

Ethics in Enterprises

Ethical aspects regulate human behaviour. When ethical quality is absent, one's behaviour causes disturbance in society, and it is therefore necessary for organisations to pay attention to this fundamental aspect for proper functioning. Following laws of ethics is mandatory for a well-organised group in society and every member owes responsibility to it. Morality or ethics is the science of conduct. Professional ethics is the study of what is right or good in conduct in a specific profession. Ethics is thus a relative science. What is good for one person may not be good for another. What is good at one time and at one place may not be good at another time and at another place, as ethics is relative to the person and to the surroundings. Even though values may vary from place to place and group to group, only confusion will prevail wherever we try to disregard or violate it. Let me narrate to you an incident that happened recently.

Ethical erosion in society

This July while returning from a Delhi BIS meeting, the late evening flight had to make a bit of a detour due to bad weather conditions at Mumbai airport, delaying our already late flight a few more minutes. The flight attendant informed the passengers of the

situation and asked five passengers who had connecting flights a few minutes after our estimated arrival time to deplane ahead of others. The flight attendant also asked those not booked on the connecting flights to remain in their seats until the five passengers could deplane. After some time as we were on our final descent, the flight attendant again came over the intercom to remind us of the situation and asked the five passengers to signal their positions by pressing their call lights. Within a few seconds, four or five lights had turned on. A minute later, the number had grown to about ten and in a couple of minutes nearly half the plane had their call lights on. The position in the cabin was preposterous. Everyone on the plane, those who did not signal, and those who did, realised that nearly half the plane consisted of a bunch of unethical, selfish liars, but no one seemed disturbed or embarrassed. Nobody cared to switch off, his or her call light. As soon as the plane came to halt, nearly every passenger sprung to his or her feet and into the aisle, as if the flight attendant had never said a word. It was nearing midnight, and a few of us who stayed in our seats, could only wonder at what we saw. An old woman a seat or two ahead of ours kept pleading with the people in front of her, to allow her

quick exit as she had to catch a connecting flight, but not a single person even cared to look at her in the eye or get away from their busy cell phones. *Jai Hind – Jai Maharashtra!*

In today's world, people are casual and careless and it is discouraging to try to keep

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our moral standards and ideals high. The so-called smart sophisticates will ridicule and laugh at us, by proclaiming in brittle banter that such things are out of date. Whatever said, "Truth is Truth" and "Falsehood is Falsehood". You cannot link truth and falsehood. They are as wide apart as the north and south poles. If you want ethical perfection, and love dharma for the sake of the supreme, we ought to stick to truth however crucial and tense be the situation, disastrous and threatening the crises we have to face. However inevitable and indispensable it is to achieve your business target, you should ruthlessly stick to truth, avoiding falsehood. Although we can cite a few exceptional instances, from religion, where speaking untruth is appropriate, they are a matter of exception, and not applicable to all times and all persons. Remember that working in industry does not compel anyone to lower moral standards. This mischief happens when misleaders deliberately exalt material values over spiritual values for personal gain. It is never too late to mend and if the heart were cleansed of dross selfishness and self-aggrandizement, and have righteousness enthroned in it, you can achieve the most spectacular industrial success, while keeping moral standards high.

We know that ethical or moral values regulate human behaviour. A human wills to obtain the objects of desires. Willing results in actions called conduct or behaviour. When you express your will, it becomes conduct. There are various sorts of desires, and sometimes, there is conflict of desires.



That desire which obtains victory is termed 'will'. The inner disposition, which makes the will possible, is character. Character is thus the aggregate of peculiar qualities constituting personal individuality. Company culture should encourage good conduct. Good conduct is the root of material and spiritual prosperity.

In addition, good conduct increases fame, prolongs life, destroys calamities and evils, and brings eternal happiness, begetting virtue. Wrong actions, taints character, whereas virtuous actions develop a noble character that the world honours, trusts and adores. Learn to eradicate vices like lust, anger, greed, pride and selfishness and cultivate virtues like purity, forgiveness, generosity, humility and selflessness.

Business Ethics

Today many companies are realising the importance of corporate culture and their relation to their success and so are defining training programs in developing ethics, compliance strategies, etc. Organizations possessing a high level of self-knowledge, of their cultural strengths and vulnerabilities, will only be able to effect real changes and move towards an ethical company culture. The question we have to answer is, "What type of intervention is most effective in generating these desired changes?" When we direct ethics training, it is preferable to address specific employees' behaviours that influence culture, rather than tell employees what the company expects from them. The challenge here is to actually pinpoint these specific behaviours and act appropriately to address them. Business ethics is only a small part of the larger social ethics. Business ethics are different at



different times and more so for the rich and influential, who are generally blind to ethics and morality. Our history is replete with instances of slavery, human exploitation, colonialism, cold war, etc.

In early 1990s, the world witnessed serious economic and natural disasters be-

cause of unethical business practices, forcing individual firms to highlight their ethical stature. The Bhopal gas tragedy and the fall of Enron are typical examples of bad corporate ethics. In earlier times, firms presented their promotion as 'freedom' and local resistance and legitimate criticism against unethical practices as infringement to their entrepreneurship. Print and visual media has no doubt reduced overt business aggression greatly, but it still exists, a good example being the war in Iraq on behalf of oil business interests. Business ethics does overlap the philosophy of business, but if a company's main purpose is only to maximize profits to its owner shareholders, without considering the rights and interests of others, then logically isn't the company an unethical one? Ethics in an enterprise is a facet important in all business disciplines: finance, human resource management, occupational health and safety, marketing and advertisement, pricing and positioning, production, quality assurance, research and development, product liability, property and property rights, intellectual property rights, patent/copyright/trademark infringement, bio-prospecting, bio-piracy, business intelligence and industrial espionage.

Ethics of 'Finance'

Fundamentally, finance as a social science discipline shares its borders

with behavioural science, sociology, economics, accounting and management and concerned with issues such as debt and equity financing, dividend policy, evaluation of alternative investment projects, valuation of options, futures, swaps, derivative securities, portfolio diversifications etc. Today, when we cannot explain the frequent economic meltdowns by business cycle theories alone, it brings to the forefront the ethics of finance, which, we other-wise overlook as matters of law and not of ethics. If we look at, the '(A)Satyam saga' we will realise that as in any other operational areas of business, finance too is not free from ethical burden. Adam Smith in his book 'Wealth of the Nations' says, 'All for ourselves, and nothing for other people, seems, in every age of the world, to have been the vile maxim of the masters of mankind'. Some economists interpret the objective of economics to be maximization of financial growth through accelerated production and consumption of goods and services. They believe that liberating financial system will ensure economic growth through competitive capital market system ensuring promotion of high levels of savings, investment, employment, productivity, foreign capital inflow, and so human welfare along with containing corruption. Pragmatic ethicists, however refute the above beliefs, stating that mere ideology could be ethically counterproductive, as maintaining honest principles and fairness in all dealings is not easy in unregulated environments.

A firm is a complex network of contractual implicit relations between various interest groups and business a game played by individuals, with an objective to win and succeed in terms of material wealth. Financial ethics is unfortunately now only a mathematical function of owner or shareholder wealth maximization, making financial experts fall prey to unjustified greed.

Operational areas of financial ethics include, fairness in trading practices, trading conditions, financial contracting, sales practices, consultancy services, tax payments, internal audit, external audit etc. Unethical ones include insider trading, securities swindles, foreign exchange frauds, criminal manipulation of financial markets etc. It also includes unrelated excessive payments made to corporate CEO's and top management, bribery, kickbacks; illegitimately siphon off funds, facilitation payments, etc. While these may be in the short-term interests of the company and its shareholders, these practices are anti-competitive, offending the values of society.

Ethics of 'Human Resources Management'

'Human Resource Management' involves activities like facilitating recruitment or selection, arranging orientation programs, collating performance appraisals, organising training and development activities, maintaining industrial relations, and promoting health and safety issues. HR is an area where ethics really matter. One group says that no ethics exist beyond utilizing HR in earning higher profits. Others argue that labour well-being is not secondary to shareholder profiteering. Many others also look at HR management ethics as a discourse towards egalitarian workplace and dignity of labour.

Ethical issues arise when HR disregard employees' rights and duties making them unfortunate victims of discrimination. Discrimination issues may be because of age (ageism), gender, race, religion, disabilities, weight and attractiveness. Ethical issues on affirmative action, sexual harassment, issues arising from the traditional view of relationships between employers and employees, democratisation of the workplace and privacy of the employee, due to workplace surveillance, and privacy of the employer by whistle blow-



ing are all important. Issuing payments to employees not in accordance to their comparable worth, or making it as if it were charity rather than their right, is also unethical HR behaviour. We all know that except in occupations where market conditions overwhelmingly favour employees, HR treat vulnerable and defenceless employees as disposable and expendable commodities, with expendability justified as 'business morality' sacrificed for 'greater merit in a free market system'.

Nowadays, employees world-over are more vulnerable to opportunistic and unethical behaviour of HR policies and practices due to the decline of labour unions. HR behave as a strategic arm of the owner-shareholder profiteering, making workers 'willing slaves' without a thought to social justice and well-being or acknowledging the fact that organisation can ensure long-term sustainable success only with humanely treated and satisfied workforce. HR practices should be ethical in hiring and firing of employees, especially relating to the fairness of the employment contract by equally balancing the power between employer and employee without any discrimination. HR should also not hire child labour to maximise profits.

HR is neither an inherently ethi-

cal institution nor it can be alluded that it is inherently unethical. Ethics is not something that we can achieve by establishing procedures, drawing codes of ethics, or enacting a law, even though their necessity will remain unquestioned. Nevertheless it is very important that human resources management, create an atmosphere in the organisation, where employees respect the established organisational laws and inherently behave ethically. The following ancient Indian parable explicitly demonstrates the traits and various aspects on finance and human behavioural ethics.

The widow and her son

One evening a Guru and his young disciple, both travellers reached an inn on the outskirts of the city of Kanchan and decided to pass the night. As they lay down on the veranda, a conversation woke them up at midnight. Feigning sleep, both listened to the conversation with attention. They soon understood that of the two persons talking, one was a police officer and the other a young boy. 'I am very sorry to see that a smart young boy like you has taken to stealing that is not only punishable by law of the land, but also by the law of the almighty. It is a sin to steal and its consequences are bound to visit you', the police officer was heard saying.

‘Frankly Sir, I am extremely sorry for what I have done, but there is no alternative than to steal as I needed the money very badly. This is the first and the last time that I will steal’, promised the boy. ‘What compelled you steal, now?’ the officer questioned.



The boy narrated his tale. His father was poor and had died when he was an infant and his mother had a tough time bringing him up by working as a maidservant in various households. His mother through several years of hard work and a great deal of effort had managed to save a little money. With the money, she had build a small rest house on the road side where tired travellers could eat and rest for a small payment.

One night an old couple took shelter for the night in their cottage. In the morning, the old man and his wife were dead. Investigations showed that they were poisoned. The drinking water that was in their room had a dead snake. The police arrested his mother for causing their death due to negligence and the king passed a death sentence on the woman. The ministers, the courtiers, and the woman’s son pleaded for her life. The king said that he would set her free if her son deposits a fine of one thousand rupees to the royal treasury before a year ended.

The boy worked hard, but at the end of the year was able to save only one hundred rupees. ‘Tomorrow is the last day of the year and so I had no option but steal tonight. Please count the money

stolen, it is exactly nine hundred rupees’ the boy concluded his story. The officer counted the money and said, ‘This is not nine hundred rupees, but nine hundred and one’. ‘I must have picked up an extra rupee by mistake’, said

the boy. The officer stood quite for a while and then said, ‘My dear boy! Your story is moving and I feel sorry for you. Nevertheless, let me tell you that it is very wrong to steal. More than any punishment from the king, I am afraid of the punishment that god might mete out to you’. The boy kept quite. The officer said again, ‘You need nine hundred rupees only. Will you give me the extra rupee? If you do, I will consider whether to report your deed to the king or not’. ‘Gladly, sir, here is the extra rupee’, said the boy as he handed over the rupee to the officer. The officer and the boy then walked off in different directions.

The disciple felt extremely annoyed with the police officer. ‘What a greedy fellow he is! He must rob the boy of his surplus rupee’, he said to his teacher. In the morning, both went to the king’s court to see what would happen to the boy and his mother. The boy deposited the fine of one thousand rupees to the king’s treasury and released his mother. The police officer kept mum. The restless disciple asked his Guru, ‘Sir no doubt a theft was committed by the boy, yet he went scot-free. Who is to blame, the boy or the officer who took a bribe of a rupee?’

The Guru answered, ‘We know the circumstances due to which the boy

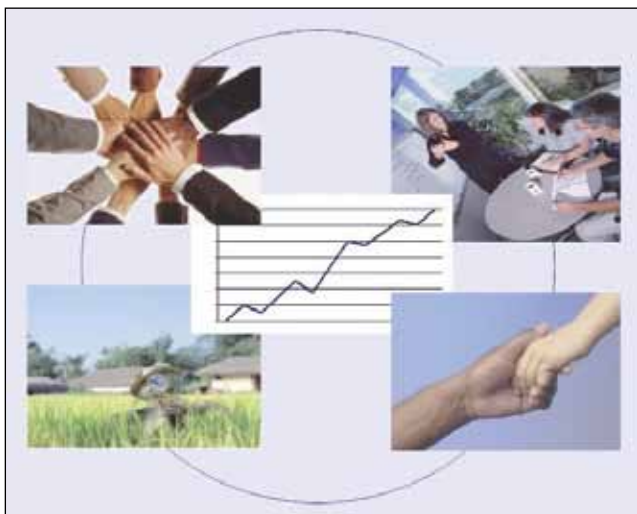
stole. He was not an ordinary criminal. As far as the officer is concerned, we cannot say that he demanded a bribe of the surplus rupee. If he wished, he could have bullied the boy and taken the entire amount or demanded an equal share of it. If he took only one rupee, there must be some other higher motive behind his act. This motive must have been to lighten the burden of the boy’s sin before god almighty by sharing the stolen money. We must not forget the deep affection he felt for the boy and the faith he had on the law of the lord’.

‘The one who was really at fault was the king. He unjustly demanded a thousand rupees fine from the boy knowing well that the boy had no capacity to pay the amount. By his unjust demand, he drove an honest boy to turn into a thief. The king was the real criminal’, concluded the Guru.

Ethics of sales and marketing

Marketing ethics is another important subset of business ethics, which deals with the principle values by which marketers and institutions have to act. It focuses on the ‘political philosophy’ on one side and ‘transaction-focused business practice’ on the other. On the one hand, we can argue that the only ethics in marketing is maximizing profit to the owner shareholder, while on the other we can say that responsibility to the consumers who are no-less stakeholders, than owner-shareholders is also important.

When marketing products or services, we have to be very fair and transparent to consumers, with regard to environmental risks, ethical issues, ingredients used with appropriate labelling, and declaration of the risks in using the product/service. Marketing should be fair in declaring the health risks, financial risks, security risks, environmental risk etc., product/service safety, and liability, giving utmost



respect for stakeholder privacy and autonomy, strictly avoiding outsmarting business rivals through unethical tactics. Honest advertising, fairness in pricing and distribution, forthrightness in selling etc., are few other issues concerning ethics in marketing. It is ethically improper to target vulnerable sections of consumers for consumption of redundant or dangerous products/services.

Price fixing is an agreement between participants on the same side in a market to buy or sell a product, service, or commodity at a fixed price, maintaining the price at a pre-decided level by controlling supply and demand. We refer the group of market makers involved in price fixing as a cartel who also conspire between two or more sellers or buyers; coordinating the pricing for mutual benefit of the traders. The intention to fix price is to unfairly push the price of a product as high as possible, leading to profits for all sellers. Imposing mandatory surcharges, purposefully reducing output or sales in order to charge higher prices; or purposefully share or pool markets, territories or customers are all unethical. Ethical economics considers price fixing as inefficient and anti-competitive management of industry and marketing. How-

ever, when market permits or allows price fixing it is for achieving an ethical goal to fix discount, and stabilize prices for resale and retail price maintenance.

Price discrimination or differentiation exists when a same provider happen to carry out sales transactions of identical goods or services at different prices.

Theoretically, price discrimination can only be a feature of monopolistic and oligopolistic markets, to exercise market power. Price discrimination requires market segmentation or other means to discourage discount customers from becoming resellers and, by extension, competitors. If in case we do not do this, and the seller tries to sell the same goods at different prices, the buyer at the lower price can arbitrage the product by selling it to the consumer buying at the higher price and make a tidy profit. However, product heterogeneity, market frictions, or high fixed costs (which make marginal-cost pricing unsustainable in the long-run) can allow for some degree of differential pricing to different consumers, even in fully competitive retail or industrial markets.



Price discrimination also occurs when we charge the same price to customers having different supply costs. It leads to lower prices for some consumers and higher prices for others and when output remains constant, reduces efficiency by misallocating output among consumers. Price discrimination is very common in services, where resale is not possible; for e.g., student discounts at museums. Similarly, law and technology can also enforce price discrimination in intellectual property; for instance DVD players designed with chips to prevent use of an inexpensive copy of the DVD (for example legally purchased in India) from being used in a higher price market (like the US). There are also instances where price discrimination of identical products is relaxed where we cannot explain the price differential in terms of the cost of production, but wherein consumers are willing to pay, such as the price of “premium products” like a cappuccino in comparison to regular coffee. Price skimming is a pricing strategy where a marketer first sets a relatively high price for a product or service and then lowers the price over time. It is a temporal version of price discrimination / yield management, allowing the firm to recover its sunk costs quickly before competition steps in and lowers the market price. We can refer to price skimming as riding down the demand curve with the objective to capture the consumer surplus, when theoretically no customer will pay less for the product than the maximum they are willing to pay.

Anti-competitive practices

Anti-competitive practices are business or government practices that prevent or reduce competition in a specific market.

➤ Dumping is said to take place when a company sells a product at a loss in a competitive market. Although the company initially loses money for each sale, it hopes to force other



competitors out of the market, after which it would be free to raise prices for a greater profit.

- Exclusive dealing happens when a retailer or wholesaler is under contract obligation to only purchase from the contracted supplier.
- Refusal to deal is when two companies agree not to use a certain vendor.
- Dividing territories is an agreement by two companies to stay out of each other's way and reduce competition in the agreed-upon territories.
- Limit pricing occurs when a monopolist company deliberately sets the price at a level intended to discourage entry of others into a market.
- Tying, wherein buyers have to buy products that are not naturally related.
- Resale price maintenance, where in resellers cannot fix prices without the knowledge of the original manufacturer.
- Barriers to entry (to an industry) designed to avoid the competition that new entrants would bring.
- Coercive monopoly – when you bar all potential competition from entering the market.
- Government monopoly, when the state is the sole provider.
- Government-granted monopoly, when a private individual or firm to be the sole provider.

Critical practices also include absorption of a competitor or competing

technology, where a powerful firm effectively co-opts its competitor, rather than see it either compete directly or allow any other competing firm absorbing it. Subsidies from government, allowing firms to function without being profitable, giving them an unfair advantage over competition or effectively barring competition by legislating regulations, placing costly restrictions that less wealthy firms cannot afford to implement, are also unethical ways. Protectionism, tariffs, and quotas insulating firms from competitive forces also fall in the same league. Others include patent and copyright misuse, such as fraudulently obtaining a patent, copyright or other form of intellectual property; or using such legal means to gain advantage in an unrelated market.

Monopolies and oligopolies may often indulge in anti-competitive practices. However, it is not easy to do so unless the parties involved have significant market power and / or government backing. Even though this often enriches the practitioner, they generally have a negative effect on the economy as a whole, and a clear disadvantage to competing firms and consumers who are unable to avoid their ill effects. Most countries have anti-competitive practice laws and government regulators to implement / enforce, to achieve a freely-functioning and efficient market economy, with each participants having limited market power, without monopoly, so that profits and consequently prices are lower, in addition to a wider range of products supplied.

Market realities are complex as oligopolistic firms may achieve economies of scale, levels of sophistication in business process and/or planning (that benefit end-consumers and) not possible by smaller firms. Moreover, in industries with high investments, only large firms can survive (e.g. airlines, oil exploration, pharmaceuticals etc.)

and governments regard these market niches as natural monopolies and balance it by regulations. In some cases, anti-competitive behaviour can be difficult to distinguish from competition. For instance, we have to distinguish between product bundling, which is a legal market strategy, and product tying, which violates marketing ethics. Planned obsolescence in industrial design is a policy of deliberately planning or designing a product with a limited useful life, so it will become obsolete or non-functional after a certain period. Planned obsolescence has potential benefits for a producer as to continue using the product the consumer is under pressure to purchase again (a replacement part or a newer model), from the same manufacturer or from a competitor who may also rely on planned obsolescence. From an industry viewpoint, planned obsolescence stimulates demand by encouraging purchasers to buy sooner, if they still want a functioning product. Planned obsolescence hides the real cost per use from the consumer, who may not be willing to pay a higher price for the product being aware of its limited useful life. Built-in obsolescence is common in many products, from vehicles to light bulbs, from buildings to proprietary software. When consumers understand this, they might turn to another product manufacturer offering a more durable alternative. Obsolescence planning influences a company's decisions in using the least expensive components that will satisfy product lifetime projections, with the industry calling this discipline as value engineering. The use of planned obsolescence is not easy to identify, complicated by related problems, like competing technologies or latest featureism, expanding functionality in newer product versions. Incorrect content in advertisements, attack ads, subliminal messages, sex in advertising, advertising harmful and immoral products, using children or marketing in schools,

black marketing, grey markets, etc., are other unethical practices in marketing. Marketing ethics spreads its influence across all other fields of life. Its visual communication can either serve as a knowledge source, or restrict views within stereotypes of gender, class and race relationships. We need to approach marketing too from ethical perspectives of virtue, obligation, logic, pragmatism and relative positioning.

Ethics of product development and manufacture

Business ethics here usually deals with the company ensuring that both the products developed and production processes do not cause harm to users in general. A dilemma can arise while identifying the degree of danger in using a product or its production process. It is difficult to define the degree of permissibility as it depends on the ever-changing state of preventative technologies or changing social perceptions of acceptable risk.

Developing and producing defective products, or addictive and inherently dangerous products and services (e.g. tobacco, alcohol, weapons, chemical pollutants manufacturing, bungee jumping, etc.), all fall in this category. Ethical behaviour of the company with respect to environmental pollution, carbon emissions trading, problems arising out of new technologies like genetically modified food, mobile phone radiation and health, product testing ethics within the preview of animal rights, or using of economically disadvantaged groups (such as students) as test objects are also important facet of business ethics in this area.

Ethics of property, property rights, and intellectual property rights

Throughout history, humans have tirelessly contested the ethics of property, property rights and intellectual property rights. Property ownership enhances an individual's liberty, extend-



ing the line of non-interference by the state and others around. When you see from this viewpoint, property right is absolute and property has special distinctive character preceding its legal protection. However, in one historical era, self-contained, competitive materialistic individuals have for their own survival and autonomy conceptualised the idea of property right as an “Exclusive autocratic control a single person exercises over the external things of the world, in total exclusion of the right of any others in the universe”, without understanding the truth about human condition. The notion of property has its etymological root in ‘proprius’ which refers to ‘nature’, ‘quality’, ‘one’s own’, ‘special characteristic’, ‘proper’, ‘intrinsic’, ‘inherent’, ‘regular’, ‘normal’, ‘genuine’, ‘thorough, complete, perfect’, etc. The word property thus relates to ownership, implying the personal qualities of propriety and respectability defining a ‘proper’ person as the one who is true to herself or himself, perfectly genuine, and pure theologically ordained by God. Similarly, some ideologists too often hold that private property right is “sacred” and thus is a non-negotiable natural right. Some others argue that, “Property is not different from other legal categories and is only a consequence of the significance, attached by law to the relationships between legal persons” and contest the sacred natural right view. Some scho-

lars point out that property right is more of a politically negotiated and legally regulated right, than a natural or sacred right endowed to individuals and firms.

Jeremy Bentam, the 18th century British philosopher, tersely says, ‘Property and law are born and die together’. ‘Property’, ‘is only an effect, a construction, of relationships between people, whose objective character is contestable. Persons and things are ‘constituted’ or ‘fabricated’ by legal and other normative techniques. Private property cannot exist without regulation. Property is not essentially a ‘right to a thing’, but a separable bundle of rights, subsisting between persons that vary according to the context and the object at stake. Property right thus refers to a group of individual rights, namely occupancy, use, and enjoyment, the right to sell, devise, give, or lease all, or part of these rights, along with the responsibility and obligation associated with it, as a custodian of the property. Property claims are fragile and cannot exist without trust of others. What we now claim as property rights could originally be also a forced appropriation, rather than negotiation, passed on to the heirs of the appropriators. However, the rights theory tends to stabilise the current distribution of property holdings, by securing it on the assumption that one acquires it lawfully, socially, politically, and is morally legitimate.

Intellectual property right is a special kind of monopoly property right. The phrase ‘Intellectual Property Rights’ [IPR] indicate treating ideas, thoughts, codes and information as monopoly. Generally, the government does not enforce monopolies for producers of goods as it creates many social costs. Intellectual monopoly is very similar, and may or may not create social benefits commiserating with social costs. ‘Trade Related Aspects of Intellectual Property Rights’ (TRIPS) agreements,

enforces the standards of intellectual property rights on global basis. Ideologists justify the monopoly intellectual property right as an 'incentive to invent and develop goods'. However, many claim that 'innovative monopoly' is an oxymoron, as 'intellectual property', is not like any ordinary property, but constitutes a government grant of a private monopoly over ideas in the name of innovation that may practically be damaging to growth, prosperity, and liberty.

We can question the ethics of monopoly intellectual property rights in the context of natural rights and moral rationale that inventions are mostly a social creation of collective, cumulative, path dependent interrelated work to which many contribute, and therefore, one person or a firm claiming the property is not justifiable. Innovations happen in a matrix of historically emergent social arrangement of individuals hitting with the new idea. Rewarding some lucky individuals with monopoly rights is therefore questionable. Furthermore, monopoly rights award benefits are not for the individual who actually gets the idea, but to the corporate firm that appropriates it. Ethically, property rights are extensions of an individual's right to control one's life and any property rights conflicting this moral principle are invalid (e.g. the 'right' to own slaves). When we enforce the copyright laws, we are only preventing people from using information they already possess.

Although one may say that the originator of information deserves its ownership, it is also important to remember that information is abstract for anyone to control. Information is universal and exists in other people's minds where the originator has no legitimate sovereignty. IPR is primarily justified with the belief that 'innovative monopoly' increases creativity. Pragmatic ethics however believe that



enacting laws based on these considerations is unethical as monopoly is anti-competitive in any scenario of political economy.

Knowledge economy is an economy of abundance, its basis being the infinite potential of knowledge and idea. On the other hand, the conventional economy of scarcity, bases itself on the limited resources of land, labour or machinery. The basic concept of the economics of abundance is free distribution of goods and services and optimisation of production. IPR regime creates an unjustified artificial scarcity where abundance is otherwise possible, making the economy bonded within a legal framework. Intellectual property, unlike material property, is unlimited. It is not constrained by limitations of space and time. Conventionally, unalienable intellect becomes legitimately alienable for others, especially corporate houses to own.

Is not the legal system that lets a relatively small number of corporate players amass, huge intellectual property portfolios, colonizing the present and future generations unethical? Patent, copyright, trademark infringement, misusing intellectual property systems stifling competition, bio-prospecting, bio-piracy, business intelligence and industrial espionage, are also unethical. Raiding on competitor's key employees

to take unfair advantage of their knowledge skills, or employing talented people in a specific field, without their actual need, but only with the intention to prevent other competitors employing them, are some other unethical methods used in enterprises.

Ethics of technology and globalisation

Ethical issues that arise with the use of computers and webs are data mining, workplace monitoring and privacy invasion. Medical technology has improved with pharmaceutical companies having the technology to produce life saving drugs. Life saving drugs, invented on the hope of profits drawn out of monopoly right for a stipulated time, however, can make it unaffordable for victims in need of support, a clear instance of bad ethics of patent monopoly. Patents that protect drugs also prevent production of generic drugs for the poor.

Globalisation is a reality and following values of international commercial behaviour, respecting local business ethics, religious perspectives and traditions of different countries, is vital as part of international business ethics. Ethical issues can arise in international business transactions with respect to bio-prospecting and bio-piracy, the fair trade movement; transfer pricing, cultural imperialism, varying global standards (e.g. the use of child labour), taking undue advantage of international differences, such as outsourcing production and services (e.g. call centres) to low-wage countries. Foreign countries often use dumping as a competitive threat, selling products at prices lower than their normal value. This leads to domestic problems making it difficult for local producers to compete with the pricing set by foreign products in the market. Dumping is an ethical issue, with larger companies taking advantage of other less economically advanced companies.

[To be continued]

Ethics in Enterprises

Ethics in reward and rebuff

Ethics in rewarding employees is one of the most important tasks, to keep morale of the work force high to achieve exemplary success. The *Hitopadeshah* put it succinctly.

Subhendra is the only nobleman who did not enjoy hunting and was present in the castle. Although he found the situation difficult, he did not lose hope. Gathering a few soldiers and castle guards, he led them to the castle roof

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लुब्धर्मथेना गर्हीयात् स्तब्दमान्जलिकर्मण ।
मुखं चन्दामुरोधेन यथार्थयेन पण्डितम् ॥

– हितोपदेशः

We can win over a greedy fellow by money, a stubborn fellow by a show of humility, a fool through flattery, and a wise man through truthfulness / realism.

Even though all recognise this reality, it is also a fact that people who make sacrifices for a cause often go unrewarded, in spite of fulfilling the necessary requirements in their allotted key results areas and objectives. There are instances to the contrary too; when to save oneself one might sometimes have to follow an action contrary to business and moral ethics and not reward the deserving person due to ill conceived rancour. The following legend will enlighten and highlight this unfortunate facet of human living.

Marthand was the king of Somghar. He had a courtier friend Subhendra. In a strict sense, he was not an employee or in any way indebted to Marthand. We do not know whether Subhendra himself was a warrior or not, but his advice on military affairs were always sound. Military commanders of the Somghar kingdom following his advice always came successful and victorious.

One day Marthand went out for a ceremonial hunting expedition. All his faithful ministers, commanders, and retinue of soldiers accompanied him.

Virbhadra, a neighbouring king, takes advantage of this opportunity, and attacks Somghar to seize Marthand's castle and capture the kingdom.

top and rained fireballs, stones and arrows at the invading army. They do so with such a fury that Virbhadra's army have to retreat. Subhendra arranges for the burial of the killed enemy soldiers and arranges for medical treatment for the wounded.

King Marthand informed of the attack rushes back to Somghar with his ever-faithful and loyal retinue. Marthand congratulates Subhendra for his courage and success, but is plainly unhappy over his kindness towards the injured prisoners. Not heeding to the sane advice of Subhendra, King Marthand in his arrogance and with appreciation of his faithful ministers, not only puts all captured enemy soldiers to death, but also marches upon Virbhadra's territory to revenge the attack.

Anticipating Marthand's return attack, Virbhadra in alliance with other kings inimical to Marthand, waits ready with a large army. In a fierce battle, Marthand is defeated and imprisoned. Subhendra with his resourcefulness however manages to escape and evade arrest. Virbhadra and his soldiers loot the people of Somghar and beat up anyone raising their voice against this tyranny. Subhendra, totally disheartened with the situation, decides to devote himself to people welfare and

secretly marshals the services of some brave young men.

One night he storms into Virbhadra's castle, and captures him and his trusted officers, eventually freeing King Marthand from custody. As soon as the news of King Marthand release spreads, the people of Somghar rise against Virbhadra's officials present in their kingdom and drive them out. King Marthand returns to the throne. Immediately without delay, Marthand passes a death sentence against Virbhadra and his captured officials. He also announces that Subhendra will be the chief commander of his army. Subhendra is not too pleased with Marthand's actions, but keeps mum in the open court.

That very night Subhendra meets the king privately and says, 'I do not have any inclination for the position you have offered me. Please change your decision.'

'Is your decision to reject my offer final?' asks the king embarrassed.

'Yes, that is right' replies Subhendra.

'In that case you ought to leave my kingdom forthwith' says the king.

‘Should I take this to be your order?’ asks Subhendra.

King Marthand lowers his look, but firmly says ‘Well Yes.’

‘Very well, I will quit Somghar’, and true to his word, Subhendra leaves Somghar before dawn with all his legitimate personal belongings.

This story poses us many questions. ‘Why was Subhendra so unwilling to accept the position offered to him?’ A man who so successfully dispelled an attack and then so cleverly freed his king and his kingdom from the enemy clutches is definitely fit to occupy the position! What is more baffling is how could the king ask him to leave the kingdom? If he was unwilling to become the commander, the king could surely honour him in some other way! Far from, doing that how could the king exile him?

Let us analyse and search a logical answer to the various questions. We can very clearly understand that Subhendra

enemy soldiers. If he organized an insurrection against Virbhadra, it was because Virbhadra proved a tyrant. Had Virbhadra ruled Somghar with kindness, perhaps Subhendra would not have rebelled.

King Marthand understood Subhendra and his nature well and was certain that unlike his other courtiers who were willing to dance to his tunes, Subhendra will never do so. He felt that such a person either should be under his control or should leave his kingdom. To let him live independently after he had proved so efficient and grown popular among his subjects, would be unsafe for himself as the king. It was clear that Subhendra, if the situation so demanded, would not hesitate to rise against Marthand for the welfare of the people of Somghar. Subhendra’s truthfulness, fair play and integrity could become a needless thorn in King Marthand future scheme of things, and so he had to go. Subhendra too as this Panchantatra saying reflect was clear in his thoughts that it was not worth wasting his time in Somghar any longer.

den by law’ and presumes the accused is innocent until proven guilty beyond reasonable doubt. Though the liberal premise of law is necessary to protect individuals and firms from being persecuted, it is not a sufficient mechanism to make them morally accountable. Ideally, it is better to follow the mantra of being ‘Ethical and legal’.

Ethics and business success

One of the most important attributes for succeeding in a business is the distinguishing quality of practicing admirable business ethics. Business ethics, practiced throughout the deepest layers of a company, become the heart and soul of the company’s culture and can mean the difference between success and failure. “Nothing is more important than integrity and if you have integrity, all others are unimportant”.

Today the world is more connected and transparent. How we do is more important than what we do. Our conduct determines whether we survive and thrive, or cease to exist. Everyone can easily see the details into what we do.

किं करोत्येव पण्डित्यमस्थाने विनियोजितम् ।
अन्धकारप्रतिच्छन्ने घटे दिप हवाहितः ॥

– पन्चतन्त्राः

What is the use of trying to apply your learning at the wrong place? That will be like trying to remove darkness, using a lamp, by placing it in a closed pot.

was an independent minded man and not prone to sycophancy. He used to advise the king only as a courtier an equal friend and not in any subservient manner. If he were to accept the appointment of the commander of the king’s army, he would be required to obey the king and would no longer be able to act as per his free will and conscience.

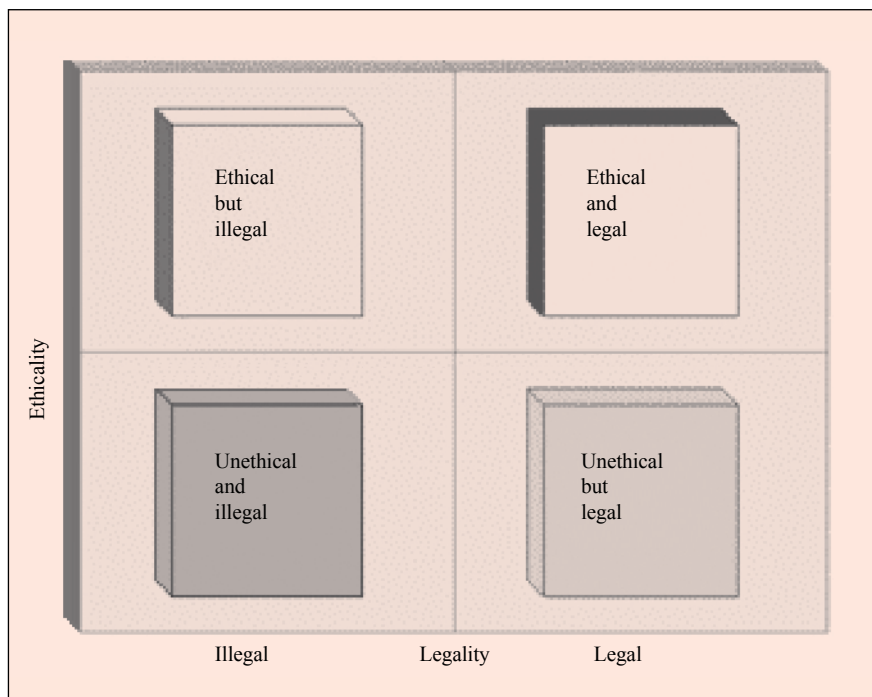
Subhendra was not only humanitarian and patriotic, but a very devoted, sincere person too. His humanitarianism was amply evident in arranging to nurse the wounded

Law and business ethics

Businesspersons believe that abiding with the law and making profit within the framework of the legal system is by itself good ethics. Reducing ethics to only abidance to laws and customs is fraught with danger. Legal procedures are technocratic, bureaucratic, rigid and obligatory. Ethical act is conscientious, and voluntary by choice. Law is retro-active. Crime precedes law. To pass a law against a crime, the crime has to occur. Laws are blind to the crimes undefined in it. According to law, ‘wrong conduct is not criminal unless forbid-

Competitors can see, study and copy. Customers and employees can see whether we are keeping our promises to them. Shareholders and regulators can see how good we are at achieving and in what we claim.

Connectivity and transparency places a premium on conduct, with expectations on it higher than ever before. Expectations bring opportunities and companies that succeed in shaping employee conduct will only out-behave competition. Aristotle said, ‘Excellence is not a single act, but a habit’, and we



will derive success less by what and who we know and more by how we conduct ourselves.

As working professionals, we have to make ethical decisions consciously on a daily basis. Just as great athletes practice thousands of hours to ensure that at the crucial moment, when the heat is on, they make the right play, we too need to apply this discipline, keep testing and flex our ethical muscles so that under pressure, we do the right thing, even if it is inconvenient or unpopular. The best leaders exhibit both their values and ethics in their leadership style and actions. Leadership ethics and values are visible because we live them in our actions every single day. A lack of trust is a problem in many workplaces as leaders never identify their values and employees do not know what to expect from them. If leaders identify, share and live their values daily, it visibly creates trust. However, to say one sentiment and to altogether do another will damage trust forever. In a workplace, we cannot avoid trusting

or perceiving others competence and intentions and if the leadership fail to live up to their own code of conduct and ethical expectations, they only become a set of jokers adversely influencing the actions of others.

Leadership values

Every individual should choose his or her own leadership values. Some typical examples of values are ambition, competency, individuality, equality, integrity, service, responsibility, accuracy, respect, dedication, diversity, improvement, enjoyment/fun, loyalty, credibility, honesty, innovativeness, teamwork, excellence, accountability, empowerment, quality, efficiency, dignity, collaboration, stewardship, empathy, accomplishment, courage, wisdom, independence, security, challenge, influence, learning, compassion, friendliness, discipline/order, generosity, persistency, optimism, dependability and flexibility. We have to choose the values, the ethics that we importantly believe, defining our character. Live them visibly every day at work, as living

your values is one of the most powerful tools available to help us lead and influence others. It is an opportunity we cannot waste. Ethical living will inspire people, provide a vision for the future, making you the person others choose to follow.

We are aware that behaviours influence corporate culture, and certain actions have greater impact than others. Of all the different actions, setting a good example, keeping promises and commitments, and supporting others in adhering to ethical standards has the most powerful influence on building an ethical culture. The emphasis here is “actions speak louder than words”. Every organisation has to identify which ethical actions have greater impact, to promote a culture committed to ethical conduct in the workplace so that it can target employee training better. Organizations that dedicate substantial resources to the communication of ethical values may find that resources are better-spent encouraging leadership to set a good example of ethical behaviour, establishing organizational trustworthiness in keeping promises, and helping employees to make ethical decisions. All employees need training in handling ethical dilemmas and the manner to engage in ethical actions, while fresh junior employees need specific instructions on how to proceed when faced with ethical challenges.

Top management has to communicate ethics as a priority, setting a good example of ethical conduct, keeping promises and commitments, providing information about what is going on so that employees perceive that top managers are ethical. Only when employees believe that even top managers are accountable for ethics violations they will get over the general perception that management normally holds non-managers unfairly accountable for ethics violations. Setting a good ethical

example and supporting others in their adherence to ethics standards are more powerfully associated with outcomes than talking about the importance of ethics. An employee who perceives that top management sets a good example is less likely to show misconduct than one who does not perceive that top management sets a good example. Likewise, an employee who feels that top management keeps their promises and commitments is less likely to see misconduct than an employee who does not think that top management keeps their promises and commitments. In contrast, an employee who perceives that top management communicates the importance of ethics is less likely to observe misconduct than one who does not, and likewise an employee who perceives that top management is held, accountable for ethics violations is only less likely to observe misconduct than one who does not.

Top managements ethics related actions influence employees' satisfaction with their organization. Employees that perceive top management as ethical are more likely to be satisfied with the organization where they work than those who do not perceive. When management unconditionally support employees adhering to ethical standards, it results only in positive outcome for the organisation. An ethics related action by co-workers, consideration of ethics during decision-making, supporting each other's adherence to ethics standards, sets a good example that has a greater impact on the overall outcomes. Employees who perceive that their co-workers set a good example and support adherence to ethics standards are less likely to see situations that invite misconduct than employees whose co-workers do not engage in these ethical actions. In contrast, an employee who perceives that their co-workers talk about the importance of ethics is neither more nor less likely to see risky situations than an employee who does not.

Training in ethics has a greater impact on less senior employees than on senior ones. Ethics compliance is more effective when employees throughout an organization act to promote, rather than just talk about, ethics. Ethics training is more helpful in preparing junior level employees to handle ethics situations than senior ones. This does not mean that all senior employees are ethically right and should abandon training, but the fact that many senior managers develop ethical decision-making skills through their professional experiences moving up the organizational hierarchy and, therefore, training has a different impact on junior employees who are not as familiar with ethics issues. Upper management may benefit from issue or topic-specific training that helps to raise their awareness of particular types of misconduct, although comprehensive training programs that strengthen ethical decision-making skills may be more beneficial for junior employees.

The success of an organisation depends on the match between its employees and the inherent company culture. Culture is a set of operating principles, which determine the way employees behave within the context of a company. The way a group or individual behaves, defines what is "normal", and culture determines those sanctions what are abnormal. Principally, the observable behaviours of individuals are their beliefs, values and assumptions that dictate their actions, and only managers having an accurate understanding of organization culture can direct activities productively, preventing destructive influences on employees not committed to the company's goals. This shared sense of purpose normally starts with the hiring of the employees and continues with the careful attention to how employees are motivated and rewarded for their efforts. Managers have to continually transmit the values of the culture through efforts either by story-

telling, rituals, firm-sponsored social events, as well as by consistent positive feedback giving every member of the firm a sense of importance.

Matching people with organizational culture

Matching individuals to organizations is a crucial part of success for any company. The match between people and the companies for which they work depends on the kind of organizational culture that exists. The degree to which an organization's values match the values of an individual who works for the company determines whether a person is a good match for a particular organization or not. In large organizations, vision statements, mission statements and statements of values are often formalised to describe the company's culture. On the most basic level, culture is observable as a set of behaviours, like the degree of formality with which employees conduct themselves, company dress code, the type of technology used etc. Beneath the level of observable behaviours are the values that underlie behaviour. Although these values determine behaviour, you cannot observe them directly. At an even deeper level are the assumptions and beliefs that determine values. While an organization or individual's values may remain within awareness levels, assumptions and beliefs often exist beneath the surface and out of conscious awareness.

Being aware of an organization's culture at all levels is important because it is culture, which defines appropriate and inappropriate behaviour. In some cultures, there is stress on creativity, where as in some others, *status quo* is valued. Some cultures are more socially oriented, while others are task-oriented, "business only" environments. In some companies teamwork is key, whereas in some individual achievement is encouraged and valued. An organization's culture also determines

the way in which you reward employees. Management tends to focus on a dominant source of motivation, such as pay, status or opportunity for personal growth and achievement. The accessibility of management and the ways in which you make decisions are reflections of an organization's culture as well. It is important for individual values to match organizational culture because a culture of "shared meaning or purpose" results in actions that help the organization achieve a common or collective goal. An organization will operate more productively as a whole when majority of its members share key common values. In this respect, employees have to be comfortable with the behaviours encouraged by the organization so that individual motivation and group productivity remain high. High functioning organizations are comprised of individuals whose overt behaviours are consistent with their covert values. All of this is of crucial importance to managers. Senior executives usually set the tone by exerting core values that form the overall dominant culture shared by the majority of an organization's members. If management does not take the time to understand the culture that motivates an organization, problems are inevitable. New procedures and activities will be very difficult to implement, if they do not match with the organization's culture.

The organisation's hiring process itself has to ensure that selected candidates are responsive to the goals and operating procedure of the organization. Managers have to foster the development of a positive culture by employing people who share the same values and vision that the organization represents. To do this, employers can even spend time with prospects before they enter the organization as new employees. Once you doctrine the new hires with the organization's values, they will form an objective perception

solidifying the organization's personality or culture. Companies should hire only those people who fit the organization, and managers should not only have a thorough understanding of the dynamics of culture, but also know to direct activities transforming it, in a manner that gets positive results. Continually transmitting organisational culture productively, including telling stories, having corporate rituals, using symbolic language when referring to the organization's mission, in addition to firm-sponsored social events and mentorship programs are some ways to effectively promote positive culture.

Having a positive and aligned culture benefits the organization in many ways. One important benefit is a high level of productivity. The destructive influence of hiring someone who does not share the same set of values, goals and commitment espoused by the organization will weaken a strong chain of links and bonds. An employee's performance depends on what is and what is not proper among his or her peers, which in turn affects that individual's behaviour and motivation to participate and contribute within the organizational framework. An effective means of keeping employees aligned with the values and goals of an organization is by developing a culture that encourages employees to focus on a higher purpose for their work. Employees are basically, good, rational and interested in achievement and only leaders who believe that employees at all levels have something to contribute in decision-making can unify the organization. The key to success is in creating an environment where people enjoy and value their work. Leaders can achieve this by communicating clearly, as to what are the company's expectations from every member of the organization. Supporting all expectations by words and actions, managers should regularly let their people know how their work is

important to the organization. Assignments allotted to employees should be consistent with their individual strengths and interests, with ample provision and opportunities for continued learning and growth. We cannot overlook the importance of understanding organizational culture. The bottom-line for success is to create a positive environment by bringing in people with high ethical values who are capable of maintaining an ethical environment, who very clearly acknowledging success and allow people to enjoy working hard to meet the company's goals.

Unlike earlier business performance assessments, today it is only about numbers or rather a performance of business day in and day out. It neglects the critically important notion of sustainability. Business leaders have to re-conceive their views on growth, abandon short-term thinking and myopic decisions and instead focus on building a truly sustainable enterprise. In the truest sense, sustainability is a long-term, integrated platform for innovation, growth and significance. This requires a long-term commitment as to how a company relates to people, namely its employees, partners, customers, investors, to its communities or the larger societies that give it permission to operate, and to the environments in which it conducts business. To build a truly sustainable company one should be willing to shift the current thinking, adopt newer habits, not only assert great values, but also they live them. In spite of the many adverse prevailing circumstances, do everything in power to gain the trust of people involved by honouring all commitments and obligations, particularly if something has gone awry. Have clear documentations. All print materials, including small business advertising, brochures and other business documents should be clear and concise, professionally precise without misre-

presentation or misinterpretation. Today, involving oneself in community-related issues and activities is a demonstration of a company's business responsibility toward the community. Contribute and stay actively involved. Take a hands-on approach to accounting and record keeping. It will not only give a better idea about the progress of the company, but will also act as a resource for any "questionable" activities. Controlling accounting and keeping of records makes it difficult to indulge in any dubious activities. Treat others with the utmost of respect. No matter the differences, positions, titles, ages or other types of distinctions, always treat others with professional respect and courtesy. To recognise the significance of business ethics as a tool for achieving the desired outcome is only the beginning. Instilling, a deep-rooted theme of business ethics as strategic policy will be evident among customers and this overall influence will lead to a profitable, successful company.

Two sides of business ethics

Many companies have formulated internal policies pertaining to the ethical conduct of its employees, ranging from simple exhortations in broad generalized language (Corporate ethics statement), or detailed policies, containing specific behavioural requirements (Corporate ethics codes). Corporate ethics statements and codes identify the company's expectations from employees and guide them in handling some common ethical problems that might arise in the course of doing business. A firm policy leads the company to greater ethical awareness, consistency in application, and the avoidance of ethical disasters. Companies arrange seminars for its employees discussing business conduct, company's policies, specific case studies and legal requirements. Some companies even require their employees to sign agreements stating that they will abide by the

company's ethical rules of conduct in a competitive business environment that may call for unethical behaviour. Not all support corporate policies that govern ethical conduct some claiming that employees should better use their own judgment to deal with ethical problems. Many others believe a disconnection between the company's code of ethics and its actual practices always exists with explicit sanction of the management making the policy duplicitous, and at best, a mere marketing tool. The policy only helps the company to avoid a lawsuit if its employees follow the rules and should a lawsuit occur, it can always claim that the employee did not follow the corporate ethics policies and limit the company's legal liability, by portraying itself to the public of being a good corporate citizen.

To be successful, top management should unequivocally support the ethics policy of the company both by word and by example. The policy should be neutral, non-sexist and in a written form and should never be as per the whims and fancy of the top management. Policies should be easy to understand and follow. Its periodic oral reinforcement helps in effectively implementing it across the enterprise. Top management should monitor it for compliance with routine inspections and improve upon it whenever necessary. The ethics policy should also clearly state the consequences in case of disobedience. The basis for ethical behaviour goes well beyond corporate culture and the policies of a company alone, as it also depends greatly upon an individual's early moral training, the other institutions affecting the individual, the competitive business environment and the society as a whole. Good business ethics should be a part of every business association. Remember, when a company does business with another unethical company, it does make the

first company unethical by association! The first business cannot shun its responsibility of its link in the chain of unethical businesses. Many global businesses, including many major brands we use (whether fast moving consumer goods, consumer durables, restaurants, soft drinks, real estate, etc.) do not think too highly of good business ethics. Many companies do not adhere to business ethics, breaking ethical and environmental laws with impunity. They have received and paid fines in millions without the least bother. The reason for this is simple. Money is the major deciding factor. The amount of money these companies profit by breaking ethical and business laws far outweighs the fines applied. Profits in billions blind the company to neglect business ethics. If the company is making large amounts of money, they may not wish to pay too close attention to their ethical behaviour. However, do our people care? In the end, it may be up to us consumers to make sure that a company adheres to correct business ethics. In this competitive corrupt world, lacking proper implementation of governmental rules and regulations, this is all to more difficult. Sadly, today both people and companies proudly following correct business ethics are becoming fewer day by day!

Practicing business ethics

Research however, finds that companies having a 'clear commitment to ethical conduct' consistently outperform companies that do not follow ethical conduct. Principally, ethical behaviour in business life is right, but it also pays off in financial returns and companies cannot neglect this insight for long-term success and growth. Customers always want to do business with companies they can trust. When trust is at the core of a company, it clearly reflects on its operations and is easy to recognize by its clients. Trust is an as-

sured reliance on the character, ability, strength and truthfulness of a business. In ancient India, a king who was most truthful and humble introduced and adhered to a very unusual rule. If anybody appeared before the palace window early morning and offered to sell him something, he will purchase it at a price quoted by the seller. The country's trade and commerce were sound and the king believed that by implementing this rule, no trader in his kingdom will suffer a total loss, and his subjects will enjoy prosperity. In his kingdom, there was

am going along with my sister Lakshmi, for without wealth, fame is impossible'. Next, to appear was the goddess of honesty. 'I too wish to go, for I am sure you are likely to become dishonest, without wealth and fame'. There were many more gods and goddess who wished to go away from the king. He did not stop any of them from leaving. The last to appear was the god of truth. 'How can I be with you all alone, when all my brothers and sisters are gone? I too am leaving you my child!' He said. 'How can you desert me, O Lord?' is it not for your

the easy way out, for instance, to tell a small lie because no one will be able to prove it, or to claim credit for someone else's work because it works in your benefit. Yet we will always know that it is the wrong choice and our inner voice will tell. Some people are better at ignoring their inner voice than others. They think they can talk loud enough, live fast enough, and that they can drown out their inner voice. However, they cannot do that, as it is imperishable, is always there. The *Samayochita Padyamalika* guides us here.

नानृतात् पातकं किञ्चित् न सत्यात् सुकृतं परम् | *There is no sin graver than falsehood;*
विवेकान् न परो बन्धुरिति वेदविदो विदुः || *no noble deed greater than adhering to truth and*
no friend greater than one's conscience
– समयोचित् पादयमालिका – *The Samayochita Padyamalika*

an extremely poor man. 'People sell so many things to the king, why should I not dispose off my poverty and begin a new life with the value I get for it?' he wondered. He made a neat bundle of his tattered blanket, worn out pair of shoes, and torn pieces of his dresses, and appearing before the king's palace, shouted 'Poverty for sale!, Poverty for sale!'

The king was surprised. Nevertheless, he looked out of his window and asked, 'What is the price?', 'Five thousand rupees, my lord' said the poor man. The king directed the palace administrator to pay the man his due and deposit his bundle in the royal storeroom. At night, in his dream, a luminous figure appeared before the king and said, 'My son, I am Lakshmi, the goddess of wealth, but I am leaving you as you have purchased poverty'. 'My mother, you were with me out of your own kindness. Who am I to stop you, if you decide to leave?' said the king. Hearing the king, goddess Lakshmi left the palace. Soon thereafter, another figure appeared to him and introduced herself as the goddess of fame. 'I

sake that I purchased poverty, to prove truthful to my rule?', 'Have I shown any disrespect to truth?', 'Have I not earned the right to stop you from leaving me?' He demanded. Lord Dharma hesitated and then smiling said, 'Very well son, I will not leave you' and went back to the palace. To the king's amazement and joy, he saw all the other gods and goddess returning. They said, 'We thought that when we all leave, the god of truth will also leave the palace along with us. Since this did not happen, we had to come back, for we are not happy to live without our beloved Dharma'. The king bowed low to them as they all entered the palace, and the king woke up from his sleep. Most people are good and honest and their scruples will not allow them to do wrong or go against principles of truth. We all have an inner voice telling us when something we are considering is not right. We may or may not listen to it, but it is always there. As a professional, one of the best things we can do is to listen to our inner voice. If something is not right, our scruples kick in, and the inner voice tells us not to do it - listen. There is a reason for it. It is tempting to take

When we have scruples, and listen to our inner voice, life becomes easier. If we decide to ignore our inner voice, there will be consequences, that may not be obvious or immediate, but they will surely come. If we always tell the truth, we need not remember our story or worry about what we told whom. We are more effective when we know we are doing the right thing, easier for us to get behind it and push to make it a success. We can sleep better and more soundly when our inner voice does not nag us. We are not fighting with ourselves. The easiest and the best most effective course of action for anyone is to follow their inner voice. If something seems wrong, do not do it. If we use that moral compass as our guide, we will be healthier and like ourselves more. Others will sense it too, and we will be better persons and our enterprise a better one.

ADDITIONAL READING

Sitaram Dixit, Cultivating Corporate Culture Change, *Chemical Weekly*, May 18, 2010.