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BUSINESS ETHICS

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ABSTRACT

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| <p>The goal of this paper is to present examples of business ethics issues. What is business ethics, things concerned in this field are and why it is needed and important when doing business? The concept of business ethics has connotations to provision, rules and standards in directing the behaviour of actors in the business. Business ethics involves compliance with the law, the implementation of ethical responsibilities of a business, the protection of the rights of those who are related to the operation of business and community interests.</p> <p>The theory shows these issues about stakeholder, ethics in some aspects of business such as selling and advertising, and working condition. Business ethics in practical, how it should be in difference fields. There will have a closer look and mainly either in ethical issues in human resources, about how to treated employees, how about extreme hours and about layoff, health care. The example is written about discrimination about applying a job from foreigners, and areas. The labour exploitation, mainly about Vietnamese student looking for a job while study abroad.</p> <p>This paper also gives these example about ethical in Human resources, these case that about how employees have been treated while they working, and about how their benefit have been violate.</p> | | |

Key words: ethical issues, business, ethics, working condition, responsibility, discrimination, labour exploitation

ABSTRACT

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1 INTRODUCTION

Research on ethics has a long tradition in human society, rooted in religious beliefs, cultural and philosophical words. Ethics involves moral commitment, responsibility and social equal. From morality stems from Greek ethiko and ethos, that is customary. Concepts on including the nature and how to apply. Therefore, the moral characters of the individual and in this day reflect, it can tell the property of a business because business is the collection of individuals.

Business ethics is a concept that is not either new or old. As moral aspects of commercial activities, business ethics was as old as the trade. However, as an academic concept, business ethics has existed for only 40 years. Norman Bowie was the first to have launched business ethics in a scientific conference in 1974, (Marcoux, 2006). Since then business ethics has become a popular topic in debate speeches of leaders in the business world, employees, shareholders, consumers, as well as university professors in the US, and from there it spread around the world.

However, not all researchers, authors and speakers share the same opinion about business ethics. Firstly, between business and ethics there are always contradictions. On one hand, society always wants the company to create more high-paying jobs, but on the other hand, the company wants to reduce costs and improve labour productivity. Consumers wish to purchase at the lowest prices, and commercial establishments would want the highest interest rate. Society desires to reduce environmental pollution and companies want to minimize costs incurred when complying with regulations on environmental protection in their production activities. This fact lead conflict inevitable in the concept of business ethics, owing to discrepancies in the company's interests with the interests of workers and consumers and whole society. Because all these are in opposition to the above is the inevitable for managers to balance the interests of the company with the interests of shareholders, and those with related interests, including staff, customers and the entire community. (Vickers, 2005)

1.1 The aim of thesis

This thesis will discuss the theory and nature of Business Ethics issues. How employees have been treated and what their rights are and also their benefits. Furthermore, it also contents the other concept, the theory about ethics in business to provide a general picture to the reader.

1.2 Methodology used

To meet the aim of the thesis, a theoretical part will be presented in order to explain and point out the important and basic meaning of the business ethics issues, finding the information and theory from book, e-sources, and article as a references. Furthermore, also some real examples about the business ethics in human resources are presented.

2 THEORETICAL OF BUSINESS ETHICS ISSUES

Researchers have made a lot of the concept of business ethics, including the following concepts which can be considered the simplest ones: "Ethical business principles are acceptable to classify of right and wrong, in order to regulate the behaviour of traders" (Brenner, 1992). This definition is quite general, ignores many important factors. Aware of the complexity of the issue, Professor Phillip V. Lewis from Abilene Christian University, US has conducted investigations and collected 185 definitions given in the textbooks and research papers from 1961 to 1981 to find the "business ethics" what episode is defined in material researches and in the consciousness of the business. After finding some common ground of the above concepts, he compiled and introduced the concept of "business ethics" as follows: "Business ethics is all the rules, criteria and ethical standards or regulations to provide guidance on standards of behaviour and honesty in certain cases" (Lewis., 1985, 377 - 383)

2.1 Stakeholder Theory: the State of the Art

About the stakeholder theory, for those who are unfamiliar with the term, it came into wide-scale usage to describe the group of people, who can affect and who can be affected by the activities of the company, the firm or an organization (Freeman, E. & Bowie , 1984, 19). Besides, there is the alternative way to understand the firm, on the contrary to traditional model that either:

- a) Depicted the world of managers in more simplistic terms (for instant communication, dealing with employees, customer, internal and external of the firm), or
- b) Which claim the firm existed to make profits and serve the interests of one group only.

In the cases before, it is has been argued by Freeman that the managers in the world are becoming much more complex than the traditional model, it tends to divert the attention

of managers away from a group of vital people who can make the success firm initiatives. In generally, these things that made the stakeholder theorists argue for two basic premises: that to indicate well, managers need to stay focused to a wide range of stakeholders, and the managers have obligations to the stakeholders that include and expand beyond and shareholders. Furthermore, all of them consider the “hub and spoke” model which is adequately descriptive of the relationship between firm and stakeholder. (Bowie, 2002)

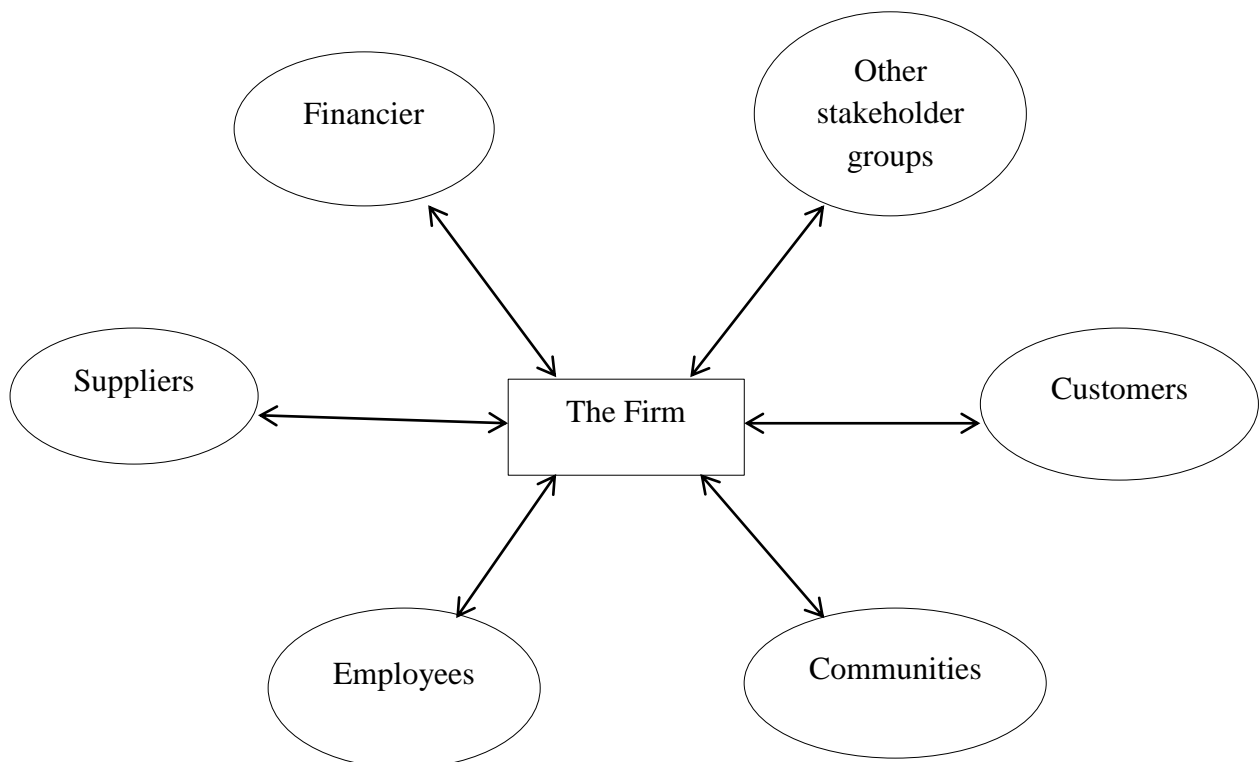


FIGURE 1 Hub and spoke stakeholder diagram (Bowie, 2002)

2.1.1 The Origins of the Stakeholder Concept

Freeman’s seminal book is the beginning concept about the stakeholder in organized thinking, according to many contemporary scholars (Freeman, E. & Bowie , 1984, 19).

However, as acknowledges of Freeman himself, the idea antedated in his book take perhaps centuries to finish it. To gain a general and complete understanding about the history of the concept, one needs to discover the related concept of social responsibility in firms and its initial ideals, then review the subject related from the organization planning, systems theory and organization theory.

2.1.2 The Current State of the Art of Stakeholder Theory

The ideal of stakeholders has developed during the past 15 years and it has become an “idea in good currency”. The voice of stakeholders is also increasing in academic and business circles. The stakeholders are more focussed on by management, and it makes the attention spread restricted to focus on shareholders. Still, restrictions also have plenty of work in academic writing such as spanning empirical and normative research... the relationship there is quite difficult to identify. The question is what is the basic subject to sharing the ideas between stakeholder theories? (Bowie, 2002, 24).

Despite the facts that over the past decade the stakeholder theory has substantial contribution advances and a lot of remaining work has been done. Most of the researches about stakeholders have been public that claim building in a stakeholder framework might take several forms, and there are three of which – normative, instrumental and descriptive, and the literature was dominated by theoretical perspectives and it causes no surprise.

2.1.3 Challenges for Stakeholder Theory

The stakeholder theory that will affect the usefulness of stakeholder for business people, academic or either of them, has four main challenge theories: (Bowie, 2002)

1. The problem of definitions
2. The background theory problem
3. The problem of pluralism
4. The problem of value creation and trade, and ethical theory

2.2 Information Technology: The Importance of Information in Business Ethics

Information revolutions in the last two decades have been determined is about the use of ICTs (Information and communication technologies), owing to this, it changed the way people in the organization to manage their communications and daily life, from almost every aspect of life such as reading book, listening to music, working and driving and shopping. ICTs are the communication in a social nowadays, and they are popular with the social network such as Facebook, Twitter or Flickr. For the institutional applied, it is the same level that the ICTs could provide new tool to manage the bureaucracy and information (Ciborra & Saxena, 2005). The place which ICTs have the lasted revolution is about military (Taddeo forthcoming-a). It is a big effect to the way companies manage their activities based on the information revolution, the diffusion how to conduct a business and emails, expansion of e-commerce as well as chartrooms are all examples of how ICTs effect on the management of business in companies.

The revolution of information is a phenomenon, it has a philosophical or technological natural. It makes a huge change of transformation about how it affects in social activities and about how man can interact within his own environment. It is called fourth revolution by Floridi when he talked about this information aspect (Floridi, 2009, 153-158) . And the other three revolution are Darwinian, Copernican, and Freudian, and this information revolution makes a deeply change in the way human interact with their living environment and also themselves in the universe.

2.2.1 Semantic Information

Information is a term that the meaning of it may depend on how it is used, in this section, the information point some true data, meaningful (Floridi, 2005) . Semantic Information is how information was defined. Semantic information is used in every aspect of life, in every communication, and it is also a part of several epistemic processes (Taddeo M. , 2014). It is notable that semantic information is heightening by data but it is not only data. (Boylan, 2014, 188)

2.2.2 Transparency

There are two elements which usually emphasizes while reckoning transparency: the disclosing of information (DiPiazza , 2002, & Vaccaro , 2006), and the use when information could be disclosed while a person making his decision on processes. (Weckert, 2000, 95 - 120). There are two perspectives of this differentiation reflecting that the transparency is usually considered, such as: the perspective of the provider of information, people who decided which information will be revealed and how that information will be revealed, the perspective of people how information is disclosed.

The problem of transparency is the concern about what kind of information should be available, when reckoning from the ethical perspective. It has become a problem because if the information plays an essential role of one agent about his or her decision making process, therefore, the more information the agent is gets the better decisions he can make. On the contrary, the reveal of information might reach the ethical principle border such as the anonymity or the privacy. For instance, a lawyer maybe in a good position to defend her client if she can gain access to the information about the crime rate in the client's neighbourhood, but at the same time, if doing so, she can get access to the privacy of the client's neighbourhood and could be violate their rights. Another example, a person cannot have access to the documentary of a patient except the doctor who is treatment patients. (Boylan, 2014)

Based on this analyse, it has come to the conclusion by the author that transparency should be considered as an ethically enabling element rather than the ethical principle per people. The transparency could be enhancing the morality of some given situation. For more detail Turilli and Floridi recognized that there are two types of relationship between ethical principles and disclosing of information is: regulation and dependence. When some amount of information is needed to be applying the principle, it is because a principle depends on that information (Turilli, 2009).

For instant, transparency allows responsibility as this principle depends on the disclosure of some information about the author of some given action or the decision to be applied. In the same way, transparency allows anonymity and privacy by providing the restricted for disclosure of information in to public (Boylan, 2014, 189)

2.2.3 Online Trust

Social trust in general is a basic aspect of interaction between people. After the fourth revolution and the development of Internet as a new domain in which social activities and trade have been developed, it became a basic aspect of online interaction, and it led to a new phenomenon. The “online Trust”, is understood as the appearance of trust in a digital environment. A series of conceptual and morality problems are appeared by the development of trust. Especially, there are two main topics of the debate concerning online trust, one concerns the analysis these minimum demand of online trust, and the other focuses on identifying the criteria of maintenance and development of the fair online trust (Boylan, 2014).

We are focusing now on analysing the needed condition that has to be satisfied when developing a fair online trust. This element concerns the debate either in business ethics or computer, since it mainly concerns a company in practice to gain customers trust in online interaction (Ess, C.M , 2010 & Taddeo M, 2011). Nowadays, customers are unable or try to see the object that they want to buy but also they cannot have the physical interaction between the seller and buyer, so trust becomes the most important in the decision making process. Trust could be understood as a decision made by the agent A (the trustor) and based on the agent B (the trustee) to perform an action given. The trust estimated by B is clear then the decisions that trust B are being made. Trusting content some risks: by behaving different from the expected or dealing so that the trustee can betray the trustor. To reduce the risk of being betrayed, the trustor will seek for some guarantees on the behaving of the trustee (Gambetta, 1979, & Luhmann, 1979, 1998).

Taddeo (2011) came to the conclusion that not a relation itself, but trust is a property of a relationship. Trust has enough conditions between agents of one system, and change the way that they happen. Particular emphasis about the analysis of trust proves that a qualified relation of trust has advantages for the trustor, due to the fact that it will reduce the effort and commitment of trustor in process of achieving their goal. Therefore, in e-commerce, for instant, the buyer (B) said that they trust the seller (S) when:

- When they communicate through the Website of S about the functionalities and content in an indirectly way.

- B delegate to S that S has the task of locating and finding out the items that B desires to buy, all of the information about the items such as cost, quality, or decide the time and cost of delivery either; and
- S performs herself without B supervising about the action nor does she verify the information that have been communicated by B

Taddeo (2011) has pointed out that trust means the prospect of dramatically advantages for the trustor to achieve his goal. These advantages are the reason that an individual considers the possibility to trust another individual and accept the concerted risk (Boylan, 2014, 191-192)

3 ETHICAL ISSUES

3.1 Ethical Issues in Selling and Advertising

In this chapter the ethical issues focus on advertising and selling

Advertising is the effort to influence on behaviour, buying habits of consumers or customers by providing the sales message in a way that convince about the product or service of the seller. In business, traders use many different tools to improve competitiveness and its position in the market, advertising is one of them. To improve the effectiveness of promotional activities, while protecting the rights and interests of consumers, competitors and the State, enterprises must comply with the law and to raise awareness about business ethics. The implementation of the rules on business ethics in advertising activities are specifically expressed as: ads must ensure honesty, to respect competition, must ensure respect for human; implementing enterprise social responsibility both in advertising activities; promotional products do not contain the information to seduce, entice customers; promotional products do not contain content, disturbing images. (Bowie, 2002)

To promote the role and functions of advertising, business and people involved have the responsibility to abide by the provisions of the law on advertising, compliance with ethical standards in business in general and in advertising in particular. In current conditions, advertising is one of the activities potentially high ethical violations, therefore the building systems of business ethics in general and ethics in advertising activity in particular is a needed appliance. Business ethics contribute to limit the violations of law, protect the rights and interests of consumers, businesses and the interests of the State. Business ethics and corporate help for sustainable development and stability, create confidence and to convince customers. (Duyen, 5/2015)

In the United States all law concerning deceptive advertising is controlled by the Federal Trade Commission (FTC) and the consumer protection agencies. The FTC has the competence only in case that somehow it crosses the state lines, local ads have to stay inside the state line that is under competence of state consumer protection agencies. The FCT defines the deceptiveness of one ad about its possibilities of the consumer

misleading reasonable (misleading consumers who act reasonably): “The Commission believes that to be deceptive the representation omission or practice must be likely to mislead reasonable consumers under the circumstances. The test is whether the consumer’s interpretation or reaction is reasonable (deception,n & Bowie, 2002, 186-192).

The deceptive advertising is wrong because it will give the consumer a wrong belief and wrong awareness about the actual of the product and so it will lead to making a wrong decision to buy that product that it not reach their expectation, while they can choose to buy another product more accommodate with their need. For instance, the deceptive advertising is about the car that makes the customer buy a car that not suitable with their need. (Bowie, 2002, 182-192).

Selling is a process in which sellers learn, explore, and create patch locations to meet the needs of the buyer, so that both parties receive adequate benefits. According to the classic notion: "Sales is the activity carried out the exchange of products and services from the seller to the buyer to get the money back from the buyer, items worth exchange agreement". (Bowie, 2002)

According to some modern perspective, the concept of sales is defined as follows: Sales is a trading platform which is the meeting of sellers and buyers in different places to help businesses achieve goals if meeting success in negotiations on the exchange of products. (Bowie, 2002)

Sales is the process of contacting potential customers understand customer needs, presenting and demonstrating products, negotiating purchase and sale, delivery and payment. Sales is the service, helping customers to give customers what they want (Saxby & Markgraf, 2013).

The ethical issues in sales is an important subject but neglected of business ethics. The amount of labour forces in America involved in sales is approximately 10 per cent. Besides, most of us occasionally sell huge holdings such as real estates or cars. Because selling in a long time was controlled by the principle of Caveat Emptor, the discussion of the morality usually focus on concealing of information and the question is which information have been arrange must be share with the customer. (Holley, 1993) Paper: “A Moral Evaluation of Sales Practices” is one of the best treatments of this

Deception and Withholding Information in Sales: The common – Law principle of caveat emptor

According to the caveat emptor – the principle of common law, the seller does not have any obligation to inform the customer about the belongings of the product they sell. Under the caveat emptor, the contract to sales and sales are legally even the seller does not inform for the buyer about the serious imperfection for fault in the product that they are sold. And about the buyer themselves, they have the responsibility of the goods that they are purchased. Besides, English common-law, sometimes it is called for the compulsion of sales in some situation that the seller made a false report or misguiding about the product that they are selling. (Atiyah, 1979)

3.2 Environmental Responsibility

Business activities and production all have the affection on the environment. If we require the production and business activities completely not to affect the environment, so it would certainly not have any economic activity that occurs.

First of all, this is a dialectical relationship of mutual influence. Business activity has positive effects and negative environmental issues and vice versa environment also contributed to creating a favourable or difficult episode to produce. We must also affirm that all production and business activities are affecting the environment. Issue of concern here is the level of impact how risk of destruction caused, environmental damage, recovery of the environment, the adverse effects than giving effect (Hai, 2013)

These lessons in many countries shows that when costs do not apply and enforce environmental laws in the long term they will be higher if only attached importance to developing immediate profits arise. The agent usually does not suffer the consequences that are social, people and future generations suffer.

Today, doing businesses cannot let pass unnoticed these environmental issues that are peripheral, not important or necessary in all their activities anymore. It affects mainly target (bottom line) of all businesses: the interest level of financial revenue in the accounting of the enterprise products. Responsible for the environment not only makes

the image of the company and products which consumers appreciate and value brands, but also can reduce the cost of fuel savings, operational cost. (Hiep, 2009)

An enterprise is committed to social responsibility in their activities imply a commitment accounting based on three basic key objectives to be achieved in the operation of corporate social responsibility, environmental responsibility habitat and ultimately profits. The environmental agency of the government has raised the need and the willingness of companies to report on the possibilities, measures and implementation of methods to reduce pollution and waste of environmental resources for development sustainable development taking into account their business. (Hiep, 2009)

In the context of globalization, environmental awareness is growing; partners and consumers begin to pay more attention to green products, friendly environmental. The activities causing environmental pollution, depletion of natural resources of businesses are also gradually being consumers' condemnation. On the other hand, climate change is an increasingly complicated development resources leading to higher prices, lower work efficiency of the contaminated area have affected slopes close to the profitability of the business. Therefore, to survive and have a sustainable development, the company has been forced to pay attention to environmental aspects, eco-efficiency and energy production of each business. To do so, the business leaders need to change their thinking, raise awareness of businesses. While building and switching management systems with a green action plan, creating a solid basis to ensure the environmental factors, ecological efficiency and energy using, emissions restrictions. (Hiep, 2009)

Climate change is a matter of being attentive and interested in many parts of the world. Immediate in some places such as Australia, the serious water shortage in the Murray-Darling Basin, a "granary" Australia's most significant big, caused by drought for several years. 2007 was the year the water is the most critical shortage, may not be enough to provide drinking water for cities in the region, not to mention give agriculture; there could be far-reaching impact on the economy Australia. This problem is widely believed to be due to climate change from greenhouse gas increases in the world. Not only in Australia have the climate changes, but also in many areas of the world have been found in recent years many sudden changes in climate, and has great influence on the lives and economic of the people in these regions. (Hiep, 2009)

For the production of industrial enterprises, in addition to responsibility for overall policy on sustainable development, the economic benefits to the enterprise in the long term will be higher than when businesses invest and apply for ISO 14000 Environmental Management. The ISO 14000 standard with which large and small businesses can be applied mainly related to setting environmental management system, environmental liquidation, brand environmentally friendly products on ISO 14000, evaluation of environmental performance evaluation cycle from production to the end of the product in the environment. (Hiep, 2009)

The global economy is increasingly interdependent in the globalization era. Earth has only given limited resources, to avoid the abuse of nature, the consequences will jeopardize not only to the economic life of a nation. For the survival of people and things, the world needs a comprehensive reform of the financial system, international trade has a mechanism to help the conservation of sustainable development among countries. More important is the change in climate, the most influential events in economics in the coming years. Currently, some institutions and organizations such as the World Bank, Asia Development Bank (ADB) have begun a correction through acceptance, encouragement, implement and participate in market development mechanism clean. (Hiep, 2009)

The value of a brand and image of the brand through the awareness and perceived consumer brands will be increased when there are other social activities by the company managing and implementing proposed. There are many studies that show such activities more effectively in the field of advertising and marketing for the company than the traditional methods of classical marketing. Consumers now in some developed countries have begun to tend to pay attention to environmental issues, environmental impacts through the product or service economy. They are willing to pay more or pay higher prices for products and services less environmental influence of "green products". (Hiep, 2009)

The entire standard model of the environment responsibility of corporates are all based on the legality of a market economy. As long as the minimum of morality requirement are satisfied. The social policy about environment competitive is accepted based on ethically aspects. Doing business only needs to follow the law and respect ethics enough, and respond to the market's requirement because the most effective growing of economy

depend on the best serve social goal. The legal and ethical responsibility functions are side constraint upon the economic goal. (Hiep, 2009)

The standard understanding of economic growth and economic activity are found in every textbook of economics. The “circular flow model” explains a flow of resources from business to household which is the nature of economic transaction (FIGURE 2). Business produces service and goods to meet the demand of household and market. The service and goods are delivered to households in exchange for payment to turn back into business. Payments sent back to households are in turn by the form of salaries, rents, wages, interests, and profits. Households in exchange for land, capital, labour and entrepreneurial skill used by the service receives payments and business produces the goods. (Bowie, 2002, 257)

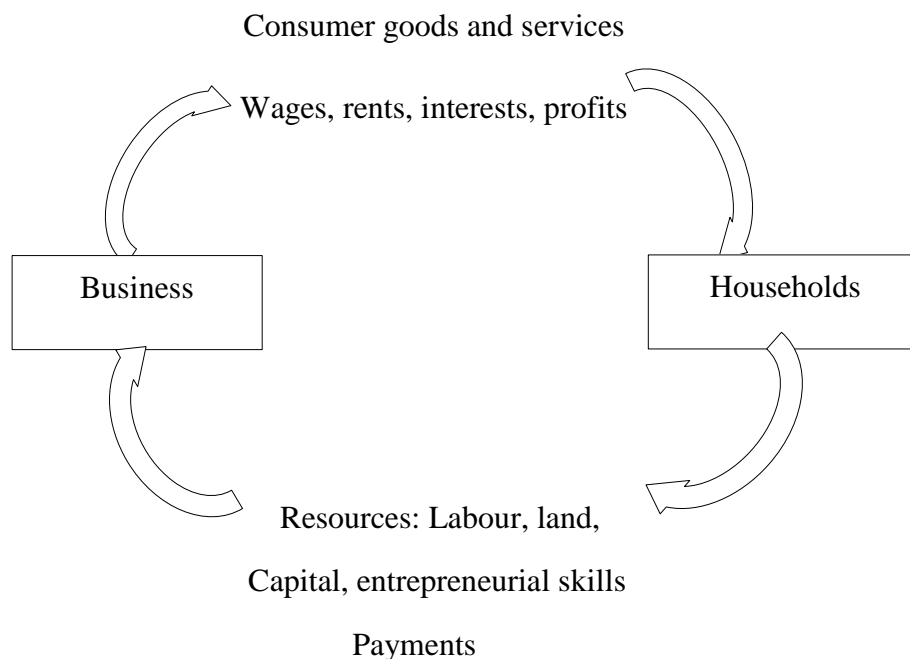


FIGURE 2: Circular flow model (Bowie, 2002)

Daly indicates that stress into the growth of economy is the goal of economic policy, will surely fail to reach the challenge except if it recognizes that the economies are only a sub-system in the earth’s biosphere. The economic activities are inside this biosphere and cannot excess beyond its ability to maintains the sustain life. We need to develop an economy is system that can use the resources only with a volume that can maintain in a long-term and recycle or reuses all the sub-products of the production progress and

the products themselves. There is a model of such system, rely on the Daly's work, as figure 3. (Daly, 1996)

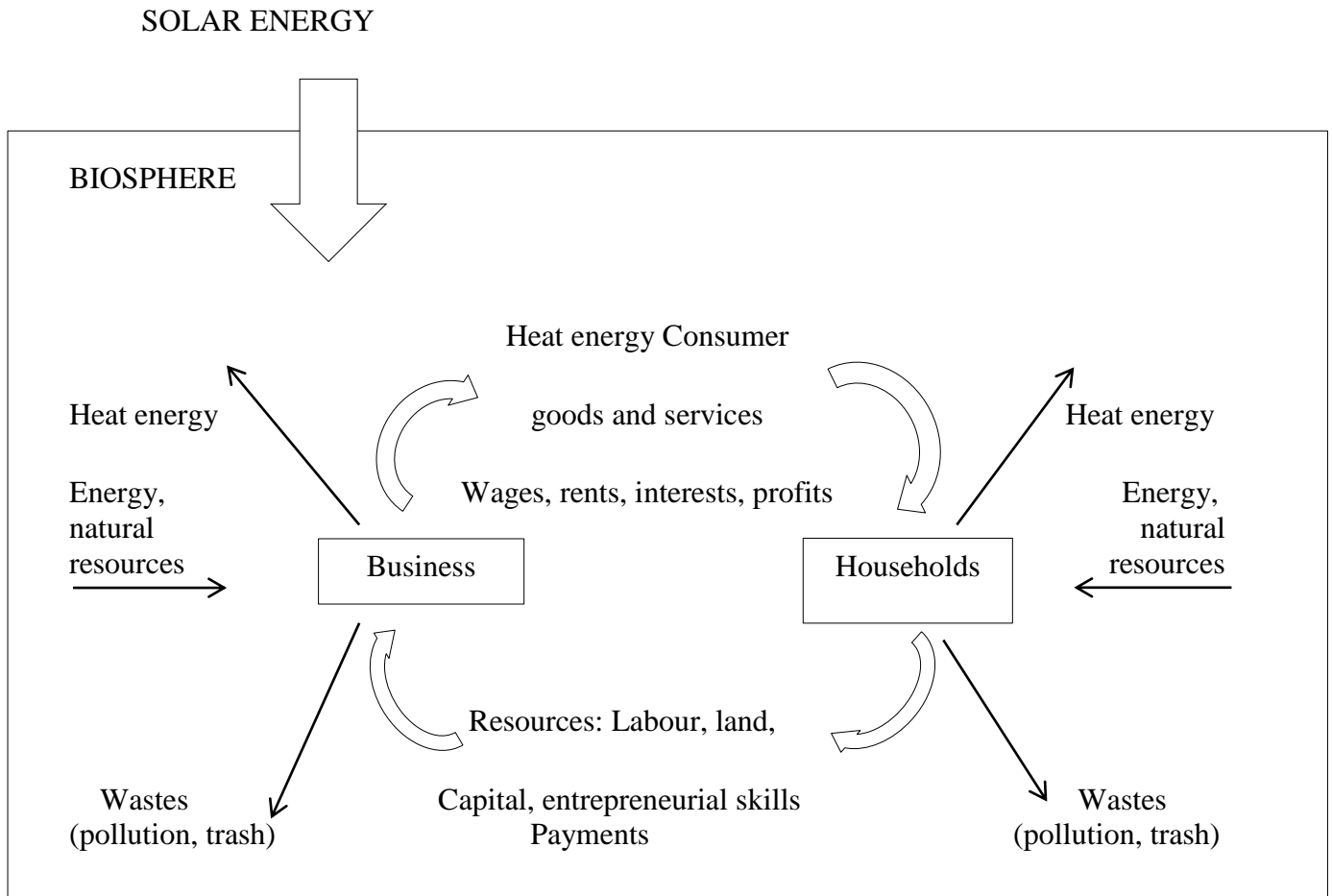


FIGURE: Biophysical limits to growth (Daly, H , 1996)

FIGURE 3 is different from FIGURE 2 in many important ways. First, it has to accept that the existing of an economy is inside a finite biosphere that encompasses that less than a few miles – wide, around the earth's surface. Second, in every stage of economic activity, energy will be lost, and it is suitable with the law of thermodynamics, the amount of energy reduces over time. Third, the unexplained and undifferentiated element of emerging product from household are not consider as a natural resources anymore. Finally, at each stage of economic activity, wastes are produces and wastes are finally dumped back into the biosphere from each stages of economic activity. (Bowie, 2002, 258-259).

3.3 Ethical Issues in Human Resources

People have a right to work, according to various ethicists; people also have a right to self-respect. Working is a right that are also a major source of people with dignity and self-respect (Meyers, 1988). But a right to work suggested are not simple matters, people usually feel strange from their work. Besides, more than being the sources of self-respect but also working might demean themselves, because they might force to do this things they don't want to. For instance, the worker of former Soviet Union worked to make products that no one ever wanted. Though, the Soviet Union guaranteed and enforced that their worker has a right to work, till, the work are meaningless. The worker an earn money, but in generally, doing that work cannot make them earn self-respect. (Bowie, 2002)

Another ethical issue that managers cannot be underestimated in the recruitment, to appointing and using workers that employed, then using the grey matter of the experts but the enterprise do not have the equally payment for their contributions efforts. This is a form of labour exploitation to increase profits negatively. The profits of a company always correlate with the contribution of workers. The company wants to increase its business profits, pay attention to the specific interests of the workers directly out of material possessions. Worker relations would be beautiful if all employers cared about the interests of workers, whereas workers are positive and look for ways to increase profits for businesses. Its two sides of a problem of mutual economic should be dealt with in a healthy manner, consistent with the interests of both parties. (Bowie, 2002)

Workers have the freedom to choose work locations and select new employers. Therefore, they can work in the country or abroad, this choice depends on the will, aspirations and abilities of employees. However, this freedom of choice must also be within the framework of the law, it means that the employee must choose a place of work and employment which are not prohibited by law. Secondly, on the issue of finding employment, an employee would be able to contact the employer or through employment service organizations. The provisions thus create the best conditions that for workers can quickly find jobs matching expectations, capabilities, professional qualifications and their health. There is no duty on the government to provide a soul-satisfying job for the employees. (Bowie, 2002, 226-233)

Everyone has a right to privacy, a right to have a work which is meaningful and that was the beginning with a right to self-respect. Self-respect is known as absolute right, and tends to understand the privacy right as similar unconditional. It is argued that an individual needs an inviolable space to gain dignity, a precondition of self-respect. Employers ask employees for taking a polygraph or a drug test as a condition of working, which are not ethical from this standard of view. Some key facts have been ignoring through this argument, and privacy has not usually been considered as an unqualified good. (Bowie, 2002)

In political, economic, and technological changes there have also been the afterthoughts of what belongs to the rubric of employees. In the past, the privacy issues focused on the question that how many people has a right to know about the character, preference, habit and personality of the employee. These people that support privacy right argue that employers might ask for these traits of employees only when it involve with the job, but they have not the right to investigate or ask about a pilot's sex life. To recruit qualified people, managers have to collect information about an employee's past criminal record, on the state of health if they are appropriate for the job, but not in view of the financial calendar transparency... that is the legitimacy of the management. So would be unethical if the management information collected from deep intervention into the private lives of employees, to disclose medical / (medical records), published about their privacy issues and use their name for commercial purposes. (Bowie, 2002)

In recruitment and use of workers, in some specific cases, with the specific task (fly, drive trains, and operating machinery) managers verify employees' action that they do not test positive for drugs, this operation is completely ethical. However, if the verification service for personal intentions of the managers (to victimization, personal revenge, to replace other relationships), seems to be in violation of privacy rights workers and should be condemned morally. (Bowie, 2002, 234-235)

The value of an employee's labour could not be decided through market force, it is worth stating by the principle of comparable. One should be paid the same, when having the same intrinsic value, irrespective of market condition. Relying on this view point, people cannot determined an accurate individuals true value worth by the market force, due to the fact that the market force is discrimination by the gender-base, and this discrimination cannot be corrected for many reason by market force.

In case that the job occupied by women has a low-paid than it supposedly when compare with job occupied by men. Besides, when employees are paid differently owing to discrimination and not to other factor, then how do we know about it? There is a complex problem about determinants of paying. Pay differences between men and women disappear totally or at least will reduce greatly if the other elements are taken into account, and there are the factors that need to be considers:

- Firm size
- Fringe benefit
- Intrinsic satisfaction and psychic compensation
- Hours worked

Besides, these others new factors also make it difficult to distinguish between paying differences between men and women owing to discrimination against women. These factors need to be considered:

- Job switching
- Job security
- Willingness to relocate
- Willingness to assume substantial risk
- Willingness to defer earnings

Up to now, the wages of struggle about fighting against discrimination of paying between man and women till continues. (Bowie, 2002, 236-240)

3.4 Workplace Ethics: Treatment of Employees

American workers are considerably better off than 100 years ago. Many law and court decision were created to protect their right on work. Companies have to allow medical absence in many situation, and many discrimination are not legal, also workplace safety law rising. However, many protection laws for employees' right come out, on the other hand, it also have many "gaps" in these protection law. In the end, many worker was treated the same before, and so, it mean that they are treated that is not specifically legally prohibited. (Bredeson, 2012, 113-114)

In America people have to work long hours compared with other workers in nations which are essential trading partners with the United States. In South Korea, the worker puts in dramatically more hours to their work, and only employees in Mexico and Japan have equivalent average workweeks reasonably. Workers in many other countries have nearly 10 hours fewer per week than in the U.S. such as European nations – Norway, Sweden, France, Germany and they also have the law that requires six weeks of paid vacation per year. Shorter working hours do not lead to lower earning power. For example, Norwegians have about 500 hours per year less than in the U.S., but they have a capital income at \$52,000 higher than in the U.S., longer working hours do not prove that they lead to higher earnings, for instance, South Koreans work 1000 hours per year more compared to Germany and 500 hours more than in the United States, but they have the average earning of \$28,000 per year.

There are many societal problems in America, including many negative trends. Health problems involve obesity, divorce rates higher than a generation ago. Many of them blame on long workweeks. They feel that they have to spend too much for working hours to cover living costs, and it leads to the lack of time for families, time for taking care of themselves, time for exercise. And now, they have the idea to define the “correlation without proven causation” category. The workers have been reporting being “stressed out” in huge numbers and job dissatisfaction is rising. People are worried about being away from their work and that they take less vacations. There is a program called “work-life balance” that has been found to help people juggle families, personal, and careers time are increasingly popular. The Fair Labor Standard Act (FLSA) has been valid since the 1930s, under this standard if a worker works more than 40 hours per week, he must be compensated at 1.5 times her normal rate of pay for the hours over 40. (Bredeson, 2012, 113-114)

In spring 2010, there was a health care bill passed through the U.S. Congress, which has been debated for many of the previous years. It was signed into law by President Obama. The main focus of this political debate was that roughly 50 million Americans are not insured. These are astronomical costs when associated with this problem; however, the costs that could be fixed this problem could be more astronomical. This module focuses on people – an American, who has the health insurance in current, but they may lose it. When companies offer health insurance for their workers, the companies normally have to pay a significant percentage of the total. The companies usually will pay about two-thirds of the

costs and the employees will pay the other one-third left of the health plan cost. Besides, about 60 percentages of companies in America offer the coverage and one of the biggest fears of workers when they lose their job or traumatic or soon-to-be-laid off employees in somehow are: what will they do if they lose their health insurance? The COBRA coverage – Consolidated Omnibus Budget Reconciliation Act have been passed through the congress in 1985, in the attempt to cover “gaps” in insurance coverage while worker are between jobs. (Bredeson, 2012, 113)

4 EXAMPLES OF ETHICAL ISSUES IN HUMAN RESOURCES

There are many aspects about this issue, such as discrimination in human resources as areas and people, and labour exploitation. In this section two main issues will be brought up.

4.1 Discrimination

"I have a dream, that one day; my four little children will live in a country where they are evaluated by energy, rather than their skin colour." - Martin Luther King, Jr., an American civil rights activist. (Saga, 2015)

Have you ever been through "nagging sense" because of discrimination yet? This may have happened to you in a job interview when someone asked personal questions about health, marital status, or your religious beliefs. Or maybe, you have to suspect that the reason he lost promotion opportunities is by birth or his age. In situations like this, maybe it is true that there are legitimate reasons that opportunity slip out of your hand. However, if you think you are being "stigmatized" the important thing is to know that you can do to have the appropriate next steps.

According Oxford Dictionary (Dictionary, 2016) defines discrimination as "unfair treatment or prejudice against various groups, especially involving race, age or gender." According to Merriam dictionary Webster, discrimination is "the act, action or situation treated based on the classification of class or caste." (Webster, 2016)

Overall, discrimination can be defined as unfair treatment to someone based on whether or not there are certain characteristics, based on cultural or other differences noticeable. However, these groups legally protected from discrimination are different depending on the region territory. (Saga, 2015)

For example, while the distinction of age, gender, pregnancy, race, ethnicity, disability, religion or atheism, and genetic information is illegal throughout the United States, this behaviour could be deemed illegal, considering a number of other factors (within federal). However, each state has different laws for the protection of different groups of people.

- In Vietnam there is one very popular area of discrimination. There are three hot areas in Vietnam which are underground boycotting by these firms, company, that they will not take any of employees from these province, such as: Thanh Hoa, Nghe An, Ha Tinh. Besides, most of firms make this action are: (Tung, 2015)
 - There is a fact that is undeniable: it is often the people in Nghe An, Ha Tinh, Thanh Hoa worked lack of principles, or rules violations. When companies lay off people they are yelling, threatening management staff, "terrorist" leadership phones. Although the Labour Code prohibits discrimination male / female or regions in the recruitment, but generally when recruiting candidates registered in 3 regions on having a lot of trouble. There are a number of businesses, the company "afraid" hiring male workers from the province, as well as the police force is "headache" with common criminals from the area above. Not only in Vietnam, but also abroad, according to the relevant agencies and the fact author's observation, it is pretty labour intensive aforementioned provinces working abroad like going to Korea, Taiwan, Japan have sought illegal residents under contract expires. In life, their activities are also many issues "emerging" labour than from many other parts of Vietnam. Should, the workers in this sector need to be aware that things are not good, to be able to better integrate with the new environment. (Tung, 2015)
 - Many companies nowadays have much discrimination in areas while recruiting. This is the fact that some firms have this discrimination. But do not speak out this discrimination affecting the southern region. Truth of company "underground boycott" is because many cases fight, disruptive and has more focus on some areas. Then also is not only the person in Nghe An, thanh hoa. But in some areas of the workers are in majority. When the recruitment company perform "boycott" the fact is they have asked the event time many above. (Nguyen, 2014)

The distinction, discrimination regions conceived long ago, but have yet to be addressed. Although social stigma or in real life, it is also violating the law and the need to condemn. The Labour Code stipulates that companies must not discriminate on gender, ethnicity, social background, religion, religious, however, differentiated content areas is not clear. Therefore, many companies have enough ways to "legal risk" when workers

are not recruited in three provinces. The Labour department are trying to work to solve this discrimination problem.

- In Finland, according to online source, there is also discrimination such as: Age discrimination in the Finnish job market, for example, the age of 50 is considered to be the past their “best-by” day on the employment market. Often it is the very young who are discriminated against, but overwhelmingly workplace discrimination happens to older people, adding that it is difficult to pinpoint exactly when workers begin to be considered by employers to be "too old" to work. Furthermore, “When companies want to cut jobs, often it is older workers that are chosen first, even though there is no proof at all that they do not do good work even if they are over 60” Nygård says. (Yle, 2016)
- The other discrimination problem in Finland is about being a foreigner. Many foreigners are struggling to find a job in Finland, no matter what the job is, professional knowledge or common knowledge, they still have really difficulties to get the job. Many Finnish companies do not want to recruit employees, who are not Finnish, no matter if they can or cannot speak Finnish well. Some friends have been rejecting a job with the reason: they are not going to hire a foreigner. Although many policies and statements of government said that foreigners have a right to work in Finland, and also Finland are encouraging and supporting foreigner looking for a job in Finland. However, this maybe a huge distance between statement and reality. (yle, 2014)

4.2 Labour Exploitation

Since coming to Finland as a student, there was a whole new world, many things to do and to learn from everywhere, not only from the studies and relationships, but also from work – if it is possible. It is really hurting and huge part about doing a job as student abroad, the highest possibility when doing a job for the owners, who have the same starting point as Vietnamese. Many student from other Asian countries study abroad have the same situation from the owner that from the same country as they are. Some experiences and situations from friends represent for business ethics in human resources

4.2.1 In M Private Trader

M private Trader is an Asian restaurant in The West of Finland, their business of this restaurant has been opened about four years ago, but their businesses in this field have started very long time ago. Since this restaurant opened, they were really often to hiring Vietnamese students and Vietnamese people to work for them mostly in the summer or for the whole year. There are some cases of labour exploitation in to this restaurant:

- One female student, name B.T, has worked for them in the summer of 2014, she worked for almost the whole summer. The time of her working is every day from beginning of working day until the end when they close and to continue to preparing food for the next day, and there is no day off in week. The salary she got for one month is 500 euros. The owner, who hired her, said to her that she was living in their house and they supplied food for her, so that price was suitable. They paid that low amount for her because there was no working contract.
- Another cases is about one Vietnamese male, he was a pre-graduating student and looking for a job. He came to M restaurant, they said that they could take him as an employee, and also make a working contract for him, and then he can change into a working visa. However, there is one thing he has to agree to if they making the contract for him, that is they only pay him 5.500 euros per year. It means that they use the reason that he wanted to find a job for applying working visa after graduate to exploitation his ability to work.

4.2.2 In T Private Trader

T private trader is an Asian grilli located in the West of Finland. Their product is also about food. They mainly open in the summer, and the winter and other seasons, they still open but not so much time. They hired the student to be their employee and the student would work in summer. There was one highlight case among many small cases. In summer 2015, one female friend, name N.M had worked for this grilli. In the beginning, they were dealing so that she just assisted in the kitchen work the first month. They paid her 800 euros per month. However, when she had doing the job, she have to work full

time since it opened until they closed, more than ten hours per day, no day off, and only the first week being an assistant, later she mostly did all jobs. In the end of that month, the owner paid her 600 euros instead of 800 euros, they argued that because that month was just the beginning of summer and the weather not so good, so there were not so many customers, it affected their business, therefore they could not paid her more. According to her, the victim, she said that what they said was not true, they still had quite many customers but she did not understand why they paid her that litter. After that she quitted the job, and there was no work contract as in many exploitation cases.

5 CONCLUSION

To choosing this topic and mainly focus on human resources because being a student, there are possibility become a victim of discrimination and labour exploitation when applying a job. Mostly, students will be the potential suspect of this field. The reason because they are young, study abroad and have no or not much knowledge about the protection law for employees at the host countries that they are studying. Furthermore, they mostly want to look for a job in order to earn money to cover their living cost, and also gain experience, which make them easy to become a victim. When someone offers them a job, especially that person also from the same country that they are, speak the same language with their mother tongue in a strange country, it is very easy to gain their trust or even gratitude from them. Therefore these students will happy take the job without any consider action that they might not gain anything from these jobs except experience of labour exploitation and more knowledge about “people”.

Due to discrimination, there are many students choose to leave Finland because they cannot find an accurate job or even just a normal job for themselves. The main reason is because they are foreigners and cannot speak Finnish as fluently as demanded.

In general, getting to know about this ethics issues in human resources is providing more ugly fact from the social.

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