ABSTRACT

Globalization has placed modern organizations in tremendous competition locally and regionally across borders; thus, the ultimate goal of every organization is the same which is profitable survival. In order to make sure that this profitable survival goal does not come at the cost of harming others, guiding principles are needed to bring goodness and fairness for the stakeholders’ interests. This paves the way for designing, implementing and adopting ethical principles in the organization to keep competition fair and just. This study has been carried out in three big cities (Peshawar, Lahore and Islamabad) of Pakistan to identify and assess the relationship of workplace ethics with age, qualification, management experience, government work experience and on-the-job ethics training. Collected data from 380 male and female Pakistani respondents were analyzed using descriptive and inferential statistical measures. The results indicate that there is a significant relationship between ethical maturity of employees and such demographic variables as age, qualification, on-the-job ethics training, having had an ethics course, and years of management experience. However, government work experience did not demonstrate any significant results with ethical maturity. Implications and suggestions for management development and training are provided.

Keywords: Age, Education, Ethics, Ethics Training, Management Experience, Pakistan, Personal Business Ethics Scores (PBES)

INTRODUCTION

When we look at the previous millenniums of business and organizations, one could see immense changes and advancements in terms of organizational practices: from local trade to multinational corporations (MNCs), from hard selling techniques to marketing and corporate social responsibility concepts, from family hires to globally diverse work force, and from one to one contact to virtual organizations. In the face of this reality, organizations should introduce clear and precise system of values and work ethics which could pave the way to a sustainable road of success (Abbasi, Rehman, & Bibi, 2011).

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Business ethics denotes social responsibility on the part of organization and its members. This responsibility could be reflected in economic, legal, ethical, and philanthropic practices (Johnson, 2012). Business ethics dilemmas have caught the attention of Western world due to the increasing number of white collar unethical practices on the job, and now it has become the prime concern of every stakeholder in Pakistan (Shah, 2007). Therefore, the adoption of ethics training is no longer optional today because we are in an environment of promising but challenging future ahead; so instead of reacting to environmental forces organizational leaders should act in a more proactive and strategic manner based on predetermined values (Enderle, 2001). Ethics could be defined as a field of study which has its roots in such professions as philosophy, religion, psychology and sociology (Sargent, 2007). Rossouw (2012) defines business ethics in a comprehensive sense which includes issues at the individual, organizational, and systemic levels of decision-making in one’s personal and professional lives. Ethics denotes the strength and relationship of compliance between individual or organizational actions and accepted ethical standards. Ethics serves as motivators for managers to reflect moral and ethical fairness in their organizational decisions (Mujtaba, Sikander, Akhtar, & Afza, 2012).

Code of ethics has been defined as a set of guidelines which regulates the behavior of members and company itself, and in return it becomes the company responsibility as to decide which particular behaviors comes in its acceptable range and which does not (Chiedozie, 2012). Ethical standards focus on the moral concerns, and they are needed to govern the organization’s relationship with its employees and customers in the deliverance of goods or services (Morley, 2012).

Ethics is an organization-wide phenomenon lending itself to every facet of organizational decisions and actions. However, ethics is broader than laws and is concerned with variety of subjective factors like individual, societal, religious, legal, etc. (Webster, 2012). Business ethics implementation becomes critical during periods of change or transition, because work values previously held are now in halt. In addition to this there is no clear mechanism to guide managers in ethical dilemmas (Gebler, 2012). Ethics and values held by any organization affect the way the organization responds to various issues within the course of its action in its environment. Ethics are generally adopted polices, and it differs from laws and government regulations but it conveys the values of organizations to employees (McGew, 2012).

Adopting Ethical Practices: A Challenge of 21st Century

The subject of ethics came to the attention of researchers and managers alike following the fall of major corporations like Enron and WorldCom. However, the broader study in this field is based on the work experience of researchers in the European countries and the United States of America based on protestant work ethics (PWE), which could be implemented well in western countries. But in the countries where Islam is the major religion organizations need to design work ethics based on Islamic and universal ideologies. Unfortunately Islamic work ethics is grossly neglected in workplace training, and very few empirical efforts can be found in this regard. If this area of research is developed and compared people will see many similarities between protestant and Islamic work ethics, both perspectives encourage hard work, commitment, and dedication to work, creativity, cooperation and competitiveness at the workplace (Rokhman, 2010).

The significance of ethics in organizations cannot be denied because in the 21st century ethics will become a success criterion of global business and will stand in every sphere of business to guide organizational decisions and problem solving practices (Toffler, 2001). Enhanced education, especially when combined with the availability of real time information, enables the public to participate in the decisions that are of immediate concern to them. On the other hand, government and shareholders demand transparency, and disclosure of factual...
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