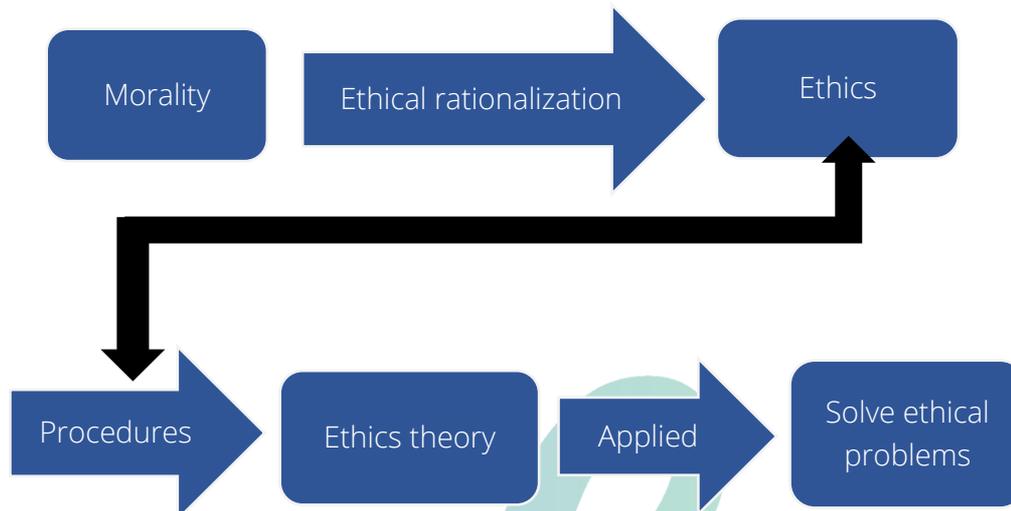


Ethics vs Morals



Difference between Ethics and Morals

Ethics	Morals
Root word in Greek is 'ethikos' which means 'Character'.	Root word in Greek is 'mos' which means 'custom'.
Deals with right and wrong conduct.	Deals with principles of right and wrong.
Deals with individual character.	Deals with customs set by groups.
Character is a personal attribute.	Customs are determined by groups or some authority like religion or culture.
Ethics is the response of an individual to a specific situation. E.g., Whether in that situation, is it ethical to state the truth?	Morals are general principles. E.g., "You should speak truth."



Evolution of Ethics

- In ancient India, there was no moral problem with the custom of sati - immolating the wife on the funeral pyre of the deceased husband but society has evolved humanely and has condemned the act as unacceptable and morally reprehensible.
- The laws of a country are based on the customs or moral codes of its society. Penalties are prescribed for bad actions - actions that contradict the established laws.

Application

Ethics, in the practical sense, is also known as moral action and is an applied discipline that deals with a particular human action and also assesses to what extent it is compatible with the general principles.

Value-free Ethics

1. Choice is value-free
2. Applied to ethics, it would mean that we should be able to study the principles of this discipline, such as goodness, truth, justice, honour, etc., in their pure form

Ethics as a Principle

- All moral actions are directed towards their object, the good, which is the principle of all happiness. This is not only the sole purpose of our existence but our co-existence with others as well
- The universal idea of the good is applied to individual instances. Individuals are good in their own particular way, and are good insofar as they share the essence of goodness



Business Ethics as Professional Code

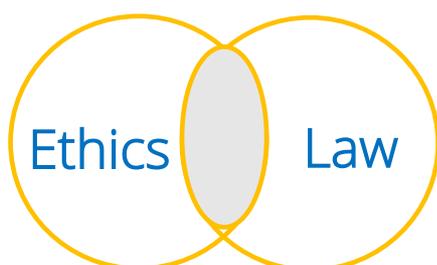
The society expects businessmen to abide by the principles of a civil society, just as it expects professionals from other areas such as medicine, bureaucracy, politics and sports to do so.

The Seven Principles of Public Life;

1. Selflessness
2. Integrity
3. Objectivity
4. Accountability
5. Openness
6. Honesty
7. Leadership



Ethics and Law - The Interface



Business ethics is primarily concerned with those issues not completely covered by law, or where there is no definite consensus on whether something is right or wrong.



Ethics in Business

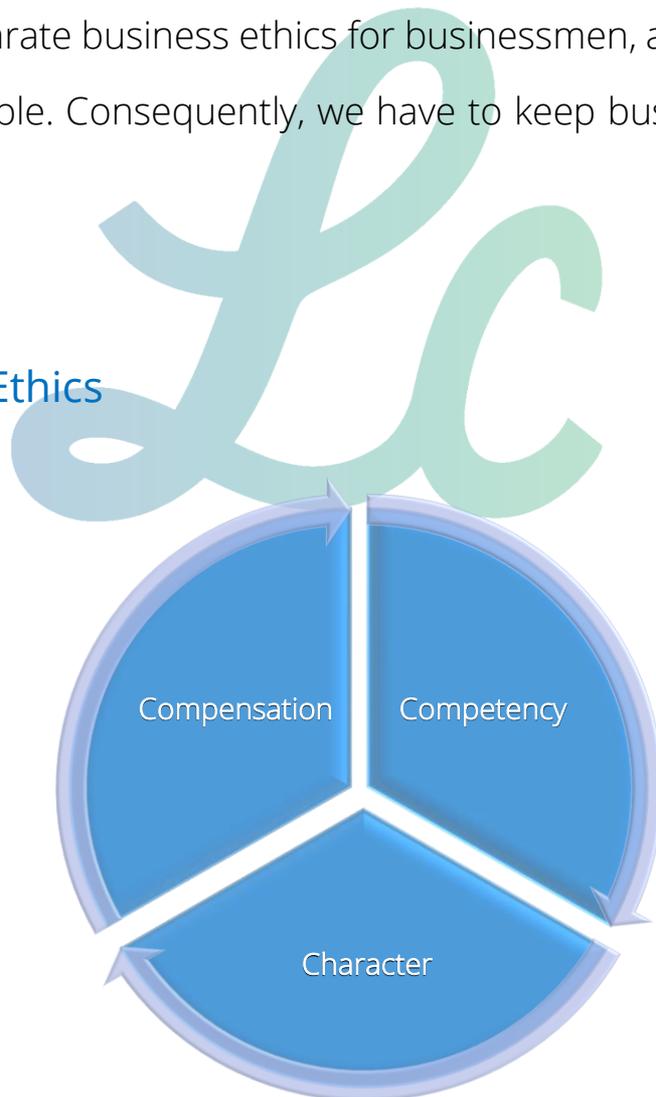
Andrew Crane : “Business ethics is the study of business situations, activities and decisions where issues of right and wrong are addressed”

Raymond C. Baumhart : “The ethics of business is the ethics of responsibility. The businessman must promise that he will not harm knowingly”

Business and Ethics

There is no separate business ethics for businessmen, as ethics applies to all the activities of people. Consequently, we have to keep business within the bounds of ethics.

Professional Ethics





Need for Business Ethics

Business Ethics has emerged as an increasingly important area of study. Some of the major reasons why a good understanding of business ethics is important can be stated as follows:-

- Stop business malpractices
- Improve customers confidence
- Survival of business
- Safeguarding consumers rights
- Protecting employees and shareholders
- Develops good relations
- Creates good image
- Smooth functioning
- Consumer movement
- Importance of labour
- Healthy competition

