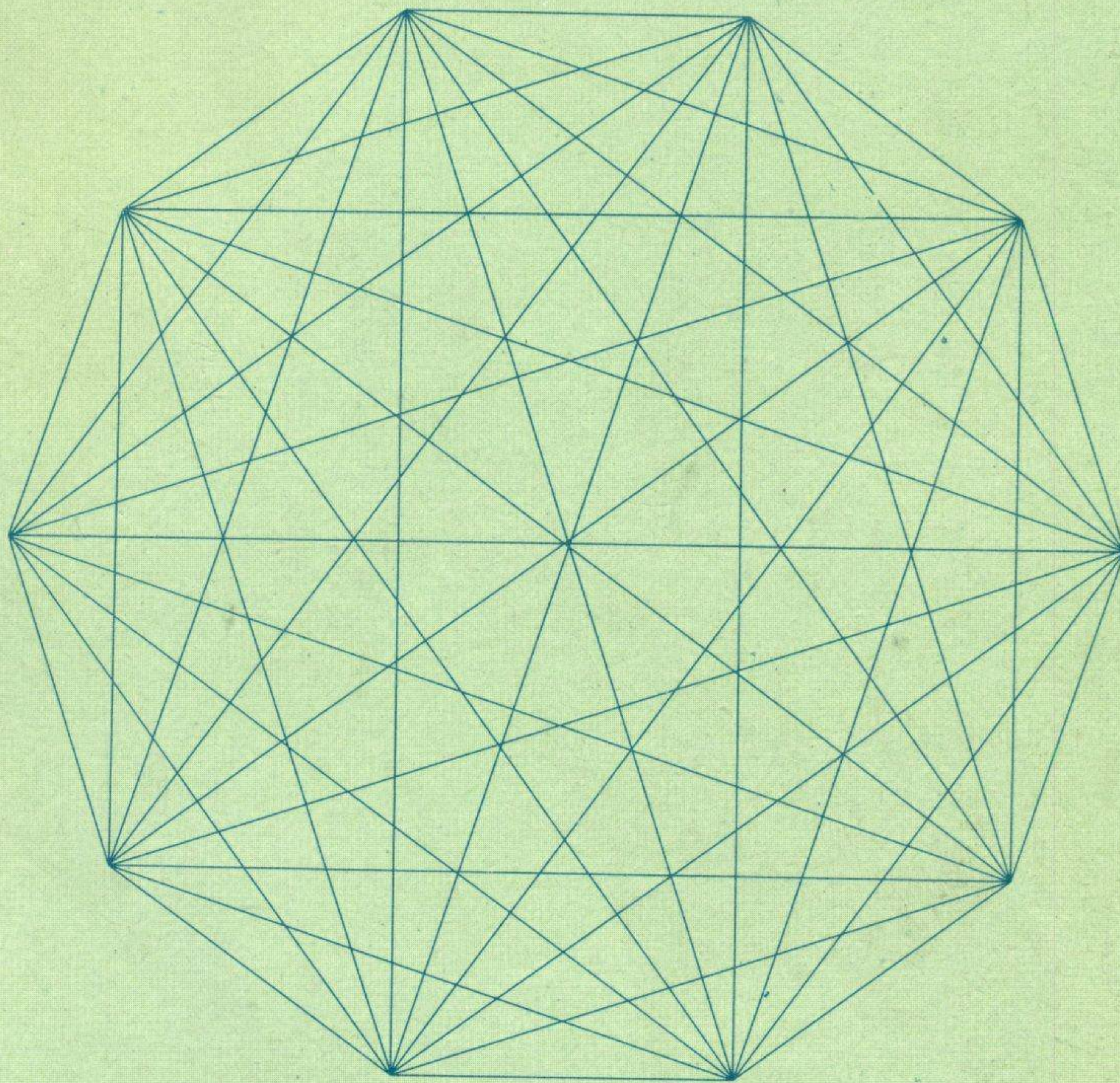


# Business Ethics



Dr A R Khan

Brothers' Publication

Written as per the requirement of the syllabi of the BBA & MBA courses especially of Business Ethics, Business & Society, Social Responsibility and the like of all the Public and Private Universities operating in Bangladesh and Institutes engaged in Teaching for the same Degrees on behalf of any foreign University, acting on Collaborative or Franchise agreement. Also to meet as the reference book for the H.S.C students reading similar course, in addition to, that of-the Training Institutes providing Entrepreneurship and or Executive Development Programs.

# Business Ethics

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## Foreword


I am happy to contribute this foreword to Dr. A R Khan's book on '**Business Ethics**', most probably, the first of its kind written in Bangladesh. Development of Business Ethics as a separate discipline is of very recent origin. There are a few textual stuffs besides lot of research papers which students & busy executives find quite difficult to understand & comprehend. Dr. Khan has laboriously refined the forest of the available vast & scattered resources and lucidly polished those for comfortable ready use. I am sure Dr. Khan's attempt is a bold step to fill in the gap of mostly the needs of the students in general and the practitioners either as entrepreneurs or as Executives in particular. The knowledge of the book, I am confident, will make the readers socially aware about their duties & responsibilities along with the appropriate ethical ways of performing those in one side. Reading of the book will also amply orient the readers about their rights, privileges & expectations considered ethical showing the directions of achieving those on the other. Public or private business enterprises small or big, manufacturing or commercial, at home or at abroad have multidimensional influences the impacts of the accomplishments of these if not performed ethically may heavily affect the society adversely and can bring colossal catastrophe of the human civilization. Dr. Khan's simple & brief presentation may instantly create interest to get on reading in order to drilling out the useful knowledge for a mutually beneficial & enjoyable earth to live in.

The importance of teaching and training of ethical conduct of every individual in general and of those who are with the power to change the society from political, economic & cultural angles in particular need not be overemphasized. Producers, sellers, service-providers, consumers, employees, suppliers, bankers & financiers, creditors, general public and the community at large etc are all interdependent - because they are either benefited or affected by each and every business transaction. While making any decision pertaining to business one should piously keep in mind: everything is related to everything; every individual is related to every individual and every area is related to every area-benefits or harms done & caused will certainly reciprocate & return to the origin of action, sooner or later. The reading & training of business ethics certainly will infuse among the parties connected in business a wholesome instantly responsive conduct of behavior mutually beneficial to each and sundry either close or with remote chain.

I am impressed by the skill in presenting the materials beautifully organized. I sincerely feel that the messages offered by Dr. Khan through the book will provide valuable day-to-day guidelines for enabling us, the parties-at-interest in business take appropriate decisions & actions towards sharing joys & happiness as well as depressions & melancholies.

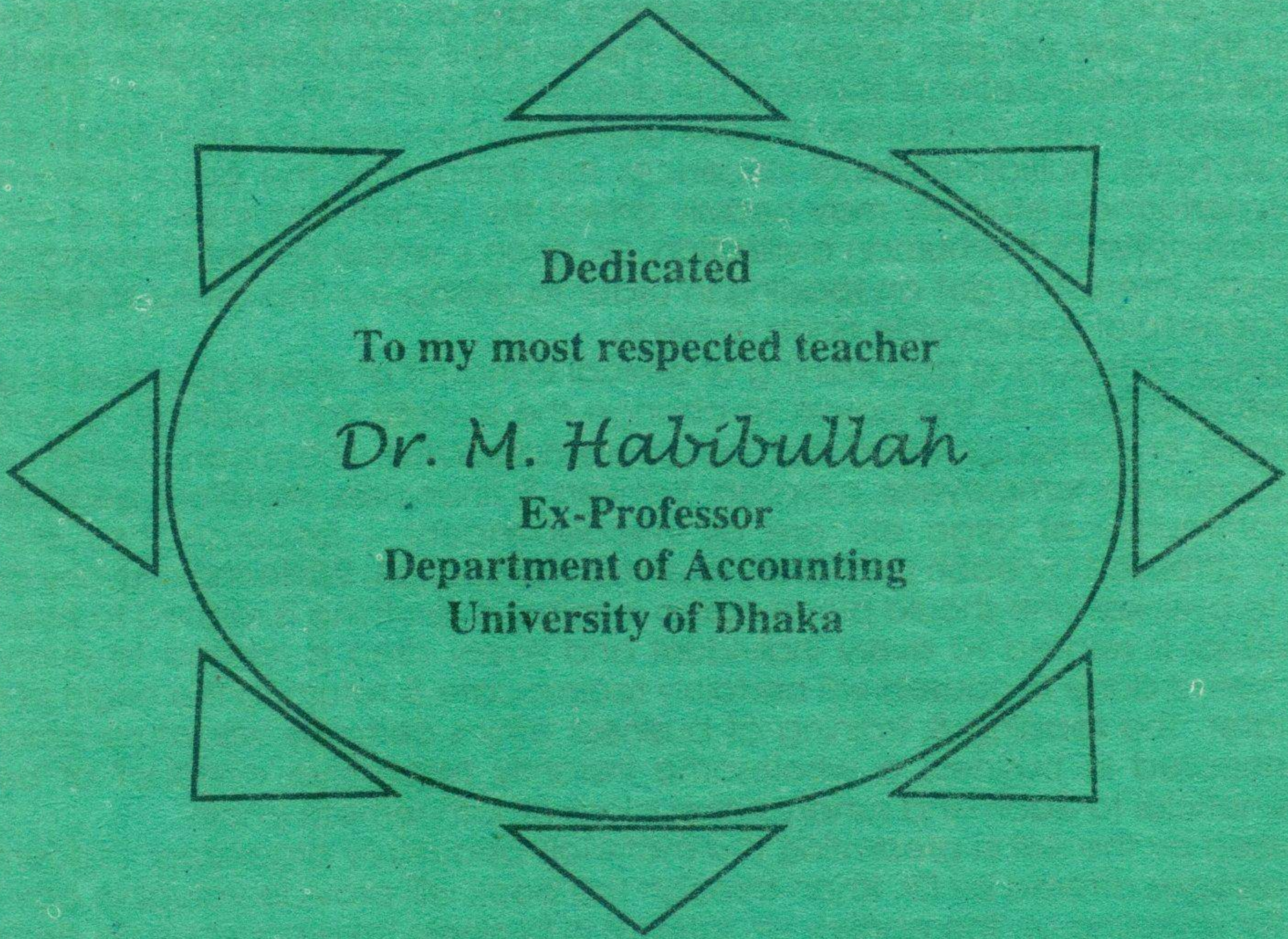
I am recommending the book for wide use and sincerely hope that the teachers & students of business studies besides those related to business will be immensely benefited by using the book.

It is my noble wish, therefore, that Dr. Khan's book on '**Business Ethics**' will enjoy a truly wide circulation.



---

(L R Sarkar)  
Ex- Governor  
Bangladesh Bank.



## Preface

The spirit of business ethics can not be taught in a text book- it is possible to learn only through repeated conscious practice. Business ethics is the study of conduct of the people involving in business from moral point of view. The world while restlessly chasing for rapid growth and prosperity without any reference to the need for mutual benefits, justice and care has become mindlessly mechanized opposed to altruistic outlook. The human society has, thus become livable with discomfort in an environment of confusion, conflict, suspicion and distrust. The resultant selfish performance of business caused expanding poverty level dividing the world into two conflicting camps- the haves and the havenots, aggression on third world natural resources, social unrest, strained labor – management relations in addition to continuous ecological distortions and imbalances - all these can be corrected only by sincere and careful application of business ethics in all the transactions by the parties connected with business. Business ethics offers a bundle of tools for beneficial conduct to generate tolerance, love, respect, understanding and sharing based on justice and morality among the parties- at interest. Though business ethics is a thought provoking technical subject but I have tried to present the stuffs in a readable style avoiding technical language providing sub-headings, small paragraphs, figures & charts wherever possible unlike other books of philosophies of the same group.

I have designed the book for teachers & students of Business Ethics in addition to those who are required to read the same as a part of the courses like: Business Policy, Social Responsibility of Business, Social Issues in Business, Business and Society, Political and Ethical Issues in Business, Business Environment, Corporate Strategies, etc. Business entrepreneurs, business executives or managers besides the personnel of the organizations engaged in the promotion, development and regulating business may also be amply profited from the materials presented. The present book contains ethical concepts, guiding theories and codes of conduct pertaining to business ethics. Managerial ethics with employer-employee expectations, reasonable and ethical, similar buyer-seller expectations besides ecological ethics have been dealt with at reasonable length. Corporate ethics and international business ethics are also discussed in the book with due weight. Relevant ethical conduct based on Islamic Shariah is provided in of each of the chapters for use of those interested. The main features of the book include 'among others' presentation of selected business cases involving ethical problems, frequently used concepts and terms besides providing concrete brief summary and probable questions at the end of each of the chapters to be used by the teachers and students. As a sample of applied business ethics with reference to banking business in Bangladesh has been added as an appendix at the tail of the book. This sample presentation of banking business, the most regulatory among the various types of businesses will presumably act as a model for institutionalization of business ethics in any organization business or otherwise.

I am extremely grateful to Mr. L R Sarkar, Ex Governor, Bangladesh Bank who constantly took keen interest in boosting my morale and in spite of his busy schedule took the pains in writing the valuable foreword for the book. I express my deep indebtedness and gratitude to Dr. M. Habibullah, former Dean of the Faculty of Business Studies and Professor Department of Accounting, University of Dhaka for his inspiration & guidance in all the stages of writing the book. I express my sincere thanks with gratitude to Mr. Shah A Hannan, and Mr. A Raquib, Chairman and Deputy Executive President respectively of the Islami Bank Bangladesh Limited for their valuable suggestions all through the preparation of the manuscript of the book. I acknowledge with gratitude the constructive suggestions for improvement by taking pains in going all through the draft manuscript of the book by the two learned Editors: Dr M Jahorul Hoque, Dean, School of Business, Asian University of Bangladesh and Dr Abbas Ali Khan, Chairman, Department of Management, Dhaka University and Program Director, Institute of Business Studies, Darul Ihsan University.

It is my pleasant duty to put on record my sincere thanks to many of my ex students for their occasional helps and encouragements in different stages of writing the manuscript, Mahmood, Nilanjan, Majid, Abhinoy, Morshed, Saikat, Saibal, Col. Mohsin, Maj. Nurul, Maj. Neyamul, Tomal, Jakir, Tanvir, Kamrul, Salam, Anowar, Wahid, Nesar, Misir, Masud, Azad, Areefin, Mujib, Nehal, Monowar, Shilpi, Shuman, Bahadur Chisty, Kabir, Jadab, Junaid, Kajal, Russel, Rownak, Zia, Raju, Babu, Monoj and Hafeez are to mention a few.

Mr. Khatib who took lot of pains in typing the frequent changes with patience and dedication deserve warm thanks.

Finally, my wife Ruby, son Romel and daughter Puneer who tolerated me for not giving them time and provided all mental & physical supports while writing the book deserve all the credit for the production.

Finance & Banking Department  
Dhaka University

Dr. A R Khan

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