

## **Corporate courtesy or crossing the line? The ethics of gift giving in business**

**Well-considered gifts strengthen bonds; poorly chosen ones can compromise ethics. A guide for choosing appropriate business gifts.**



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Giving a gift can be a way to show gratitude, creating a bond, or simply an act of courtesy. But in the business world, not all gifts are appropriate: they can raise questions, cross ethical

lines or undermine integrity.

IESE's [Domènec Melé](#) and [Diego Arias](#) (IESE PhD) of the University of Detroit Mercy have developed [a system for evaluating professional gifts](#) to make sure they are apt and ethical.

## Choosing a good gift in professional settings

It's not so much about following hard rules as it is about being aware and intentional in the act of giving, Melé and Arias argue.

Inspired by Aristotle's virtue ethics and Thomas Aquinas's philosophy of human acts, the authors analyze the moral quality of the gift, taking into account the following:

- **The object:** What am I giving away? Is it lawful, proportionate and worthy?
- **The giver's intention:** Why am I giving it? Is there a desire to do good?
- **The circumstances:** When and how is it given, in what context do I give it, and can it be misinterpreted?

## Three categories of gifts

### Excellent gifts

These express a selfless, virtuous or sincere intention. They are aligned with the good of the other or the community. The object is good, the intention is generous and the circumstances reinforce the moral value of the gift.

### Acceptable gifts

These are conditionally legitimate gifts, whose moral dimension depends on both good intentions and appropriate circumstances. They are usually linked to professional, commercial or institutional relationships.

### Unacceptable gifts

Here the object or intent is immoral, or the circumstances reinforce its negative character. They are reprehensible gifts, even if they are presented as kind or socially acceptable gestures.

## How to choose ethical gifts

For a gift to be considered ethical, Melé and Arias stress that it needs to be given with

generous intentions, respect for the dignity of the recipient, and a correct understanding and appreciation of the context. When these conditions are met, the act of giving transcends protocol to become an expression of gratitude, generosity, commitment and appreciation of others.

## Gifts that meet the ethical threshold

### Disinterested gifts

There is no expectation of reciprocity.

**Example:** The American basketball player [Kobe Bryant would call Michael Jordan](#) for his advice, which he gave freely out of a genuine desire to help improve his play. This kind of gift — knowledge shared, time given, expecting nothing in return — shows how giving can build relationships and foster human development.

### Gifts of solidarity

These gifts seek to promote the common good.

**Example:** During the COVID-19 pandemic, many companies stepped up to facilitate the purchase and distribution of PPE. Those that did so [purely out of a desire to serve society](#) at a critical moment qualify as ethical; others that did so as a publicity stunt or to profit off it do not qualify.

### Sincere gifts

Not all gifts require grand gestures; sometimes a note is enough.

**Example:** A thank you letter to a professor after completing a PhD, without asking for a reference, is a sincere gift, rather than being tactical.

Some gifts may be legitimate, but it depends on the giver's intent and the circumstances in

which they are given. If a gift creates a feeling of pressure, has dubious intentions behind it or distorts a situation, it can become unethical. The deciding factor is the fairness of the exchange. Two kinds of gifts fall into this category.

## **Instrumental**

These gifts offer a legitimate benefit for building loyalty or incentivizing a decision.

**Example:** A free month's gym membership as a promotion can be a valid gift if there is clarity, proportionality and compliance with the promise.

## **Reciprocal**

These gifts maintain a balanced relationship.

**Example:** In many companies, gift giving between employer and employee can be legitimate if there is healthy reciprocity, full transparency and a lack of obligation.

In both cases, the key is not so much the value of the gift as its proportionality, timing and clarity of purpose. An acceptable gift can be useful for cultivating professional relationships, as long as it does not become a lever of influence.

## **Unacceptable gifts**

Some gifts are born not of generosity but of manipulation, pressure or even humiliation. In this category, the problem lies in the fact that the intention and the object are morally unacceptable or reprehensible because they infringe on the dignity of the other person and violate the fairness of the relationship.

## **Problematic forms of gift giving**

## Bribes

These are gifts given with the intention of obtaining unfair benefits. Disguised as a courtesy, their real purpose is to twist the will of the recipient.

**Example:** The Brazilian construction company [Odebrecht admitted to paying bribes](#) to politicians and officials around the world in exchange for contracts, resulting in \$2.6 billion in fines.

## Malevolent gifts

These seek to humiliate, hurt or belittle the recipient. The gift conveys an offensive symbolic or culturally charged message.

**Example:** In an election debate in Peru, a far-right [candidate gave a dark-skinned opponent](#) a bar of soap — a gift that was denounced as racist.

## Manipulative gifts

Such gifts seek to deceive the recipient or exploit their vulnerability. They can be associated with power imbalances, covert seductions or emotional control.

**Example:** These can include “free” offers that lock-in customers to paying hidden monthly fees. Also, romantic gifts in the workplace can constitute sexual harassment. Although a male boss giving a female subordinate, say, a bouquet of flowers may seem like a harmless gesture, its emotionally charged nature, and the power imbalance between the giver and recipient, may feel like a professional boundary has been crossed.

## Questions to ask yourself before giving a gift

Not every kind gesture is morally acceptable. In the business world, a poorly thought-out gift can sow mistrust, feed toxic cultures and erode corporate reputation.

These questions can help you check whether you are giving the right kind of gift.

- Is the object — the gift itself — appropriate, respectful and meaningful?
- Is my intention in giving it to thank, share or give joy without expecting anything in return?
- Will the other person feel comfortable receiving it?
- Is the gift proportional to our relationship and the timing of the gift?
- Can I explain it openly to others without embarrassment?
- Does it strengthen my bond with the recipient, beyond transactional interest?

If you reply yes across the board, you are on the right track. You are not just giving something, but you are building a better relationship — perhaps the best gift of all.

MORE INFO: “[Moral specification of gift giving in business: a typology from a first-person judgment](#)” by Diego Arias and Domenèc Melé is published in *Business and Society Review*.

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