
| RESEARCH ARTICLE

A Critical Examination of Business Ethics in Relation to Economic Sense: Perspectives of Customers and Business Proprietors in Region (5) Guyana

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| ABSTRACT

This study was pursued to provide statistical and empirical evidence of whether or not business ethics makes economic sense. A critical examination of business ethics and whether or not it makes economic sense was examined by taking into consideration the perspectives of business stakeholders. Economists, business proprietors and customers do not always agree on the concept of business ethics as the moral principles and values implemented for good governance. Customers and business proprietors were targeted to gain insights from different stakeholders on the issue of business ethics and whether or not it makes economic sense. The recommended strategies to be implemented to perpetuate business ethics while at the same time ensuring business growth and development were also considered. This research paper utilized a mixed methods research approach in conjunction with a descriptive online survey and structured interview for the quantitative and qualitative aspects respectively. The inculcation of primary and secondary data provided empirical and statistical substantiation to establish recommendations and to draw conclusion. An element of triangulation was integrated to add robust analytical evidence. The perspectives of customers and business owners on business ethics and economic sense were analyzed through the online survey and interviews responses were grouped, coded and themes were generated to answer the research question: To what extent does business ethics makes economic sense? The perspectives of customers guided the critical examination of what customers expect from businesses, where business ethics was the point of focus. On the other hand, the perspectives of business owners provided data on the implications of adhering stringently to business ethics and whether or not business ethics makes economic sense. The views of participants from opposing ends provided both conflicting and correlated data. However, both customers and business owners were in agreement that businesses should adhere to business ethics.

| KEYWORDS

Business Ethics, Business Proprietors, Customers, Economic Sense.

| ARTICLE INFORMATION

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1. Introduction

Global business stakeholders do not always agree on the concept of business ethics as the moral principles and values implemented for good governance (Nelson & Stout, 2022). The business ethics that are implemented makes economic sense depending on the management and leadership in the organization, as postulated by Ritter and Ritter (2021) "Good ethics makes business sense." The ethics outlined and implemented by businesses resulted from the stand point of the theory of progressivism. Progressivism as postulated by Dewey and Rogers (2016) is based on the premise that there should be a "balance between theory and practice". While the concept of progressivism is not new, Dewey highlighted the influence of the progressive school of thought as the guiding principle of the behaviours exhibited by business stakeholders as they put theory into practice (Zoric, 2015).

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Progressivism focuses on continuous development over time and advances in technology in conjunction with the acquisition of knowledge and skills. This was substantiated by Mansfield (2019), where emphasis was placed on a linkage of the past to the future. Here we see evidence of the futuristic theory, where evident changes in the patterns of behaviours due to technological advancements have created new avenues for businesses. The correlation between progressivism and futurism served to guide the concept of business ethics (Banerjee, 2024). Business owners have to adapt to the societal changes and likewise make adaptations to the business ethics which will make economic sense to these proprietors.

However, the other business stakeholders such as workers and customers are very critical of business owners not adhering to business ethics. These stakeholders believed that the concept of socialism is not taken into consideration when it comes to business ethics (Hahnel, 2022). The workers and customers believe that capitalism is the order of the day and that the replacement of human labour is spontaneous (Silver, 2014). There is also the issue of treating stakeholders differently even though they are working in the same environment and naturalistic paradigm. This indifference even creates more controversy in the concept of whether business ethics makes economic sense.

There are many facets that need to be taken into consideration when looking globally and economically at businesses. The economic system is one of the major facets that incorporate globalization and economics (Aisbett, 2011). The distribution of goods and services and the methods of delivery are very critical. There is also the issue of business ownership; businesses may be owned by sole proprietors/ private ownership or they may be owned by partnership agreements as in the case of many companies, as well as government owned. The economic system implemented or practiced would be very dependent on the goods and services distributed and mode/s of distribution (Dubey & Paudyal, 2023) Here one can see evidence of capitalism, socialism and communism coming into effect.

Additionally, an examination of capitalism, communism and socialism highlight the principles by which businesses function and the aim of these businesses must be taken into consideration (Tian & Solcum, 2016). These systems when taken as economic systems will serve to address the issue of business ethics and economic sense. In the economic system of capitalism, there is the perpetuation of free market policies where private property rights are the major area of focus (Machaj, 2018). The capitalist economy does not encourage to a greater degree the involvement of the government or state in its affairs. The business ethical standards implemented would be in conjunction with market situations in the current dynamics of the day.

On the other hand, the economic system that involves socialism inculcates the intervention of the government or state to a higher degree than that of capitalism. The government is involved in the implementation of business ethics and has a critical role to play in the development and planning process. Communism as an economic system does not encourage the input of private proprietorship but the government is the sole management and leadership authority (Candra, 2022). All entities and the resources needed for functioning are provided and solicited by the state. All services inclusive of employment, remuneration and the perpetuation of business ethics is laid out by the government. Therefore, it must be noted that countries are subjected to a mixed economic system approach depending on their needs and what makes economic sense in terms of benefits to all parties or for making profits (Silvia, 2021). Research has shown that privately owned businesses divert more resources towards maximizing profits rather than focusing on business ethics, while state owned enterprises would focus more on business ethics which makes economic sense in this context (Heath, 2006).

2. Literature Review

Moriarty (2021) postulated that business ethics lies in the individuals' perspectives and observation of the concept in practice. The application of meanings to concepts would ultimately be based on what individuals have observed after interactions or involvement with the organization in which the business ethics was implemented. It therefore means that individuals would have different meanings of business ethics based on what they have encountered and experienced (Wallace, 1997). One may be of the belief that this particular organization is at the helm of practicing the highest standard of business ethics because that is what was relevant and practiced.

On the other hand, an individual may perceive the experiences of the individual who postulated the highest standard of business ethics in one situation as mediocre; mediocre in the sense that that individual may have better experiences with the practice of business ethics in another organization or worse experiences with another organization. It therefore means that what may sound and look ethical through one person's eyes may not look the same in another individual's eyes. This has created many controversies when meaning is placed on business ethics (Colpan & Jones, 2019).

Additionally, there are many factors that have to be taken into consideration when giving meaning to business ethics. Business ethics as the guidelines, rules and regulations that govern a business would be dependent on the business's geographical location,

social status and structure, type of business and the influence of politics and linkages to outside entities (Gillespie, 2024) The ethics practiced may be dependent on the goals of the business, thus leading to whether it would be economical to embrace or implement business ethics in its entirety. This disparity makes business ethics non-standard and culturally influenced. Some businesses may adhere to business ethics to maintain, sustain and take humanism into consideration while other businesses may be more concerned about making maximum profit whether or not the workers, customers and other stakeholders are kept happy (Rogers, 1959). Many businesses are more focused on the competition they encountered from other business and work towards winning the competition rather than focusing on the humanistic psychological factor (McLeod, 2023).

Consequently, the gate keepers of business ethics would inculcate and implement strategies for dealing with resources in the business world and more specifically human resources depending on the ultimate benefits the business would garner. This would involve taking into consideration the treatment meted out to humans in a social context. People can be treated as objects; where they are seen as mere tools that are placed in positions to monitor and produce products in the desired quantity and quality. People can be treated the way their superiors expect to be treated with the utilization of the same skills they possess; in this way there can be similar expectations (Cole, 2022).

To add, people can be treated equally and with equity which would be for the benefit of all. There is no disparity in the allocation of benefits, privileges, rules and sanctions. People can also be treated as an "Other"; in this way a business owner for example, needs to be willing and open to embrace the cultures of others. This may not mean practicing these cultures, but showing appreciation for others (Hastuti et al., 2022). This goes further to say that ethics in and of itself is ultimately the way one treats the other and is applicable in the business arena. This may even result in changes in many situations when differences are experienced and a bond or appreciation is formed.

To conclude, the true definition of ethics, inclusive of business ethics cannot be generalized or have a meaning that is generic, but the true meaning of business ethics involve taking all factors into consideration and not as merely good or bad (Brennan et al., 2021). Business ethics are specific and dependent and involves considering humanism, socialism, realism, progressivism, futurism and capitalism to some extent (Jack & Phipps, 2005).

3. Methodology

This research utilized a mixed method approach with the inclusion of an online descriptive survey and a structured interview to capture both quantitative and qualitative data. Customers provided responses to the quantitative part of this research through the online survey, while business proprietors provided responses to structured interviews for the qualitative part of this research. An element of triangulation was implemented to draw the conclusion of this research, as a few of the same questions were asked to both sets of stakeholders. The research question was addressed using an integrated approach from the quantitative and qualitative perspectives. Secondary data were also analysed and formed part of the critical examination of whether or not business ethics makes economic sense.

3.1 Sample of Participants

The participants of the sample were obtained through convenience non-probability sampling technique. Fifty customers formed the sample that provided responses to the quantitative section of the study. These participants provided responses to an online survey on customer service. Ten business proprietors were interviewed individually. These business proprietors provided responses to structured interview questions. The customers and business proprietors were of both genders and different ethnicities.

Table 1
Number of Customers and Business Proprietors who formed the sample

Customers	Business Proprietors
50	10

3.2 Ethical Considerations

Participants were contacted online to seek their willingness to participate in this research. The onus was upon these participants to accept or refuse to participate in the research and to share their inner thoughts and feelings. Customers and Business Proprietors who accepted the request to be a part of this research were sent an online survey and interviewed respectively. The principles of informed consent and confidentiality were adhered to and the biographical data of the participants were not collected.

4. Results and Discussion

Since this research utilized a mixed method approach, the results and discussion of the quantitative data will be presented first followed by the results and discussion of the qualitative data. The participants for the quantitative aspect of the research were customers while business proprietors were the participants for the qualitative aspect of the research. The research question that was addressed reads :- To what extent does business ethics makes economic sense?

4.1 Results and Discussion of Quantitative Findings

Customers were asked if they believed that businesses were adhering to business ethics, half of the number of participants 25(50%) believed that businesses were not adhering to business ethics, 17 (34%) customers were unsure, while 8 (16%) customers believed that businesses were adhering to business ethics. A greater percentage of the respondents believed that business ethics were not adhered to by businesses. Business ethics were taken in relation to all the governing policies, guidelines, recommendations and rules specific to the functioning of businesses; this also included all human and other resources (Clegg et al., 2006).

In response to the question, does it make sense for businesses to adhere to business ethics? It was noted that 48 (96%) of the respondents are in agreement while 2 (4%) felt that it does not make economic sense for business to adhere to business ethics. Some of the reasons for businesses not adhering to business ethics as gathered from the survey are fraudulent practices 18 (36%), competition 17 (34%), customers not mind 9 (18%) and time constraints 6 (12%). It can be seen from customers perspectives that business owners were more interested in making profits rather than focusing on business ethics. It must be noted that many businesses focus on their customer service and make adjustment as necessary when systems are failing; this is especially perpetuated by the business proprietor's character (Watson, 2003).

4.2 Results and Discussion of Qualitative Findings

In response to the question, Does it make economic sense to adhere to business ethics? It was noted that private large scale business proprietors were not adhering stringently to business ethics and their businesses were still profitable while the small scale businesses were adhering to business ethics. However, all business proprietors emphasized the need for the human resources within various sections of their businesses to execute the various activities within the organizations. It is evident that human resources are critical in the functioning of business organizations and should be aligned accordingly (Holbeche, 2022).

Business owners were asked, Have you ever been visited by any business regulatory bodies? All business proprietors responded in the negative. They stated that they were never visited by business regulatory bodies and hence they have been conducting their businesses as per normal. It was also noted that from the perspectives of the business owners, their businesses were functioning in accordance with the same standards for 10-25 years. It is the responsibility of businesses to operate within the policy framework and best practices with an emphasis on employee morale (Mukhopadhyay & Mukhopadhyay, 2021).

5. Conclusion

The inferences drawn from this mixed methods research in conjunction with secondary data collection cannot be generalized. The conclusion is specific to the participants in the geographical context. Business proprietors and customers provided responses that answered the research question: - To what extent does business ethics makes economic sense?

To conclude, an element of triangulation was utilized, where privately owned large scale businesses believed that business ethics did not make much economic sense as their businesses were making profits. The private small business proprietors and customers felt that business ethics makes economic sense as the employee morale as well as other guiding principles must be adhered to as a moral and social business obligation. The secondary data revealed that the economic system under which businesses function is the guiding principle on whether business ethics makes economic sense or not.

It is recommended that, business regulatory bodies should be more consistent in their monitoring practices by making scheduled visits to observe and gather information on the operations of businesses. Sanctions should be instituted where there is evidence of non-adherence to standards. All business stakeholders should take socialism and humanism into consideration in their business practices when considering business ethics. Businesses should take business ethics into consideration to a greater extent to remain on the market without any future legal implications. The business ethics adhered to is a reflection of the business performance, to separate business ethics from the skill of using resources in an efficient manner in order to maximize profits may not be the most logical thing to do; business ethics does make economic sense.

Study Limitations: The findings of the study cannot be generalized since the sample sizes of both the qualitative and quantitative approaches were small. The perspectives of business stakeholders in one specific region were taken into consideration, these perspectives may not be reflective of business stakeholders in other regions.

Suggestions for Future Research: Researchers may use larger sample sizes to capture the perspectives of business stakeholders in wider sections of different geographical locations so that comparisons can be made with the findings of this study. Researchers may also incorporate structured interviews for customers in the design of their studies.

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