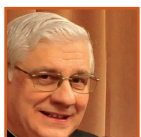


THE HUMAN DIMENSION

SEVEN STEPS TO
BUSINESS ETHICS**DOMÈNEC
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There is not one set of ethics for private life and another for business, but a single set of ethics whose point of reference is individual and human development in general. This article briefly touches on the ideas that the professor has developed in his book *Business Ethics in Action*.

It is the view of many business people and executives that ethics - the lack of them - have played a key role in the crisis. As in the financial field or in operations, in the sphere of ethics we need to go back to basics to develop a broad ethical vision rather than reducing the issue to a list of regulations which have proved to be ineffective.

01 *Business ethics concerns human excellence within the business environment. The main points of reference are human virtues and achieving the common good.*

Ethics is about the morality of human actions, that is to say, their evaluation in terms of good and bad from the perspective of the whole person. Ethics means doing things in a way that makes us better people and encourages human excellence in organizations and communities. This involves the idea of "the common good."

There is no such thing as "double ethics," one for private life and the other for business life, but a single set of ethics concerned with people and overall human development, although with different modalities. Business ethics is the application of ethics in the business environment. It serves as a guide to evaluating individual actions in business, decisions made by directors and managers that affect other people (managerial ethics), organizational aspects, that en-

courage or hinder human development (organizational ethics) and the ethics of the business's relationship with its overall social context and its environmental impact (social and environmental ethics).

02 *There is an ethical dimension to every business decision.*

Business decisions entail an ethical dimension because they affect people, and first of all they affect the person making the decision, in so far as in deciding they not only decide what to do but what sort of person they want to be (dishonest or truthful, just or unjust, generous or selfish etc.). In other words, when making decisions, in the process we either become better people or we compromise our humanity.

Ethics cannot be limited to a set of prohibitions or to resolving conflicts, but must involve the search for the best solution. Therefore, the ethical dimension must be considered along with the economical and relational dimensions that every decision entails.

03 *Human virtues lead people to act with practical wisdom, self-control and courage, and to treat other people fairly in the broadest sense of the word. Virtues act to strengthen character and control our instincts, to behave and decide well. All virtues are contained within the four traditional cardinal virtues.*



AN ETHICAL VIEW OF BUSINESS HAS REQUIREMENTS ROOTED IN THE RESPECT ALL INDIVIDUALS DESERVE.

- Practical wisdom acts as a guide to the human excellence of the decisions we take, helping us to realize what is good and appropriate at any moment.
- Self-control and courage are forms of self-discipline. Self-control, or restraint, saves us from becoming involved in situations or activities that are attractive from one point of view, but which prevent the higher good. It helps us overcome, for example, laziness and greed or the unfettered pursuit of pleasure. Courage urges us to do what we know is right.
- Justice consists of treating people the way they deserve to be treated, respecting their legitimate rights. Treating people with care goes beyond the strict interpretation of justice.

These virtues are interconnected and each encourages the others. For example, to behave with fairness requires an understanding of what is just (practical wisdom). Likewise, we overcome our attraction to something that might prevent us from behaving with fairness (self-control) by being brave enough to do what is right (courage). The unity and harmonization of these virtues is the basis of integrity.

04 *Every human being is endowed with dignity and has human rights, and must be respected. But as well as respect, people should be treated with benevolence and solidarity.*

Being just consists primarily of recognizing and respecting the dignity and rights, whether innate or acquired, of every person. Justice rejects abusive behavior that takes advantage of ignorance, good faith or the vulnerability of others. On the contrary, justice seeks reciprocity for the benefit of both parties.

Justice involves seeking reciprocity in such a way that favors both parties.

05 *A good end cannot justify bad means.*

The ethical dimension of a decision depends primarily on the intention of the person taking it (the desired end) and the morality of the option selected (the chosen means). The circumstances and the probable consequences are also elements that should be taken into account, although the priority should lie in ethical principles themselves, such as the unacceptability of certain actions (manipulation, fraud, bribes and defamation) regardless of the circumstances and the possible consequences.

06 *The company should not be seen merely as an instrument for making money, nor just a system of mutual interests, but a community of people who find fulfillment in producing goods and services.*

Nor should the business be a battleground for power struggles, nor the arena for a class struggle between the exploited and exploiters.

Conflicts must be resolved on the basis of the common good.

07 *Business has an inherent obligation to be socially responsible and accountable.*

The social responsibility of business is based on it being a community of people within a larger community and within society, be it national, international or global. Like any other community, business must act like a good citizen and for the common good. Businesses have responsibilities that are laid out in laws and other regulations, but external regulations rarely include business responsibilities. The primary responsibilities are the commitment to fairness inherent in the business's mission and its activities, as well as those that derive from the interdependence of groups that affect or are affected by the business (stakeholders). Businesses also have a responsibility to engage in social action, to contribute to solving social problems according to their capacity to do so without this impinging on their specific mission.

MORE INFORMATION

D. MELÉ, *Business Ethics in Action. Seeking Human Excellence in Organizations*. Palgrave-MacMillan, New York, 2009.

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