ethics refers to standards of behavior that tell us how human beings ought to act in the many situations in which they find themselves-as friends, parents, children, citizens, businesspeople, teachers, professionals, and so on.

It is helpful to identify what ethics is NOT (Wikipedia):

- Ethics is not the same as feelings. Feelings provide important information for our ethical choices. Some people have highly developed habits that make them feel bad when they do something wrong, but many people feel good even though they are doing something wrong. In addition, often our feelings will tell us it is uncomfortable to do the right thing if it is hard.
- Ethics is not religion. Many people are not religious, but ethics applies to everyone. Most religions do advocate high ethical standards but sometimes do not address all the types of problems we face.
- Ethics is not following the law. A good system of law does incorporate many ethical standards, but law can deviate from what is ethical. Law can become ethically corrupt, as some totalitarian regimes have made it. Law can be a function of power alone and designed to serve the interests of narrow groups. Law may have a difficult time designing or enforcing standards in some important areas, and may be slow to address new problems.
- Ethics is not following culturally accepted norms. Some cultures are quite ethical, but others become corrupt –or blind to certain ethical concerns Ethics is not science. Social and natural science can provide important data to help us make better ethical choices. However, science alone does not tell us what we ought to do. Science may provide an explanation for what humans are like. Nevertheless, ethics provides reasons for how humans ought to act. Moreover, just because something is scientifically or technologically possible, it may not be ethical to do it.

The interpretation of the above contextual meanings, the concept has come to mean various things to various people. Generally it is coming to know as a form of applied ethics_that examines ethical rules and principles within a commercial context; the various ethical problems that can arise in a business setting; and any special duties or obligations that apply to persons who are engaged in business.” As such, business ethics is a normative discipline, whereby particular ethical standards are assumed and then applied (Stephen, 1989, p.264). Also called moral philosophy the discipline concerned with what is morally good and bad, right and wrong. The term is also applied to any system or theory of moral values or principles (Britannica, 2005) .It is clear that ethics can only have come into existence when human beings started to reflect on the best way to live. This reflective stage emerged long after human societies had developed some kind of morality, usually in the form of customary standards of right and wrong conduct (Britannica, 2005).

The context of ethics makes claims about what ought to be done or what ought not to be done, so that, most basic ethical principles, are more concerned with practical problems and applications, and most common duties that might apply to business relationships(Wikipedia). The terms ethics and morality are closely related. We now often refer to ethical judgments or ethical principles where it once would have been more common to speak of moral judgments or moral principles. These applications are an extension of the meaning of ethics. Strictly speaking, however, the term refers not to morality itself but to the field of study, or branch of inquiry, that has morality as its subject matter. In this sense, ethics is equivalent to moral philosophy

Although ethics has always been viewed as a branch of philosophy(Oxford Wordpower Dictionary, 2000, p.256), its all-embracing practical nature links it with many other areas of study, including anthropology, biology, economics, history, politics, sociology, and theology. Yet, ethics remains distinct from such disciplines because it is not a matter of factual knowledge in the way that the sciences and other branches of inquiry are. Rather, it has to do with determining the nature of normative theories and applying these sets of principles to practical moral problems (Britannica, 2005).

Business Ethics Perspectives:

In order to deal with the meaningful application of ethics as an applied model in business, a critical viewing to the content and perspectives of the ethics intent should be investigated. As such, business ethics can be examined from various perspectives, including managers, leaders, employees, commercial enterprises, ethicists, and society as a whole. Very often, situations arise in which there is conflict between one and more of the parties, such that serving the interest of one party is a detriment to the other(s). For instance, a particular outcome might be good for the employee, whereas, it would be bad for the company, society, or vice versa. Henry Sedgwick has mentioned in this respect," the principal role of ethics as the harmonization and reconciliation of conflicting interests" (Wikipedia). Still we believe that convergence of theories contends came across person feelings, which may recoil from doing what is right, and may deviate from what is ethical.

To further our discussion in this area, we refer to the conflicting views toward an integrated understanding model to ethical system in business intities; some suggest that the principal purpose of a business is to maximize returns to its owners, or in the case of a publicly traded concern, its shareholders. Thus, under this view, only those activities that increase profitability and shareholder value should be encouraged. Some believe that the only companies that are likely to survive in a competitive marketplace are those that place profit maximization above everything else. However, some point out that self-interest would still require a business to obey the law and adhere to basic moral rules, because the consequences of failing to do so could be very costly in fines, loss of licensure, or company reputation.

Other theorists contend that a business has moral duties that extend well beyond serving the interests of its owners or stockholders, and that these duties consist of more than simply obeying the law. They believe a business has moral responsibilities to so-called stakeholders, people who have an interest in the conduct of the business, which might include employees, customers, vendors, the local community, or even society as a whole. They would say that stakeholders have certain rights with regard to how the business operates, and some would even suggest that this even includes rights of governance (CIPE,June,2004,p.10).

Some theorists have adapted social contract theory to business, whereby companies become quasi-democratic associations, and employees and other stakeholders are given voice over a company's operations. This approach has become especially popular subsequent to the revival of contract theory in political philosophy, and the advent of the consensus-oriented approach to solving business problems. In this regard reflects an aspect of the "quality movement" that emerged in the 1980s. To copy the work of philosophers Thomas Donaldson and Thomas Dunfee in this aspect they proposed a version of contract theory for business, which they call Integrative Social Contracts Theory. They posit that conflicting interests are best resolved by formulating a "fair agreement" between the parties, macro-principles that all rational people would agree upon as universal principles, and, ii) micro-principles formulated by actual agreements among the interested parties. Critics say the proponents of contract theories miss a central point, namely, that a business is someone's property and not a mini-state or a means of distributing social justice. Having discussed the overwilmingly contributions of literature in a divergent understanding to the ethics, ethical issues can arise when companies must comply with multiple and sometimes conflicting legal or cultural standards, as in the case of multinational companies that operate in countries with varying practices. It some times claimed that a Gresham's law of ethics applies in which bad ethical practices drive out good ethical practices. It claimed that in a competitive business environment, those companies that survive are the ones that recognize that their only role is to maximize profits. On this view, the competitive system fosters a downward ethical spiral.

Rushworth Kidder (IFGE,2003) developed a fascinating way to address ethical conflicts. He calls it a "dilemma". Instead of feeling stuck in a choice between violating your ethics and doing something painful but ethical, he suggests exploring if there is a third, unexplored option.

On the other side, there are many moral controversies today are couched in the language of rights. Indeed, we seem to have witnessed an explosion of appeals to rights. The appeal to rights has a long tradition. In this respect, the question established, what is a right? A right is a justified claim on others. For example, if I have a right to freedom, then I have a justified claim to be left alone by others. Turned around, I can say that others have a duty or responsibility to leave me alone. If I have a right to an education, then I have a justified claim to be provided with an education by society.

The "justification" of a claim is dependent on some standard acknowledged and accepted not just by the claimant, but also by society in general. Moral rights are justified by moral standards that most people acknowledge, but which are not necessarily codified in law; these standards have also, however, been interpreted differently by different people. Still this logic faces matter of Negative and Positive Rights. One of the most important and influential interpretations of moral rights is based on the work of Immanuel Kant, an eighteenth century philosopher. Kant maintained that each of us has a worth or a dignity that must be respected. This dignity makes it wrong for others to abuse us or to use us against our will. Kant expressed this idea in a moral principle: humanity must always be treated as an end, not merely as a means. To treat a person as a mere means is to use a person to advance one's own interest. However, to treat a person as an end is to respect that person's dignity by allowing each the freedom to choose for him or herself. Although such discussion widely accepted as logic, Conflict of Rights still stands. Whenever we are confronted with a moral dilemma, we need to consider whether the action would respect the basic rights of each of the individuals involved. How would the action affect the basic well-being of those individuals? How would the action affect the negative or positive freedom of those individuals? Would it involve manipulation or deception—either of which would undermine the right to truth that is a crucial personal right? Actions are wrong to the extent that they violate the rights of individuals.

Ethics and thinking approaches:

The above discussion has come with general divergence and convergence thinking to present ethics ingredients. Philosophers in this context have developed six commonly used approaches in real organization behavior (Velasquez et al):

1 –Utilitarian approach:

Jeremy Bentham and John Stuart Mill to help legislators determine which laws were morally best-conceived utilitarianism in the 19th century. Both Bentham and Mill suggested that ethical actions are those that provide the greatest balance of good over evil.

To analyze an issue using the utilitarian approach, we first identify the various courses of action available to us. Second, we ask who will be affected by each action and what benefits or harms will be derived from each. Third, we choose the action that will produce the greatest benefits and the least harm. The ethical action is the one that provides the greatest good for the greatest number.

2- Rights Approach

Rights approach has its roots in the philosophy of the 18^{th}-century thinker Immanuel Kant and others like him, who focused on the individual's right to choose for her or himself. According to these philosophers, what makes human beings different from mere things is that people have dignity based on their ability to choose freely what they will do with their lives, and they have a fundamental moral right to have these choices respected. People are not objects to manipulate; it is a violation of human dignity to use people in ways they do not freely choose.

Of course, many different, but related, rights exist besides this basic one. These other rights (an incomplete list below) can think of as different aspects of the basic right treated as we choose.

- The right to the truth: We have a right to be told the truth and to be informed about matters that significantly affect our choices.
- The right of privacy: We have the right to do, believe, and say whatever we choose in our personal lives so long as we do not violate the rights of others.
- The right not to be injured: We have the right not to be harmed or injured unless we freely and knowingly do something to deserve punishment or we freely and knowingly choose to risk such injuries.
- The right to what is agreed: We have a right to what has promised by those with whom we have freely entered into a contract or agreement.

In deciding whether an action is moral or immoral using this second approach, then, we must ask, does the action respect the moral rights of everyone? Actions are wrong to the extent that they violate the rights of individuals the more serious the violation, the more wrongful the action.

3- Fairness or Justice Approach

The fairness or justice approach to ethics has its roots in the teachings of the ancient Greek philosopher Aristotle, who said, “Equals should be treated equally and unequal unequally.” The basic moral question in this approach is: How fair is an action? Does it treat everyone in the same way, or does it show favoritism and discrimination?

Favoritism gives benefits to some people without a justifiable reason for singling them out; discrimination imposes burdens on people who are no different from those on whom burdens are not imposed. Both favoritism and discrimination are unjust and wrong.

4 –Common-Good Approach

This approach to ethics assumes a society comprising individuals whose own good is inextricably linked to the good of the community. Community members are bound by the pursuit of common values and goals.

The common good is a notion that originated more than 2,000 years ago in the writings of Plato, Aristotle, and Cicero. More recently, contemporary ethicist John Rawls defined the common good as “certain general conditions that are…equally to everyone’s advantage.”

In this approach, we focus on ensuring that the social policies, social systems, institutions, and environments on which we depend are beneficial to all. Examples of goods common to all include affordable health care, effective public safety, peace among nations, a just legal system, and an unpolluted environment.

Appeals to the common good urge us to view ourselves as members of the same community, reflecting on broad questions concerning the kind of society we want to become and how we are to achieve that society. While respecting and valuing the freedom of individuals to pursue their own goals, the common-good approach challenges us also to recognize and further those goals we share in common.

5–TheVirtue.Approach

The virtue approach to ethics assumes that there are certain ideals toward which we should strive, which provide for the full development of our humanity. These ideals are discovered through thoughtful reflection on what kind of people we have the potential to become.

Virtues are attitudes or character traits that enable us to be and to act in ways that develop our highest potential. They enable us to pursue the ideals we have adopted (Edwin, 1985, p.203). Honesty, courage, compassion, generosity, fidelity, integrity, fairness, self-control, and prudence are all examples of virtues.

Virtues are like habits; that are, once acquired; they become characteristic of a person. Moreover, a person who has developed virtues will be naturally disposed to act in ways consistent with moral principles. The virtuous person is the ethical person.

In dealing with an ethical problem using the virtue approach, we might ask, what kind of person should I be? What will promote the development of character within my community and me?

6- Law and religion approach:

Whithin an Islamic context, the term most closely related to ethics in the Qur`an is khuluq. The Qur`an also uses a whole array of terms to describe the concept of goodness: khayr (goodness), birr (righteousness), qist(equity),‘adl (equilibrium and justice), haqq (truth and right), ma‘ ruf (known and approved), and taqwa (piety). Pious actions are described as salihat and impious actions are described as sayy◌ٔi at.(Fakhry, Majid. 1991, pp. 12-13.)

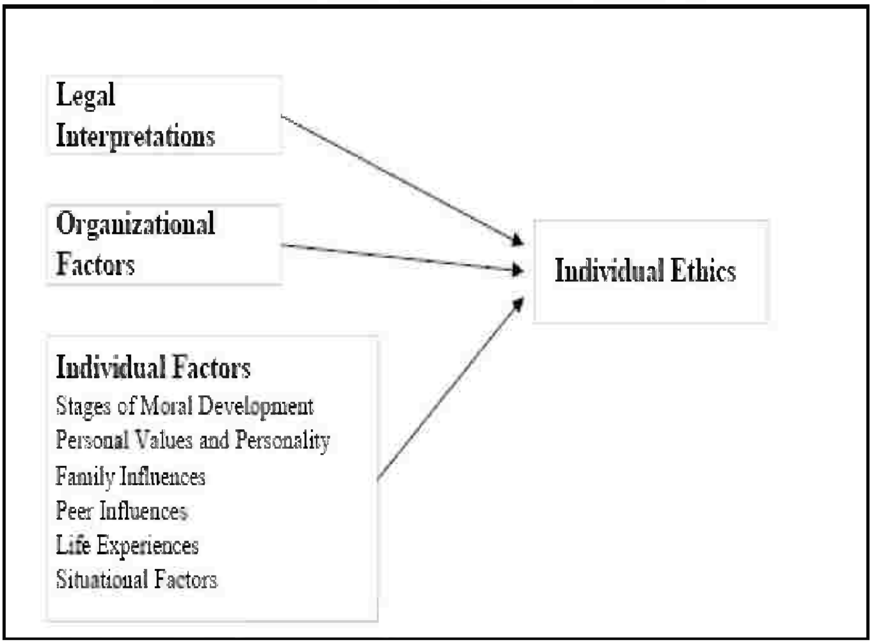
On the one hand, there is the law, which deals with crime and punishment. On the other, there is religion, which deals with virtue and sin. Organizational ethics sits in between – it goes well beyond the law, and links to the personal beliefs of employees, but its focus is the corporation, association, or government department. Such groups of people must work together to achieve common goals, while also striving to do the right thing in a complex, diverse world. However, this approach actually deals much more with creating and maintaining a healthy corporate culture than with exploring philosophical ethics applied to business.

Putting the above Approaches all Together:

In order to derive a comprehensive approach to ethics system, still many debates left behind. However, each of the above approaches derives standards for ethical behavior. Nevertheless, there are still questions are raised, and solutions needed to presented. The first problem is that we may not agree on the content of some of these specific approaches. We may not all agree to the same set of human and civil rights. We may not agree on what constitutes the common good. We may not even agree on what is a good and what is harm. The second problem is that the different approaches may not all answer the question “What is ethical?” in the same way. Nonetheless, each approach gives us important information with which to determine what is ethical in a particular circumstance. Moreover, much more often than not, the different approaches do lead to similar answers. What is considered ethical behavior may depend on the factors that define and affect ethical behavior.

These factors have been identified in figure (1) (Rafik Issa Beekun, 1996, p.4)

Figure 1
Determinants of Individual Ethics[8]



The above factors investigate an exemplary model with the following questions:

- What benefits and what harms will each course of action produce, and which alternative will lead to the best overall consequences?
- What moral rights do the affected parties have, and which course of action best respects those rights?
- Which course of action treats everyone the same, except where there is a morally justifiable reason not to, and does not show favoritism or discrimination?
- Which course of action advances the common good?
- Which course of action develops moral virtues?

In the end, we must deliberate on moral issues for ourselves, keeping a careful eye on both the facts and on the ethical considerations involved. Moreover, ethics is at its best when intents, means, and ends, individually and collectively pursue a greater good.

Commenting on the many contradictions which govern the complexity of ethical issue, we face a choice between a group where accept modest sacrifices for a common good or a more contentious society where group selfishly protect their own benefits. So that a recognition of and commitment to the "common good." Solving problems of accepting and building a widely accepted ethics system. However, the new trend is a matter of replacing the "ethic of individual rights" with an "ethic of the common good". (Velasquez, et al)

The above discussion is not the end of the road; appeals to the common good have also surfaced in discussions of business' social, environmental and other related discipline. What exactly is "the common good", and why has it come to have such a critical place in current discussions of problems in our society? The common good is a notion that originated over two thousand years ago in the writings of Plato, Aristotle, and Cicero. More recently, the contemporary ethicist, John Rawls, defined the common good as "certain general conditions that are…equally to everyone's advantage". The common good, then, consists primarily of having the social systems, institutions, and environments on which we all depending work in a manner that benefits all people.

Strategic Ethics Paradigm:

Managing ethics paradigm is based upon addressing the alignment between employee behaviors with those top priority ethical values preferred by leaders of the organization and stakeholders. Usually, an organization finds surprising disparity between its preferred values and the values actually reflected by behaviors in the workplace. Ongoing attention and dialogue regarding values in the workplace builds openness, integrity and community – critical ingredients of strong teams in the workplace. Employees feel strong alignment between their values and those of the organization. They react with strong motivation and performance. This reaction translating sensations into actions and benefits, as well. However, the following list describes various types of benefits, which come across the intent ethics paradigm in the workplace:

1. Business ethics has substantially improved organization society.

2. Help maintain a moral course in turbulent times.

3. Cultivate strong teamwork and productivity

4. Support employee growth and meaning.

5. Ethics are an insurance policy – they help ensure that policies are legal.

6. Help avoid criminal acts "of omission" and can lower fines.

7. Help manage values associated with quality management, strategic planning and diversity management – this benefit needs far more attention.

8.Promote a strong public image.
9. Overall benefits of ethics programs

10. Last – and most – formal attention to ethics in the workplace is the right thing to do.

The above benefits will create a model of highly ethical organization (Doug Wallace). The main principles, which describe such type of organizations, are (Mark Pastin1986):
1. they are at ease interacting with diverse internal and external stakeholder groups. The ground rules of these firms make the good of these stakeholder groups part of the organizations'own good.
2. They are obsessed with fairness. Their ground rules emphasize that the other persons'interests count as much as their own.
3. Responsibility is individual rather than collective, with individuals assuming personal responsibility for actions of the organization. These organizations'ground rules mandate that individuals are responsible to themselves.
4. They see their activities in terms of purpose. This purpose is a way

of operating that members of the organization highly value. Moreover, purpose ties the organization to its environment.
5. There exists a clear vision and picture of integrity throughout the organization.
6. The vision is owned and embodied by top management, over time.
7. The reward system is aligned with the vision of integrity.
8. Policies and practices of the organization are aligned with the vision; no mixed messages.
9. It is understood that every significant management decision has ethical value dimensions.
10. Everyone is expected to work through conflicting-stakeholder value perspectives.

Norms toward ethical paradigm implementation success:

The following guidelines ensure successful implementation in a meaningful fashion in the work place:
1. *Recognize that managing ethics is a process.* Ethics is a matter of values and associated behaviors. Values are discerned through the process of ongoing reflection. Therefore, ethics programs may seem more process-oriented than most management practices. Managers tend to be skeptical of process-oriented activities, and instead prefer processes focused on deliverables with measurements. However, experienced managers realize that the deliverables of standard management practices (planning, organizing, motivating, controlling) are only tangible representations of very process-oriented practices. For example, the process of strategic planning is much more important than the plan produced by the process. The same is true for ethics management. Ethics programs do produce deliverables, e.g., codes, policies and procedures, budget items, meeting minutes, authorization forms, newsletters, etc. However, the most important aspect from an ethics management program is the process of reflection and dialogue that produces these.deliverables.
2. The bottom line of an ethics program is accomplishing preferred behaviors in the workplace. As with any management practice, the most important outcome is behaviors preferred by the organization.

The best of ethical values and intentions are relatively meaningless unless they generate fair and just behaviors in the workplace. That's why practices that generate lists of ethical values, or codes of ethics, must also generate policies, procedures and training that translate those values to appropriate behaviors.
3. The best way to handle ethical dilemmas is to avoid their occurrence in the first place. That's why practices such as developing codes of ethics and codes of conduct are so important. Their development sensitizes employees to ethical considerations and minimizes the chances of unethical behavior occurring in the first place.
4. Make ethics decisions in groups, and make decisions public, as appropriate. This usually produces better quality decisions by including diverse interests and perspectives, and increases the credibility of the decision process and outcome by reducing suspicion of unfair bias.
5. Integrate ethics management with other management practices. When developing the values statement during strategic planning, include ethical values preferred in the workplace. When developing personnel policies, reflect on what ethical values you'd like to be most prominent in the organization's culture and then design policies to produce these behaviors.
6. Use cross-functional teams when developing and implementing the ethics management program. It is vital that the organization's employees feel a sense of participation and ownership in the program if they are to adhere to its ethical values. Therefore, include employees in developing and operating the program.
7. Value forgiveness. This may sound rather religious or preachy to some, but it is probably the most important component of any management practice.

An ethics management program may at first actually increase the number of ethical issues to be dealt with because people are more sensitive to their occurrence. Consequently, there may be more occasions to address people's unethical behavior. The most important ingredient for remaining ethical is trying to be ethical. Therefore, help people recognize and address their mistakes and then support them to continue to try operate ethically.

8. Note that trying to operate ethically and making a few mistakes is better than not trying at all. Some organizations have become widely known as operating in a highly ethical manner, e.g., Ben and Jerry, Johnson and Johnson, Aveda, Hewlett Packard, etc. Unfortunately, it seems that when an organization achieves this strong public image, it's placed on a pedestal by some business ethics writers. All organizations are comprised of people and people are not perfect. However, when a mistake is made by any of these organizations, the organization has a long way to fall. In our increasingly critical society, these organizations are accused of being hypocritical and social critics soon pillory them. Consequently, some leaders may fear sticking their necks out publicly to announce an ethics management program. This is extremely unfortunate. It's the trying that counts and brings peace of mind – not achieving an heroic status in society.

Beside the above contribution to the overall success process, the performance improvement considered an outcome of paradigm. Ethics improve performance by developing quality of social system, people system, or culture, in the organization.

Toward a global ethics paradigm:

Certain management roles prove useful managing ethics globally in the workplace. However, the following functions points out responsibilities that should be included in the organization.

First:Functional.elements:

1. *Chief executive Officer must fully support the paradigm.* The chief executive should announce the program, and champion its development and implementation. Most important, the chief executive should consistently aspire to lead in an ethical manner.

2. *Consider establishing an ethics committee at the board level.* The committee would be charged to oversee development and operation of the ethics management program.

3. *Consider assigning/developing an ethics officer.* This role is

becoming more common, particularly in larger and more progressive organizations. The ethics officer is usually trained about matters of ethics in the workplace, particularly about resolving ethical dilemmas.
4. *Consider establishing an ombudsperson.* The ombudsperson is responsible to help coordinate development of the policies and procedures to institutionalize moral values in the workplace. This position usually is directly responsible for resolving ethical dilemmas by interpreting policies and procedures.
5. *Note that one person must ultimately be responsible for managing the ethics management program.*

Second:Procedural.elements:

You may want to develop an overall corporate code of ethics and then a separate code to guide each of your programs or departments. Consider the following guidelines when developing codes of ethics
1. *Review any values need to adhere to relevant laws and regulations;* this ensures your organization is not (or is not near) breaking any of them.

2. Review which values produce the top three or four traits of a highly ethical and successful product or service in your area, e.g., for accountants: objectivity, confidentiality, accuracy, etc. Identify which values produce behaviors that exhibit these traits.
3. Identify values needed to address current issues in your workplace. Issues about respect, fairness and honesty. Identify which values would generate those preferred behaviors.

4. Identify any values needed based on findings during strategic planning. Review information from your SWOT analysis (identifying the organizations strengths, weaknesses, opportunities and threats). What behaviors are needed to build on strengths, shore up weaknesses, take advantage of opportunities and guard against threats?
5. Consider any top ethical values that might be prized by stakeholders. For example, consider expectations of employees, clients/customers, suppliers, founders, members of the local community,..etc.

6. Collect from the above steps, the top five to ten ethical values that are high priorities in your organization

7. Compose your code of ethics; attempt to associate with each value, two example behaviors which reflect each value.

8. Obtain review from key members of the organization. Get input from as many members as possible.
9. Announce and distribute the new code of ethics (unless you are waiting to announce it along with any new codes of conduct and associated policies and procedures). Ensure each employee has a copy and postcodes throughout the facility.
10. Update the code at least once a year.

11. (Note that you cannot include values and preferred behaviors for every possible ethical dilemma that might arise. Your goal is to focus on the top ethical values needed in your organization and to avoid potential ethical dilemmas that seem mostly likely to occur.

12. Develop Codes of Conduct
Codes of conduct specify actions in the workplace and codes of ethics are general guides to decisions about those actions, Craig Nordlund, Associate General Counsel and Secretary at Hewlett Packard, suggests that codes of conduct contain examples of appropriate behavior to be meaningful.

Third*: *Policies elements:

Ethics policies are like table spices. They are very useful when they are *mixed correctly* into the right recipes. They can ruin a dish if *mixed incorrectly. In addition,* they are only a compliment – and never a substitute for the underlying food they are intended to enhance.

To be useful ethics policies must be designed to meet the specific ethics needs of the organization. For example, if the organization needs less heavy handedness and more openness, yet the ethics policy emphasizes the need for employee loyalty and limited employee use of company e-mail systems, then the resulting mismatch robs the policy of relevance and effectiveness. No matter how well conceived, no ethics policy could fix problematic ethics patterns. Good policies can only set standards, and most do a poor job of that.

Ethics policies are not the most important aspect of Ethics Management. What matters is not the spice but the quality of the underlying food. Hence, it is the thinking and behavior patterns in the organization that give rise to ethical behavior. Either these behaviors are congruent with sound ethical processes, or they are not. It therefore is the ethical process quality that matters, not the policies or standards they are supposed to meet. If you do not have an ethics policy that does not mean you are failing in your ethics management. However, if you have an ethics policy, it is quite important that it be supportive of the specific ethics processes needed by the organization, and that existing ethics processes are soundly constructed and aligned.

Ethics policies should do more than just make you appear ethical. They should support specific "process" requirements and be auditable against those requirements.

Attributes of Good Ethics Policy:

The first objective of any ethics policy is to facilitate legitimate ethical reasoning activity. It is impossible to merely glance at an ethics policy and judge its "goodness." The true test of any ethics policy is how it actually works within a specific organization. The following attributes are frequently missing in weak ethics policies, and are positive drivers in strong policies:

1. <u>Addressing the "Big E"</u> (not just the "Little e"). Policies not only need to address compliance issues (the "Little e") but (the Big "E") issues such as the organization's moral maturity level; the ethical behavior within operating processes assuring that intents, means and ends are all good; and the meeting of all stakeholder requirements. The "Little e" is about control, whereas the "Big E" is about prevention, performance, and quality. Effective policies are more about the "Big E" than the "Little E."

2. Universality: Ethical policies must be based on universal ethical principles such as The Golden Rule and The Greatest Good. Core principles must be capable of trumping compliance policies.

3. Sound Logical Reasoning: Most ethical reasoning flaws begin with logical reasoning flaws. Ethics policies need to reflect a commitment to data driven and logical decision processes (Paul, 1988, p.49), information sharing, effective dialog and examination. Ethics cannot operate without facts and execution between people. See our training aid Organizational Reasoning.

4. Ethical Examination Skills: Ethical reasoning is a process capability that takes on different forms throughout the organization's culture. Ethics policies need to reflect a commitment to developing ethical reasoning capabilities at every level of the organization, with every employee, regarding how to elevate dialog and reasoning to "right versus right" reasoning modes. Developing and sustaining such skills require training, practice and rewards. See our training services.

5. Transforming "wrong" to "right" and "bad" to "good:" Good ethics policies promote skills where non-universalizable principles, such as fallacies and lower forms, will be identified and transformed into higher forms of universal ethical reasoning. The transformation of wrong thinking, wrong actions, and bad outcomes to right thinking, right actions and good outcomes is the "blocking and tackling" of organizational ethics. See our training aid 101 Fallacies and Lower Forms. To encourage this policy must assure that all employees may freely engage and question the ethics of any action without penalty. The organization needs to actively solicit inputs from all participants to aid in the identification of ethical issues. See our Online Group Surveys and Diagnostics.

6. Prevention: Ethical policies need to emphasize the examination process of identifying "bad" ethical rationale and transforming them to "good" ethical rationale, as stated in Attribute #5, but with one kicker: It must be accomplished *before the fact*. Most ethics policies merely catch wrongdoing after the fact when many of the failures, if identified earlier, could have been prevented. A good ethics policy incorporates early warnings, checks, and balances, not merely to catch and punish violators, but to identify emerging risks and prevent ethics failures.

7. Organizational Change Orientation: Organizational processes and practices impose a dominating influence on individual ethical behavior in organizations. Ethics policies need to encourage and reward willingness to adapt values and behavior patterns to improve the organization's moral maturity. Policies also need to confront

processes more than individual's actions, and be more about learning and changing, than just compliance. Adherence to fixed values at the expense of a dynamically driven organizational ethics can itself become a cause of unethical behavior, posing an even greater liability to the group than minor issues of noncompliance. Moving the entire group to the next ethical level is far more important than punishing an employee for padding a time sheet by a few minutes.

8. Employee Training: Ethics policies should require uniform ethics training around universal ethical principles, and training needs to be provided continuously. Most employees need to be exposed to the ethical principles several times before they can internalize them, and most need to actively practice them with the support of fellow workers to develop proficiency with them. See courses: Basic Ethics Training and Getting Ethics into Organizations.

9. Leadership by Example: Ethics policies are not tactical or symbolic monuments that executives can erect and delegate, or worse yet ignore. Ethics policies are only as valid as the commitment management give to them. Too many ethics policies are relegated to being defacto instruments of control levied by upper management to control lower level employees. Management is ultimately responsible for the level of organizational ethics in the firm, and therefore needs to be held to a *higher* ethical standard than regular employees, not the lower standard we too often see among corporate leaders. Management's ethics set the tone for the ethics of the entire organization. Therefore, ethics policies succeed in proportion to how managers lead them by example.

Conclusion:

We have seen in the preceding items that ethics are intrinsically complex issue. Moreover, to pursue strategic ethics paradigm. However, when organizations pursue "system wide ethics" incorporating logical reasoning, human nature, and utility requirements, the resultant change in moral behavior, performance improvement and business success is often significant. The best reason for upgrading from an ethics program driven by policy to a program driven by process quality is, in a word, results.

There are three reasons for pursuing Ethics Quality.

1. Ethics Quality puts usefulness first, not last. This assures management buy-in and organization-wide participation.
2. Ethics Quality requires performance improvement. This assures that ethics is used to support organizational objectives.
3. Ethics Quality is a measurable process capability. This enables objectivity and continuous improvement.

Ethics Quality occurs when a repeatable ethics reasoning process is integrated into the entire organization, *and* when the outputs of this reasoning result in the intents, means, and ends that are "good" for all involved.

Here are some quality measurement and criteria that form comprehensive parameters that assist in some way or another in ***managing total quality of ethics system.*** This may comprehend all separate ideals of the above concepts and approaches toward a comprehensive organizational ethics paradigm.

1. Ethics is a *process* that is directly linked to strategic performance, and should be applied in a universal and repeatable manner by most organizations.

2 Ethics is an issue of reasoning, not just policies, so the organization, at all levels, can determine on its own, on an ongoing basis, what is "right" and "wrong" and "good" and "bad" for them and others.

3. Ethics tends to *integrate* complex social and cultural means of organization life and behavior.

4. Ethics is a magnitude policy for organization welfare society and a way for excellent performance.

5. Ethics is a way of managing crises and change especially at turbulent conditions.

6. Ethics is a matter of continuing improvement to organizational intents, means and outcomes for all involved.

7. Ethics is final resort to what is right, good, important, better, best, acceptable, from those are wrong, bad, less important, worse, and not acceptable.

Although the above findings and theoretical evidence concluded a comprehensive ethics concept, still an Islamic definition conveyed more positioned and integrated concept in simple way, that includes all ethics quality criteria in terms of: *khayr (goodness), birr (righteousness), qist(equity), ‘adl (equilibrium and justice), haqq (truth and right), ma‘ ruf (known and approved), and taqwa (piety).* All related actions are described as *salihat* and impious actions are described as *sayyi at.* In this meaning, any organization at this globe can converts the meaning in their cultural terms. Then the paradigm is very easy to determine and to implement.

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