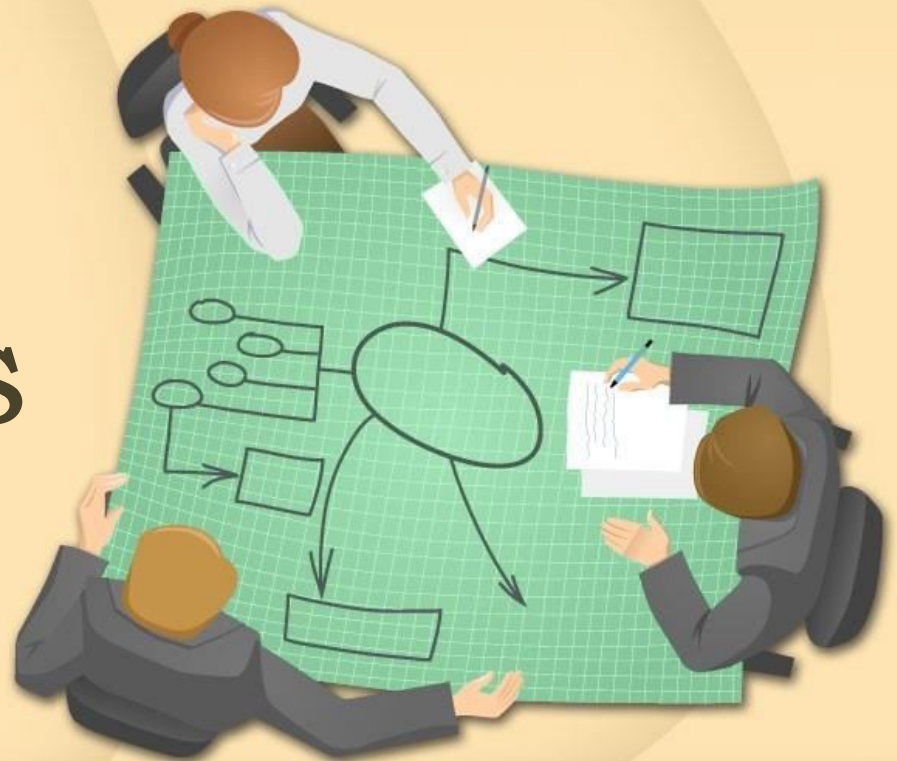


Ethical Dilemmas, Sources & Their Resolutions



THE OBJECTIVE OF THIS PRESENTATION

KNOW ABOUT

- **Ethical dilemma**
- **Affect on business**
- **Code of personal ethics for employees**
- **Ethical work environment**
- **Negative image**

PROBLEMS AND SOLUTIONS

- **Source of ethical problems**
- **How to establish ethical standards**
- **How to resolve ethical dilemmas**

Ethical Dilemma

- Ethical dilemma is moral situation where a choice has to be made between two equally undesirable alternatives.
- It is also known as moral dilemma.
- In these moral situations societal & personal ethical guidelines can provide no satisfactory outcome for solving dilemma.



- **Its mainly impact on organization profitability & competitiveness**

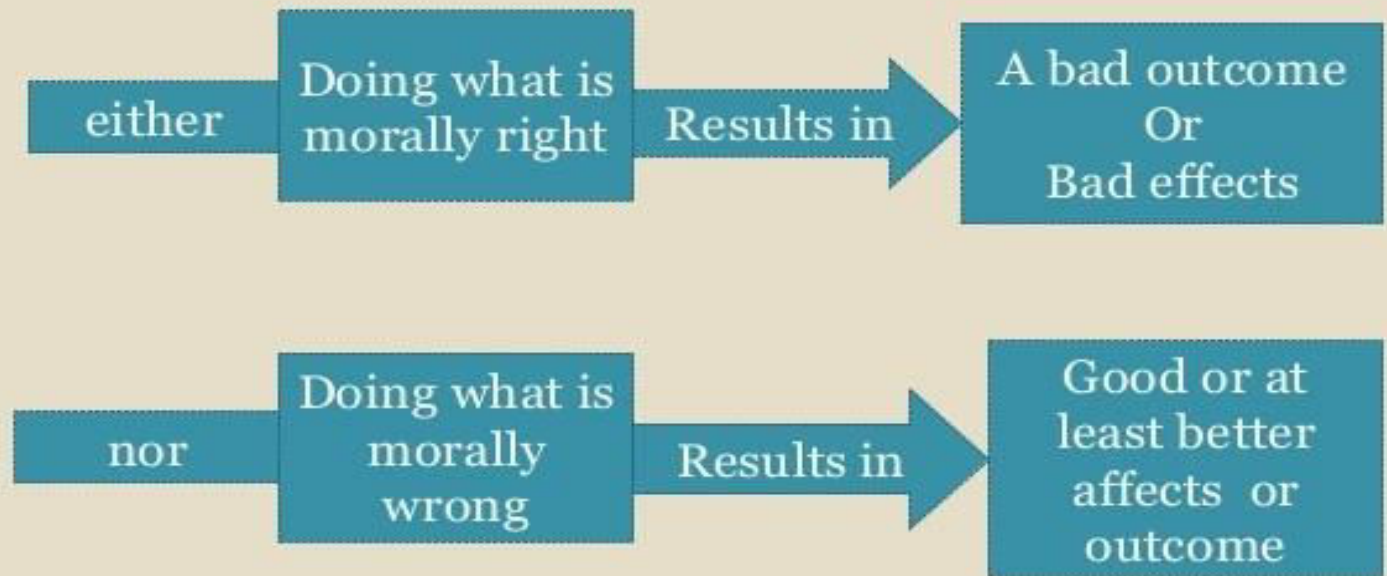
&

- **Its stake holders**



Results in ethical dilemma

Structure of ethical dilemma



Some ethical problem cause ethical dilemmas



Feeling lack of clear linkage between business ethics & financial success

Not clear about how much they should invest they like to know how much good enough

Unclear about right balance between business ethics and the investment

Investment in ethical business may be large it may be even a fruitless wait

Ethical Dilemmas and its effect on Business

□ Corporate management is in dilemmas to follow ethics in business or to favor stakeholders. The major ethical Dilemmas those affect any business are:

⊖ Shareholders.

⊖ Employees.

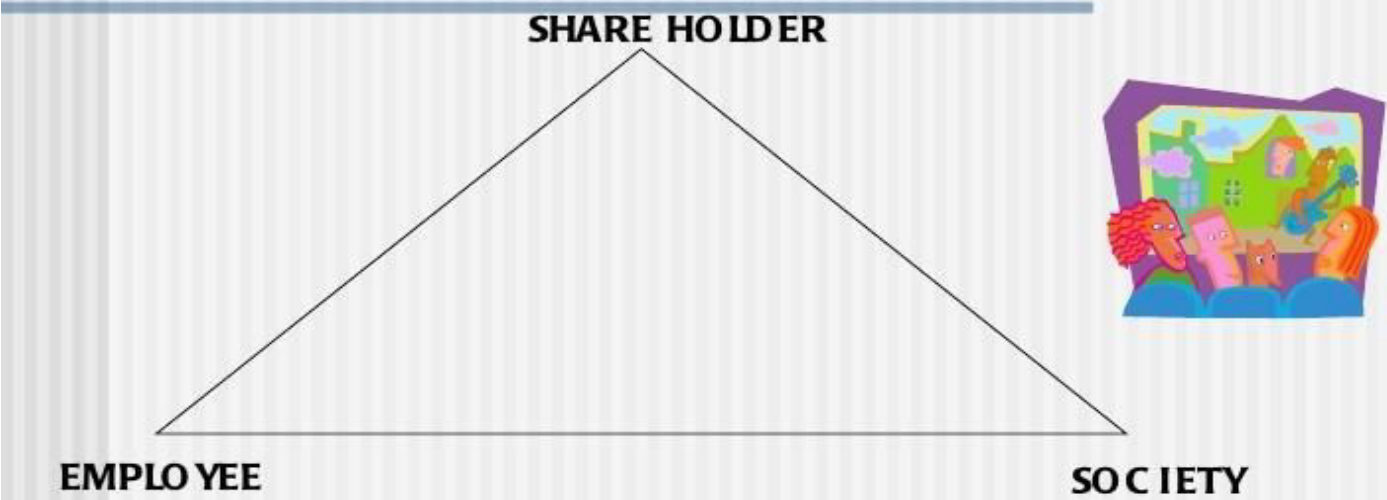
⊖ Society.

⊖ Creates negative image.



AFFECT ON THE STAKEHOLDERS

How Ethical Dilemmas in Business affect the stakeholders?



Ethical dilemmas in business can best be explained by the above triangle with the stakeholders as its vertices . The stakeholders in this case can be broadly classified into shareholders, employees and the society at large.

Negative Image

- ♣ **Negative image is the bad impression of a company or any individual because of wrong or dishonest activity.**
- ♣ **only focusing on the economic profit rather than social welfare.**
- ♣ **low quality products.**
- ♣ **Most often companies have negative image to favor anyone of the stakeholders**



Sources of Ethical Problems

□ Ethical Dilemmas can occur by changes in-

θ Law.

θ Economic system.

θ Ideologies.

θ New technologies.

θ Religious.

θ Cultural and social beliefs.



The major ethical problems may occur due to.....

Failure of Personal Character.

Conflict of Personal Values and Organizational Goals.

Organizational Goals versus Social Values.

Personal Beliefs versus Organizational Practices.

Production and sale of hazardous but popular products.



some ethical challenges

- ♣ Wage discrimination structures of the employees.
- ♣ Overtime work of women & children in factories.
- ♣ Fix the appropriate price and profit in market.
- ♣ Shift business for the betterment of the society.
- ♣ Distribute unfair shares between the stakeholders and employees of the organization.
- ♣ provide quality product to the customers.



Importance of Ethical act in Business Organization

- ⌚ **Maintain good reputation of the organization by meeting the expectation of shareholders.**
- ⌚ **Protect and prevent general public from who are related to the organization.**
- ⌚ **Build good relationship and gain trust of the shareholders of organization.**
- ⌚ **Protect employees of the organization.**
- ⌚ **Protect business organization from dishonest & harmful employees, publics and competitors.**



Reduce & Resolve Dilemmas in Business

- **Establishing corporate code of conducts for employees and follow those rules Strictly.**
- **Employ highly skilled people in the top level of the corporation who have reputation for standard ethical behavior.**
- **Reward to employee who maintain good ethical conducts in their corporate job Performance.**
- **Follow Personal Code of Ethics for Employees.**

Reduce & Resolve Dilemmas in Business

- **Effective and open communication with every employees.**
- **A manager must judge his actions by the fundamental human characteristics such as honesty, transparency, impartiality, fairness & equality.**
- **Avoid situations that create conflict of interest and act integrity.**
- **Create an Ethical Working Environment.**

Conclusion

- θ In business firms Ethical problems mainly involve taking decisions about a range of actions and consequence of results in achieving business goals.
- θ While making decisions through ethical dilemmas a manager have to choose the value that is most suitable and important regarding fulfilling the corporation's vision & mission.
- θ An ethical business organization must treat all its shareholders, employees and society equally by avoiding any conflict of interest.
- θ Judge every action in a fair manner.

Thank You

