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## **Student Ethics Essay Prize 2014 (postgraduate)**

is awarded to

**Jessica Soraya**

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The category 2 essay contest is open to any student currently studying a business degree or unit at postgraduate level within the University of Sydney Business School. The best essay will be chosen for a \$1,000 cash prize.

## **Ethics in Convenience: The Absolute Means of Relativity**

**Jessica Soraya**

Ethics do not necessarily equate to idealism in student mentality. Statistics reveal that students have a tendency to engage in unethical practices (Davis and Welton, 1991, p.461). A lack of self-restraint and competition are responsible for ethical relativism in the minds of students. Ethical relativity is a perception that ethics are only applied in convenient circumstances; as a consequence there is a tendency to generalise unethical conduct. These two factors are also found in business, causing a detrimental effect on the ethical principles of business in their pursuit of maximum productivity and return.

Aristotle (2004, p.173) in *Nicomachean Ethics* highlights that the greatest enemy of moral conduct is the failure to behave in accordance with one's rational knowledge on what is morally right. He further explains that a failure to follow reason to act in conformity to these moral principles results from incontinence (a lack of self-control) (Aristotle, 2004, p.176). For the incontinent person, the prospect of pleasure sourced from external conformation (a form of gain) becomes central, obscuring the internal knowledge of what is morally right. This is evident in today's society where ethics are considered a mere theoretical framework, not a principle to be adhered to. The failure to opt for ethical conduct because of incompetence in applying the knowledge of ethics results in accepting ethical relativity.

Despite business ethics being formally taught to business school students there is little empirical evidence to support the hypothesis that formal ethical education increases the likelihood of ethical decision making (Davis and Welton, 1991, p.461). The numbers of students who engage in cheating or plagiarism has not shown a downward trend (Perez-Pena, 2012). Cheating and plagiarism have become the norm in the quest to acquire the ultimate aim of satisfactory grades. This illustrates that students who have a formal theoretical ethics education have failed to apply the practical aspect of those ethics learned. The level of students' self-restraint to engage in an ethical conduct is weaker in comparison to their motivation to gain pleasure in external approval. As a consequence, students tend to accept generalised unethical conduct; thus ethical values become relative depending on the ultimate aim.

Similarly, in a business environment, unethical practices are generalised and engaged regularly by professionals in order to achieve career progression (Sims, 1994, p.22). A career progression achieved through unethical means will have a detrimental effect on the human resource productivity of a business; hence affecting the efficiency of internal management. This case provides an excellent ground for businesses to enforce a consistent practical application of ethics in its activities. An excellent strategy is to create a business environment where ethics are its pillars by setting a consistent tone at the top and providing adequate checks and balances to ensure that ethics become a priority throughout all activities and policies.

Competition also plays a major role in promoting unethical practices. This is evidenced by the increasing number of students who engage in unethical practices such as cheating and plagiarising in order to achieve a satisfactory mark that satisfies and conforms to the external pressure (Palmer, 2005). External pressures are forms of competition for symbols of social status embedded within society, such as employment prospects and satisfactory GPAs (Palmer, 2005). Students seek to achieve external conformity instead of being motivated internally to learn in order to acquire education. Students overlook the importance of learning; as it is the process of learning that determines the ultimate value of education. Instead, students tend to focus on the end result, and adjust the means to achieve it accordingly. This attitude will have a detrimental effect on the students' learning capability and certainly their ethical principles. Instead of viewing ethics as absolute values; it becomes a relative value adjusted to achieve the ultimate aim.

Business operates in a similar cycle; bending to external pressures. Competition within the industry and the approval of markets correlate to survival and profit, the ultimate goal of business activities. The shortcut of seeking external approval in the zero sum game environment causes moral standards to degrade; any violation of the general moral standard is perceived to be the norm for survival in business. As a result, ethics relativity becomes the norm.

As a consequence of the zero sum game environment in business, a race to the bottom becomes inevitable (Davies and Vadlamannati, 2013, p.1). Businesses are solely motivated by economic surplus acquired through competitive advantage on resources (cost advantage), leaving the values of equality and justice behind. One common example is 'the exploitation of labor' in developing countries (Marx and Engels, 1848). The lust for profit in the international market causes downward pressure on labour

costs. In order to attract foreign investors, government and manufacturers offer attractive labour rates to investors by introducing a competitive labour rate relative to other manufacturing countries (Davies and Vadlamannati, 2013, p.1). Such business practices, although legal, are unethical causing the inequality gap to widen. Moral decay in business becomes the long term consequence. In order to reverse this condition and restore ethical values, business needs to be consistent in its pursuit of becoming an ethical agent in the eyes of society. The focus of competitive performance must be replaced by a new strategy of productivity maximisation through ethical performance. The pursuit of excellence in the conduct of business in an ethical manner would transform not only the way businesses operate on the world stage but also introduce a responsible and ethical market.

The attitude of students and businesses towards ethics follows a similar pattern. Reflecting on unethical student behaviour at university and its subsequent consequences, businesses could learn from the underlying reasons for such unethical tendencies. Incontinence (lack of self restraint thus failing to exercise the practical aspect of ethics) and competition are the causes of ethical relativity, which lead into the generalisation of unethical conduct. In order to reverse the tendency of unethical behaviour in the business environment, a consistent application of ethics and the pursuit of ethical excellence must become a priority and the ultimate aim of businesses. This reversal of behaviour will create more productive, ethical and responsible business activities in the international market.

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