

BUSA130

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تلخيص تشابتر 2

## Chapter 2 فصل ٢ - "Business ethics and Social responsibility"

**Ethics** are beliefs about what is right and wrong or good and bad

↳ **Ethical behavior** ⇒ what is right and what is good  
 ↳ **unethical behavior** ⇒ what is bad or wrong

Business Ethics :- ethical or unethical behavior by employees in the context of their jobs

### II) Ethics in The workplace

- individual Ethics
- Business and managerial ethics اخلاقيات العمل والإدارة ⇒ \*reflect your work  
\*guide individual manager in their work
  - employees → موظفين
  - organization →
  - Economic Agent → ممثل اقتصادي

#### • 4 Ethics Norms ٤ مبادئ أخلاقية

- ~~Utility~~ ال utilitas
- Rights حقوق
- Justice عدالة
- Caring عناية

### 2) social Responsibility

- stakeholder responsibility
  - investor / consumer
  - supplies / Employees
  - local community
- Contemporary social responsibility المسؤولية الاجتماعية المعاصرة



## The stakeholder Model of Responsibility

1. **Customers** :- Critical Factors Include Charging Fair prices, honoring warranties, and standing behind Product ~~quality~~ quality

2. **Employees** :- Treating workers Fairly, making them a part of the team, and respecting their dignity Promote a company reputation

3. **Investors** :- Managers must follow proper accounting procedures, provide appropriate information to Shareholders, and manage the organization to protect Shareholder investments.

4. **Suppliers** :- Partnership arrangements with suppliers can enhance market image and Firm reputation

5. **Local and International Communities** :- Contributing to local and global programs has a positive impact on the Community.

## Areas of Social Responsibility

### A. Responsibility Toward The environment

→ **Air pollution** ⇒ Under new laws, many companies must install special devices To limit pollutants they expel into the air

→ **Water Pollution** ⇒ Increased awareness of Chemical and waste dumping and The resulting dangers has led to improved water quality In many areas of the country.

→ **Land Pollution** ⇒ Proper Toxic waste disposal and recycling programs are allowing companies to help restore land quality and to Prevent further contamination

→ **Green Marketing** ⇒ Business are increasingly recognizing that looking after The environment is good marketing



## B. Responsibility toward Customers

→ **Consumer Rights** - Consumerism is social activism dedicated to protecting the rights of consumers in their dealings with business.

→ **Unfair Pricing** - (Collusion) occurs when two or more firms agree to collaborate on wrongful acts, such as Price fixing, Price gouging occurs when firms respond to increased demand with steep price increases.

→ **Ethics in Advertising** - Consumers deserve to be given product information that is truthful and can be proven, as well as information that is not morally objectionable.

## C. Responsibility toward Employees

→ **Legal and social commitments** - Hiring, training, promoting, compensating are the basis for social responsibility toward employees.

→ **Whistle-blower** - is an employee who discovers and tries to end a company's unethical, illegal, or irresponsible actions by publicizing them.

## D. Responsibility toward Investors

→ **Improper financial management** - (الادارة المالية غير الملائمة) - insider trading / ضد القانون

→ **Insider trading** - Occurs when someone uses confidential information to benefit from the purchase or sale of stocks.

→ **Misrepresentation of finances** - is where unethical managers project profits that they do not expect to get or hide losses and expenses incurred to boost paper profit.



# Implementing Social Responsibility Programs

كيفية تطبيق البرامج للمسؤولية الاجتماعية

## A. Approaches to Social Responsibility

درجات الأخلاقيات في الشركات

[1] Obstructionist Stance :- (الموقف المعادي) لا سوس  
Organizations do as little as possible to solve social or environmental problems  
لأنهم يخفون الأضرار ولا يحاولون حلها والتفادي عليها (تعارض المسؤولية الاجتماعية)

Hide the Problem

[2] Defensive Stance :- (الموقف الدفاعي) Quick fix  
Organization do everything that is required of them legally but nothing more  
لأنهم يتكلمون فقط بالقانون ← شركات الحاضر يتبعون ما يتوافق

[3] Accommodative Stance :- (موقف التوافق) Best fix  
Organization meets its legal and ethical requirement but will also go further in certain cases  
لأنهم يفعلون أكثر مما يتطلبه القانون / يتكلمون بالقانون

[4] Proactive Stance :- (موقف المبادرة) Best fix  
Firms that adopt this approach take to heart the arguments in favor of social responsibility  
مؤسسات جادة بالمسؤولية تأخذ بجد في حجة المؤيدين للمسؤولية الاجتماعية  
← أفضل مسؤول / لا يتفادونها بل يتفادونها

## B. Managing social Responsibility Programs

إدارة برامج المسؤولية الاجتماعية

⇒ Managers must take steps to foster social responsibility  
يجب على المديرين اتخاذ الخطوات التالية لتعزيز المسؤولية الاجتماعية

- ① Making social responsibility a factor in strategic planning.
- ② Developing a plan detailing the level of management support
- ③ Putting one executive in charge of the agenda
- ④ Conducting Occasional social audits

لأنهم إجراء تدقيقاً اجتماعياً



## Social Responsibility and the small Business

الشركات الصغيرة لديها مسؤولية اجتماعية أيضا  
له العديد من المسؤوليات الأخلاقية والاجتماعية التي تنطبق على الشركات الكبرى تنطبق على الشركات الصغيرة أيضا

### ⇒ How Government Influence Business

[1] Direct → by regulation مثل شركات النحاس ⇒ رفاد من الحكومة

[2] Indirect → Through Taxes الحكومة ترفع الضرائب فيرفعوا سعر

### ⇒ How Business (organizations) Influence Government

[1] PACs ⇒ Political Action Committees  
+ special organization  
منتخب سياسي  
مجموعة من الشركات في دعم رئيس من  
في حالة فائدة الرئيس يدعم الشركات

[2] lobbying ⇒ The use of people or groups  
مجموعة من الأشخاص والرؤساء في الشركات في دعم الحكومة وتأثيرها فيها

[3] Favors ⇒ رشاوة

[4] Personal contacts ⇒ واسطة شخصية

### [1] Formal organizational Dimensions

→ legal Compliance

اخلاقيات الدولة والعالم

→ Ethical Compliance

اتباع الاخلاقيات هي يتوقعها

→ Philanthropic Giving

تولي تبرعات للجمعيات الخيرية

### [2] Informal organization Dimensions

الاعمال النكحمة غير رسمية

→ Leadership القيادة

→ Culture الثقافة

both affect the social responsibility stance of the organization



## ⇒ Evaluating Social Responsibility

لجنة لتدقيق الاموال → Corporate Social Audit (تدقيق اخلاقي)

⇒ من داخل الشركة مهنيين كلجنة  
← نجاح الشركة في استخدام الاموال المخصصة لتحقيق اهداف مسؤوليتها الاجتماعية

[1] Direct → by regulation  
Socially responsible → واجب اجتماعي

[2] Indirect → Through Tax  
Socially responsible → واجب اجتماعي

## ⇒ How Business (Organisation) Influence Government

[1] IAC → Political Action Committee  
A special organization of business leaders

[2] Lobbying → The use of private or corporate resources to influence public policy

[3] Favors → دعم

[4] Personal contacts → علاقات شخصية

[5] Formal (organisational) Committees  
Legal (Constitutional) → قانوني

[6] Political (Constitutional) → سياسي

[7] Political (Constitutional) → سياسي

[8] Political (Constitutional) → سياسي