



# BUSINESS

YOUTH EMPOWERMENT SUMMIT  
ETHICS AND ETIQUETTE IN BUSINESS

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# BUSINESS

## PRESENTATION OUTLINE

- 1.) Understanding ethical issues in business.
- 2.) The place of standards and best practices in business.
- 3.) Do's and don't's in business
- 4.) Getting on the right side of the law
- 5.) Your duty of care for staff / customers and other stakeholders
- 6.) social entrepreneurship and corporate social responsibility

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## Understanding ethical issues in business

### Business Ethics

- Ethical behaviour involves both knowing what is right and wrong and behaving accordingly.
- Behaving ethically can contribute to your success in business.
- Beyond personal ethics, social responsibility is a business' concern for the welfare of society as a whole.





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## Legality vs Ethical standard

- A society gets in trouble when it considers ethics and legality to be the same.
- **Ethics and legality are two very different things.**
- Ethics reflects people's proper relations one with another. How should people treat others?
- What responsibility should they feel for others? Legality is more limiting.
- **Legality refers to laws** we have written to protect ourselves from fraud, theft, and violence.
- Many immoral and unethical acts fall well within our laws.
- We define **ethics as the standards of moral behaviour**, that is, behaviour that is accepted by society as right or wrong.



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## The place of standards and best practices in business.

A business should be managed ethically for many reasons, such as:

- to maintain existing customers,
- attract new ones,
- to avoid law suits,
- maintain a good brand name,
- to reduce employee turnover,
- and to avoid government intervention in the business.
- It is also to please customers, employers, and the society by doing the right thing.
- Displaying ethical behavior will bring your business to new levels.
- Your staff will be proud to work in such an environment and such pride will be reflected on your members.



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## BE ETHICAL – DO'S

- Have an open-door policy and seriously consider all comments and complaints from the staff/customers.
- Mentor your staff on accepting responsibility and not deflecting blame.
- Make sure there are adequate checks and balances within your finance department.
- Have clearly defined roles and responsibilities for all staff members.
- Treat your staff in the same ethical way that you expect them to treat your members.



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## BE ETHICAL – DO'S Cont...

- Top management must adopt and unconditionally support an explicit corporate code of conduct.
- Employees must understand that expectations for ethical behaviour begin at the top and that senior management expects all employees to act accordingly.
- Managers and others must be trained to consider the ethical implications of all business decisions.



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## BE ETHICAL – DO'S Cont...

- An ethics office must be set up by individual corporations.
- Outsiders such as suppliers, contractors, distributors, and customers must be told about the ethics programme in an organization.
- The ethic code must be enforced. It is important to back any ethics programme with timely action if any is broken.





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## ETHICAL PITFALLS – DON'TS

- Alteration of product expiration dates, or contract terms
- False measure: Product does not weigh what is advertised.
- Sub-standard products: Low quality of materials used to maximize profits.
- Use of unqualified staff to save cost of labour. This is more dangerous in professional fields like engineering, medicine, pharmacy, nursing, etc.
- False asset/tax declaration



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## ETHICAL PITFALLS – DON'TS Cont...

- False claims on products and achievements. Some claim that their product does 'everything'. False and deceptive stock sales in Nigeria led to many people losing so much money in 2008.
- Put undue pressure on the staff. They may bend under the pressure and turn toward unethical behavior to get the results you are demanding.
- Have a culture of fear or silence.
- Allow anyone to "pass the buck" or deflect blame for things that are within his or her responsibility.



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## Staying on the Right side of the Law

**Stay legally compliant requires that you:**

- **Keep your business compliant with state and federal business laws.**
- **Your legal responsibilities will depend on your business and location.**
- **That you meet all tax obligations, including income and employer taxes.**
- **Maintain licenses, permits, and recertification**

The documents for staying legally compliant vary based on your industry and location must be updated



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## SOCIAL ENTREPRENEURSHIP

- Social entrepreneurship is all about recognizing the social problems,
- and achieving a social change by employing entrepreneurial principles, processes and operations.
- It is all about making a research to completely define a particular social problem and then organizing, creating,
- and managing a social venture to attain the desired change.



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## Corporate Social Responsibility

The social performance of a company has several dimensions:

### a. Corporate philanthropy

- This includes charitable donations to non-profit groups of all kinds. Strategic philanthropy involves companies making long-term commitment to one cause, such as:
  - fighting HIV-AIDS, hunger, providing education to the less privileged.
- This is not limited to big multinational corporations, even small companies should make it a policy.



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## CSR Cont...

### **b. Corporate responsibility**

- This includes everything from hiring minority and physically challenged workers to making safe products, minimizing pollution,
- using energy responsibly, providing water supply, etc. It involves everything that has to do with acting responsibly with the society.

### **c. Corporate policy**

- Refers to the position a firm takes on social and political issues.