

Essence of Ethics and Its Practice in Indian Companies – A Study

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ABSTRACT

Ethics is an area of what morality requires of humans, usually with regard to duty, obligation, justice, and particular virtue. It is concerned with matters like rightness and wrongness, what is right morally and what exactly is immoral. The Greek word "Ethikos," which means conduct, custom, or habit, is where the word ethics originates. These definitions closely resemble those of the Latin word "mores." Hence, ethics is considered studying morality which addresses moral behavior, judgment, habit, character, laws, or ideals. It's important to distinguish between habit and character. Character is the inner inclination or bent of mind, while habit is the external manifestation of that propensity. Base of ethics is human conduct, which addresses good and wrong behavior with respect to the highest objectives of human life. Such a value system is passed down between different generations and has its roots in religion. Common examples of such kind of values are compassion, kindness, truth, honesty, and not harming other people etc.

Keywords – ethics, branches, decision, behaviour, morals, values, actions, companies.

1. INTRODUCTION –

Moral ideas and ideals, embodied in ethics and ethical behavior, are applicable not just in personal lives but also in business and society. In a personal context, ethics mean person's standards of behavior and conduct as per their moral beliefs and ideals. The latter qualities help us make moral decisions and decisions based on our moral judgment, which in turn determines our level of satisfaction or dissatisfaction with our choices, actions, and results. They also help us decide what exactly can be said to be morally right and wrong in a situation. Our decision-making process is guided by our moral convictions and understanding. We feel content and glad when the decision is reasonable and fair, or the other way around. In actuality, people feel, reason, and deliberate; then, they decide and act in specific situations depending on these sentiments and discussions. As a result, our behaviors or reactions to circumstances often mirror our thoughts, feelings, and assessments of situations based on our moral standards and values. Thus, this highlights two points -

- (i) Our actions and behaviour demonstrate our ethical standards and
- (ii) Our moral judgment, which is predicated on beliefs and values that we have, determines our feelings of happiness and sadness or contentment and dissatisfaction.

Respecting societal norms and moral standards to safeguard others' interests is the fundamental tenet of ethics. This manifests itself in our personal life in our (ethical) conduct and behavior; in the economic world, it takes shape of a trusteeship mindset. While we may not always behave in the best interests of others, our decisions and actions must never be driven by greed, self-interest, or self-gain and must never cause undue harm to others. The ultimate goal of ethical behavior and practice is to feel content with one's actions, conduct, and results - rather than necessarily feeling justified in doing so. This is what moral behavior looks like. There's a thin line between justified and satisfied in this situation. Regardless of the consequences of their actions, most people attempt to defend them. If one monitors closely the results of that justified action, we might not necessarily be happy with it - not because of the event itself, but because of its repercussions.

2. NATURE AND MEANING OF ETHICS

The science of ethics is normative. By outlining what should be the ideal human behavior and character, it establishes the standard. It investigates morality in human behavior in the quest for ultimate ideal good, but it makes no recommendations for how to get there.

Ethics holds that the morality of an action rests more on its inner reason and attitude than on its outward behavior. One's attitude remains moral and ethical even if one fails to assist a poor person due to financial constraints.

Observing, categorizing, and justifying moral behavior keeping moral standards in mind is one of ethics' goals. The science of ideals is called ethics. It views man as a self-aware entity aware of his dealings with his family, and society. Consequently, sociology and, of course, philosophy are closely related to ethics. The science of character is one definition of ethics. It does not, however, examine the historical development or genesis of behavior

and character. However, it does look at the nature of moral principles. Human behaviors are considered morally correct when they align with moral principles. A person has an obligation to pursue what is right and proper. Ethics is also concerned with moral sentiments since moral judgments follow moral sentiments. The Theory of Moral feelings by Adam Smith examines the nature, traits, and applications of moral feelings. Feelings of approval, disapproval, guilt, and right and wrong are examples of these emotions.

3. LITERATURE REVIEW

Many of these theories can be blended and synthesized in a several ways and are not mutually incompatible (Thiroux and Krasemann, 2009). It is more practical to think of ethics with regards to levels or degrees of what is good. There's no such thing as the ultimate good, and we can always think and act more ethically. The fourth and ninth chapters of Lombardo (2011) states that ethics is not a destination rather it is a journey.

Many major religions hold an absolutist view of ethics, according to which humans should not dispute the laws of morality as they were established by God or another ultimate being. According to Thiroux and Krasemann (2009), it is an absolutist theory of ethics which is directly based on "Divine Command."

Secular philosophers contend that faith in God is not required for ethics; in fact, some secularists contend that faith in God obstructs evolution of a sensible, practical, or compassionate ethics (Harris, 2010; Hitchens, 2007). The perspective of caring or social ethics holds that doing something just for one's own gain is the height of unethical behavior - indeed, psychopathic or wicked behavior. Good and noble deeds are those which may benefit others. Indeed, a social view of ethics holds that our actions toward others are connected with our moral principles (Gilligan, 1982). A well-liked modern ethical theory that

integrates two seemingly incompatible points of view is the "win-win" method of making decisions. Look for choices that are advantageous to own and also other people. It is "win-lose" mentality to view ethics as benefiting oneself or others, but not both; if I win, you lose, and if you win, I lose. It is preferable to search for "win-win" situations (Eisler, 2007). If truth or justice is example of abstract qualities, then honesty and fairness would be examples of virtues - values that are visible in character of people. Aim of virtue theories of ethics is to characterize the good in humans as a collection of virtues or character qualities (Throux and Krasemann, 2009).

4. PRINCIPLES OF ETHICS -

- i) **Ego - based Principle (Ethical or Psychological Egoism)**
- Human behavior is fundamentally selfish and egocentric. Even when a man donates to a charity, his real goal is to become well-known so that his ego will be nourished. Adam Smith did note, nevertheless, that some effects of human greed might promote societal welfare by meeting wants. But self-centeredness and selfishness are not the same things. Selfishness does not interfere with the interests of others, even while it is intended to enhance personal ambition. Conversely, selfishness is the pursuit of benefits sacrificing benefit of others. Therefore, if a cake is purchased for a family of three and half of it is consumed by one boy / girl before being divided by others, that person can be considered selfish because he has diminished the part that belongs to others. However, it shows self-centeredness for someone to purchase cake and not share it with his pals.
- ii) **Rule - based Principle** - According to this principle, moral behavior should be guided by predetermined standards of ethics. Significance of the open action in this situation outweighs the consequences. Example - the maxim

"always speak the truth" holds significance regardless of the positive or negative outcomes.

- iii) **End - based Principle** - The idea of the results of acts forms the foundation of this ethical precept. As a result, a task is only started when it will be useful or yield some positive benefits. This is commonly referred to as utilitarianism or consequentialism.
- iv) **Care - based Principle** - It is regarded as the ethical golden rule. An agent's actions under this rule are motivated by compassion and care. As a result, if an accident victim is laying in the road, your assistance might not be as beneficial as it could be because providing him with the required medical attention will cost money and time, and dealing with the aftermath could involve handling a police case. Thus, ethics based on usefulness and consequence does not tell that one should tend to the sufferer. Care and compassion are the only ethics that apply in this situation. All religious teachings are built on the care-centered ethics, which is above over all other values. It should be highlighted that the idea of justice continues to serve as the fundamental tenet in every situation.

5. RAMIFICATIONS OF PRINCIPLES OF ETHICS -

Following are the ramifications of the four ethical standards mentioned above:

- a) These principles imply that different decisions can be made in a given scenario, and that a particular principle can be adopted based on its merits.
- b) Any of the concepts can be put into effect, depending on the user's preference. What is still crucial is the context. A person does not have to adhere to the same idea consistently.

- c) There are four perspectives on the world from an ethical standpoint. Every principle is distinct in its own right. Since each principle has equal appeal, it is impossible to say which is superior. Still, a lot of people find the caring principle unique.

6. BRANCHES OF ETHICS –

Applied Ethics - explains to us how a moral conclusion can be reached. It is focused on how moral principles are used in real-world situations. Applied ethics is an academic field that primarily uses philosophical methodologies to investigate the morality of specific practical human activities. Since ethics primarily addresses the practical acts of daily life and several professions have codes governing such behaviors, this inquiry can be tracked to antiquity. It was developed as an academic field in the West in the 1960s as a result to secularization, advancements in technology, and a gap in public policy. These problems are now urgent in light of the current globalization. Apart from recently developed fields, applied ethics can be further subdivided into bioethics, environmental ethics, corporate ethics, and social ethics.

Utilitarianism - The theory of utilitarianism dictates what is right and wrong. Determining whether a human activity is right or bad is a normative ethical concept. This idea states that the total well-being of all individuals constitutes societal welfare. What ought people to do? Both deontological and teleological solutions are possible. According to deontological theory, doing one's duty comes first. According to teleological theory, in the end, we must go for specific actions that have the potential to make the larger number of people happy. It is more centered on the creation of policies since it takes usefulness of laws and regulations in consideration. According to utilitarianism, the sole good in the world is human happiness. This serves

as a normative-positive test for all institutions, policies, and deeds. Act utilitarianism and Rule utilitarianism are the two main types of utilitarianism. Act utilitarianism focuses on taking decisions that do good to a large number of people. Act utilitarianism, on the other hand, runs into issues since certain behaviors, like stealing, are inherently unacceptable in society. Therefore, rule utilitarianism, which provides guidance to act utilitarianism, must be added to it. It's possible that a certain activity won't always result in the greatest good for the largest number. Following the law, such as traffic regulations, will minimize chaos and increase the enjoyment of onlookers by lowering frequency of accidents.

Consequentialism - The foundation of a consequentialist philosophy is the results of actions. Certain human behaviors are considered desirable when they benefit society as a whole. What matters is how the activity affects society as a whole. The notion of consequentialism is end-oriented. It can be suggested for implementation if the results and conclusion are favorable; otherwise, no. Two significant schools of moral philosophy are embodied in consequentialist philosophy. These two educational institutions are teleological and utilitarian. Utilitarianism and consequentialism are not the same. For a policy to be supported in the former case, positive outcomes are the only factor considered, whereas in the later case, utility is the only consideration.

Teleological Theory - The teleological hypothesis gained popularity thanks to Greek philosophers, especially Aristotle. The Greek telos, which meaning the end or consequences, is the root of the word teleology. Hence, the teleological theory and consequentialism theory are closely related. The notion of teleology does exist in a multitude of versions. Egoism could be found at one end of the teleological theme, and utilitarianism, as proposed by

Jeremy Bentham and John Stuart Mill, is found at the other. A standard for the actual decision-making process to select a course of initiative or policy is provided by utilitarianism. A project is approved if its net benefits outweigh those of any other possible project, and an action is only conducted if it optimizes the net utility, or benefits, from the circumstances at hand. Thus, it would seem that the project was chosen on the basis of morality. Nevertheless, a project that is otherwise morally repugnant may nevertheless produce net advantages or benefits.

Deontology - refers to a certain kind of moral behavior that is founded on obligations and rights rather than just its effects; in this case, the overt action's purpose or motivation is more important than its results. Deontologists are hence non-consequentialists who adhere to a set of dos and don'ts. It is a philosophy which tells you that never steal or kill someone, even if doing so maximizes your benefit or happiness. The idea of the morality or propriety of behavior serves as the foundation for the deontological principle. Nonetheless, there are unwavering moral standards considered as appropriate conduct, such as showing respect for parents and senior citizens. Deontologists believe that moral principles are immutable and stable, and that an ethical behavior is gauged by how well these principles are applied. They disagree that morality is a matter of personal opinion based on virtue and values that are learned from culture and tradition. However, they do emphasize the means rather than the ends of an action, in contrast to teleological philosophers who emphasize on the latter.

Virtue Ethics - Utilitarian and deontological ethics are alternatives offered by virtue ethics. Spotlight of virtue ethics is on qualities and type of person that a person should aspire to be. In other words, ethics is about personal qualities and character rather than about laws or deeds.

Determining the qualities of the researcher and the evaluator in context of research evaluation is essential from this ethical view.

7. BUSINESS ETHICS IN INDIA

Great things occur when commercial ethics take precedence over the actual business. The company rises to a level of prominence never before seen and heard in the annals of corporate ethics.

Consider the Tata group as an illustration. The Tata group experienced a setback a few years ago when a terrorist attack targeted a five-star hotel in Mumbai. The militants were shot to death when the government intervened. But the property was damaged to the tune of several thousand crores.

The former chairman, Ratan Tata, took a very extraordinary action. He did, in fact, impart certain commercial ethics to the world. It was promised to all impacted parties, including the pav bhaji vendor outside the hotel, compensation amounting to several millions of rupees. The education of the affected children, the establishment of a trust for the victims' families' rehabilitation, free lifetime medical care for survivors and their dependents at Tata hospitals, and the full education of the 46 affected children who survived the bombing will all be covered by the Tata group.

Tata personally paid several lakhs of rupees in compensation to the families of each one of 80 workers harmed by the bombing. This exemplified the best of corporate ethics. There was yet more to the story. Police officials involved in other incidents but had nothing to do with the explosion at the hospital were also awarded compensation of Rs. 10,000 per month. Even now, Ratan Tata has made it quite evident what the Tata group stands for.

Likewise, for the WIPRO company. Azim Premji, its chairman, is known for being steadfast in his opinions. When he responded to a budget proposal by suggesting that wealthy businessmen should pay higher taxes, he infuriated a number of other capitalists. Not content to stop there, he also defended his opinions many times. WIPRO has invested more than 900 crores in South Indian states, assisting with the construction of school infrastructure, raising educational standards, and other projects. Its contributions to a number of Tamil Nadu government hospitals are unquestionably an excellent example of business ethics.

8. CONCLUSION

Many theories have attempted to describe what is "right" and "wrong." The Ten Commandments of the Bible in this context states the two most significant qualities are to love God with all of your heart, soul, and mind, and to love your neighbor. Human values like kindness, bravery, and generosity have been emphasized. Scholars have suggested that a person should always abide by the golden mean, which is the average of two extreme values. According to Aristotle, developing one's character is crucial to leading a happy and fulfilling life, yet character is founded on virtues. Based on idea of the greatest good for the greatest number is the utilitarianism. Consequentialism is an end-based theory, meaning that a deed is right if it takes us to a beneficial outcome. The theory of consequentialism, which stresses telos, or the ultimate end, is closely related to teleological theory. Kant highlights that an action's intention is what determines its morality; the act itself is meaningless. He now prioritizes his duties more. He put up the universalism principle, which is anti-consequentialist. We ought to only do actions that are universally applicable. Kant defined categorical imperatives as moral actions that must satisfy two requirements: First and foremost, a

person's motivations for acting a certain manner ought to be those that prompt others to follow suit (universalizability). Second, one should fulfill his or her obligations to other people in a way that he or she would like other people to carry out their obligations to them in an identical manner (reversibility).

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