# Chapter 13

# The Historical Importance of the Concept of Business Ethics and Evaluation in Terms of Employees in Human Resources

# Zafer Adiguzel

https://orcid.org/0000-0001-8743-356X Istanbul Medipol University, Turkey

# **ABSTRACT**

To provide a better and happier society, the framework of certain principles and the history of the concept of ethics aims to direct the people's behaviours constituting that society. The first known philosophers discussed the concept of ethics at that time. The continuation of discussions about ethics to the present day shows that the importance of the image in human life has never changed and has not lost its actuality. In fact, it isn't easy to show a specific and bordered area of business ethics. In this case, it is possible to narrow the definition of business ethics by excluding some important elements or extending it to a wide area that is completely encompassing. In this study, the historical importance of business ethics and human resources are evaluated.

# INTRODUCTION

The history of the concept of business ethics is very new according to the concept of ethics. However, especially with the beginning of business life globalization, the concept has encountered intense interest both in academic terms and in terms of practice. In parallel with this interest, business ethics became an academic field after the 1980s with trainings starting in many departments, especially human resources management (HRM). The reason for the interest in business ethics since it was first added to the agenda of organizations can be explained by certain factors. First of all, the "ethical erosion" that has begun to occur with the increase of unethical behaviors emerging in the business world is one of the factors that explains the social aspect of this interest. The consequences of ethical erosion, which can be as high as

DOI: 10.4018/978-1-7998-4117-3.ch013

endangering public life, increases the community's awareness of organizational activities. Awareness in this direction strengthens the likelihood that organizations that do not operate in accordance with business ethics will face sanctioning by the community. However, the idea that organizations that continue their activities within the framework of business ethics will be successful in the long term and that this idea is supported by academic studies keeps the concept on the agenda of the organizations.

Business ethics is a collection of principles and rules based on beliefs about what is "right", what is "wrong", what is "good", and what is "bad" in relation to organizational behavior. When the concepts of business ethics and social responsibility are compared to each other, it can be said that business ethics briefly expresses intra-organizational discipline. When it comes to business ethics, the good-bad, rightwrong, and justified-unfair practices related to business life are examined. The tools used in the study of ethics are a set of principles, rules, values, and ideas about what to do. Developments in the business world are increasingly bringing organizations' activities in alignment with the principles of business ethics, ensuring that these activities become more necessity than choice. For this purpose, these principles, a guide in the execution of organizational activities, should be applied for all activities. In this context, the principles of business ethics provide an important framework for organizations that want to carry out HRM effectively, as in other organizational functions. Organizations wishing to conduct HRM in line with ethical principles should benefit from the guidance of ethical principles in determining all policies and strategies related to human resources and in making decisions and reflecting these decisions within activities. This is the only way that organizations will be able to gain long-term advantages especially as a result of motivating human resources with ethical practices. In the end, positive employee behavior within the organization will be strengthened and this motivation will improve employee performances.

Business ethics represents the corporate or organizational ethics of a business organization. Since the organization's culture has made the business organization a cultural unit, the business organization also becomes an ethical whole. In other words, as well as individual ethical tendencies and philosophies, the working ethics, and professional ethics of the individuals working in the business are influenced; as well, the business has a unique ethical tendency and philosophy. However, professional and operational ethics are not completely independent areas. Organizations that institutionalize the principles of business ethics and reflect these ethics within their activities will be able to maintain positive organizational imagery in front of the public. Therefore, organizational life continuity and success will be supported. Thus, as with other functions, the performance of organizations that can effectively manage the relationship between HRM and business ethics can be expected to improve in the long term. Additionally, as a result of efforts to develop a framework for business ethics practices in HRM, business ethics practices in HRM will make a meaningful contribution to the literature. Therefore, the situation is presented in a realistic way from the point of reflection of the subject theoretically discussed in the study, and thus, by addressing the historical importance of the concept of ethics, it is aimed to make a meaningful contribution to the practices of business ethics in HRM.

#### DEFINITION OF ETHICS

There is no clarity on the definition of ethics in dictionaries: The science of honor is defined as the whole of ethics, morality, behaviors that must be followed or avoided among various professional branches. Ethics from Latin ethics and Greek ethikos are related to character and can be referred to as behavioral science, and different perspectives of different scientists lead to different definitions of ethics. When

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