

ETHICS, MANAGEMENT AND HUMAN RIGHTS

Nelu BURCEA, Lecturer PhD.
“Athenaeum” University of Bucharest

Abstract

The topic of business ethics emerges in the 21st century, if we consider at least two aspects. First, amid the great scandals of corruption and lack of integrity, so we could say it has a reactive background, and secondly, amid the constant development of the legislation that protects and stimulates an ethical approach, but also of the legislation that guarantees the respect for human rights in a financial and economic context. Is the 21st century business world more interested in the sensitive elements of life such as ethics and morality than in profit? Is it the impact of the past 10 years marked in the beginning by profit and then by the unprecedented financial and economic crisis? Whatever the answer to these questions may be, it is certain that ethics and human rights are reflected in the managerial activities and decisions. This conclusion is based on the financial scandals both in Romania and the European countries. Theoretically, financial scandals should not arouse our interest in ethics, morality and respect for individual rights and liberties, but on the contrary. The awareness on the importance of these values should lessen the engagement in unethical managerial activities.

The topic discussed here wants to highlight these elements of ethics and individual liberty through a theoretical and practical approach in order to create an argumentation that would motivate managerial involvement in terms of ethics and human rights.

Keywords: *ethics, management, financial, human rights, economic, spiritual, religious, morality.*

Business ethics and management – a theoretical and practical approach

To better understand and to be able to describe and evaluate the authority of ethics, we must ask ourselves where it came from. Also, in order to understand the need for this concept and the significance of the question, we should imagine a society without rules, which would be almost

impossible. Although ethics should not take into account rules or laws, but rather thoughts, it is more obvious to notice and to evaluate the importance of ethics in a negative context. For example, from 1975 to 1984, 62% of a total of 500 companies were involved in one or more illegal incidents; 42% in two or more unlawful activities and 15% in more than five illegal activities. Among those unethical factors we can list bribes, fraud, deceit (including falsifying tax records, double-entry bookkeeping, etc.) and copyright issues.¹

It is obvious that, along the history, the financial interest within companies has often exceeded the desire for ethics and its reality, but it has also exceeded the ability for an ethical perception of the society. Is the ethics unexplored educational imperative among companies and in society to blame? How could this goal be achieved?

I think that in order to answer these questions we would have to take into account factors such as the importance and origins of ethics, so that we would be able to achieve what would be the best way for understanding and applying ethics in management decisions and for other elements prerequisites or not for life. An interesting answer would be that ethics could be considered of religious origins, if we take into account the explanation that Peter Singer offers to this dilemma, according to which ethics is “a human test necessary in order to align our imperfect nature” and “the divine nature”.² But this possible alignment cannot be made without a certain awareness and indepth regarding the two dimensions that we mentioned “our imperfect nature” and “the divine nature”. Here we are sent more than two antagonistic concepts.

I think to answer these questions would have to take into account factors such as the importance and origin of ethics, to be able to achieve what would be the best way for understanding and applying ethics in management decisions and other prerequisites or not, life. An interesting answer would be that ethics could be considered religious origin, if we take into account the explanation that Peter Singer offers this dilemma, such that ethics is "a human test necessary to align our imperfect nature of the divine nature". But the possible alignment can not be made without awareness and deepening the two dimensions mentioned "our imperfect nature" and "divine nature". Here we are sent more than two antagonistic concepts.

I believe that in order to speak about the fallen human nature we must begin with a theological concept called “sin”. Whether we take into account the theological concept described above or not, the idea of

¹ Etzioni, Amitai. “*Shady Corporate Practices*”, The New York Times, A35. The New York Times Company, 1985, pag. A35.

² Singer, Peter, editor, *Tratat de etica*, Editura Polirom, Iasi, 2006, pg. 30.

imperfect nature remains emphasized, meaning it lacks the ethical and moral, as something wrong, reprehensible. If we compare the realistic term of the human nature, devoid of perfection, with the divine nature, then we can talk about an end point where we should arrive.

Through these two concepts, the starting point of the human nature and the end point of the divine nature, we can talk about a process of reforming ethics, a possible process that turns the individual not only on an ideatic level, but also at a factual one.

Certainly the question about the origins of ethics can find many more answers, but this one seems to me to be relevant regarding the human tendency to reach a pre-existing moral standard, so somehow universally valid. One can address several questions about the efficiency of example, but I think at this level of discussion, the theoretical aspect is enough. In the paper I present other arguments in order to make this plea viable.

If we look at another reality on origins we can discover the beginnings of the interest for ethics in the Greek philosophical world, specifically in the teachings of Aristotle. Ever since then there had emerged trends in addressing ethics as a philosophical discipline which named the overall human customs and traditions. It is important to note that ethics had already been moved to the center of philosophical discussions with the emergence of Socrates.¹

Going to a practical area, can we talk about an uniformity of ethical thinking regardless of the geographic area? It is possible for a multinational to apply the same code of ethics in each national and cultural context?

The national, regional or cultural context does not diminish the importance of ethics, especially in business, but offers a much wider image on the subject, requiring attention for the ethical approach in a scientific light. Such an approach enhances both research and applying ethical principles, on the one hand confirming them, on the other hand developing and aligning the concepts to a universal thought that efficiency should prevail.

On the other hand, awareness on the importance of ethics in the religious concept could broaden the application of ethics among companies and individuals with a religious profile. If this could be possible, then this element should certainly be worth exploring and implementing.

Management and human rights

It is interesting to approach this topic taking into account the interest of the United Nations in this issue in recent years. In 2005 Kofi Annan, who

¹ <http://www.crestinortodox.ro/religie-filosofie/perioada-antropologica/socrate-intemeietorul-eticii-71705.html>

was then the Secretary-General of the United Nations, met Professor John Ruggie, Harvard University's representative for business and human rights. The discussion focused on defining and redefining the term of social responsibility and making a guide to ethical principles in business, consistent with human rights. Large companies have reacted positively, appreciating the association of these two concepts which they considered to be essential in the business reality.¹ During the meeting, Professor John Ruggie was asked: "What kind of cases from the business world creates a higher concern?"² His answer was clever and realistic. He says that no company displays reluctance to human rights. In Professor Ruggie's opinion, most companies respect human rights and many of these cases are rather resolved by the courts empowered rather than through a proactive mentality of the companies in applying and complying with the human rights law as a set of principles rather than being placed in a punitive context.³

Approaching human rights through the lens of business ethics constitutes a new, pretty interesting approach in a moderately widespread but steady process. In civilized countries large companies begin to take into account religious sensibilities, options for work or rest on certain days or certain times, depending on the employee's religious options, but they also take into account the element of non-discrimination highlighted in the local or international law. The great managerial and research efforts involved in this approach can be put, on the one hand, on the account of the concerns for the employee's motivation⁴ and of the companies' wish for performance and, on the other hand, this effort can be seen as a concern for the enforcement and compliance with the human rights legislation.

Approaching management and managerial ethics through the lens of human rights can prove itself a useful strategy in attracting competent employees, but with different religious beliefs, for example. In this context, I find relevant the ethical code of an international company active in the field of industrial engineering and technology, namely Baran Group. In addition to the classical elements of business ethics such as integrity,

¹ <http://business-ethics.com/2011/10/30/8127-un-principles-on-business-and-human-rights-interview-with-john-ruggie/>

² The interview was conducted by Michael Connor a personality in media, entrepreneur, and journalist in written media, radio and television. He is an editor for www.business-ethics.com and he used to be the host of the radio program "Good Company" broadcasted nationwide by Sirius Satellite Radio.

³ <http://business-ethics.com/2011/10/30/8127-un-principles-on-business-and-human-rights-interview-with-john-ruggie/>

⁴ Richard C. Kearney - Editor, Evan M. Berman – Editor, *Public Sector Performance: Management, Motivation, and Measurement*. Contributors. Pag. 101.

respect, social responsibility etc., the company's code of ethics also includes the human rights element.¹

Conclusion

In conclusion, we can also approach business and managerial ethics through the lens of human rights. It is essential that in the 21st century, a century when there is a concern for ethics in various areas, to also manifest concern, be it considered exacerbated, for the rights of the employees, both in areas like religion or individual freedom and in the legal sector, both as a concern for new law and as well as in enforcing it.

Business ethics also takes shape due to the companies' concern for social responsibility and for elements such as honesty, fairness, morality, and respect for the religious identity of minority communities.

Perhaps the business world could not be convinced to be the promoter of fundamental human values like those listed above, but it will certainly be imperative to align to this international direction, on one hand due to the tendency of a certain homogenization of values, and on the another hand, due to the global financial crisis and due to the legal context increasingly broaden and favouring human rights.

References

Etzioni Amitai. "Shady Corporate Practices", The New York Times, 1985 by The New York Times Company

Richard C. Kearney - Editor, Evan M. Berman - Editor *Public Sector Performance: Management, Motivation, and Measurement. Contributors.* Westview Press. Place of publication: Boulder, CO. Publication year: 1999.

Singer Peter, editor, *Tratat de etica*, Editura Polirom, Iasi, 2006

www.business-ethics.com

www.barangroup.com

www.crestinortodox.ro

¹ http://www.barangroup.com/social_responsibility.asp?newsid=83

This approach is also remarkable because many international companies are sending out a positive message for smaller, national or local companies.

