## Chapter LIV
# New Ethics for E–Business Offshore Outsourcing

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## ABSTRACT

*In today's dynamic e-business environment where fast time to market is imperative, where information and telecommunications technology is costly and changing rapidly, and where skilled technical resources are scarce, e-businesses need reliable, high-end outsourcing infrastructure and resources. E-business companies should consider corporate social responsibility and they must work on reducing the pain and stress of disruption in home countries while increasing the socio-economic benefits of these jobs in the receiving country. E-business should develop offshore outsourcing ethics program. It presents the analysis of the nature and the social impact of information technology and the corresponding formulation and justification of policies for the ethical use of technology. These notions are considered in efforts to produce globally acceptable ethics program that would articulate both individual company and global interests in an appropriate way. This chapter examines e-business ethics development, and new standardization efforts toward unified, globally acceptable Code of Ethics. It covers the analysis and discussion on the needs for such instrument and findings on how to reach unified global solution.*

## INTRODUCTION

Currently, there is considerable confidence that we are on the edge of an important deepening of the information society. This is the era of ubiquitous computing, in which computer-based devices become so cheap, seamlessly interoperable and easy to use that they will find application across a broad field of everyday activities. The implications of these changes for policies on technology, employment and competitiveness will be profound. The issue of ubiquitous computing also directly raises a series of links to issues of competitiveness and employment. Chips are already embedded into many everyday devices (particularly automobiles and domestic appliances, and increasingly locks,

alarms, payment machines, vending machines, cash machines, street furniture, hand tools and smart cards for identification, financial transactions and electronic wallets). In the same time, the production, services and trade become increasingly dispersed over wider area dealing with new goods market and labor market as well. Besides that, the new forms of e-business are aimed toward sharing resources in development, production and sale processes.

At the turn of the millennium, the e-business has become a new environment where new business models are practiced. Web sites are in most a reflection of businesses on the Internet. The three principal keys in doing e-business: honesty, integrity, and trustworthiness crossover directly to the Web site framework and the Internet. This is especially true for the online service providers. Professional service providers have the funds and staff of programmers to do the global Web site right and after all, that is their principal business specialty on a very large scale. However, sad to say, doing Web sites right is not always true for some of these big online providers. In fact, there are many e-business regulatory perspectives, ethical, copyright, and electronic commerce global legal issues at prominence.

The information society with e-business environment in use could form a more sustainable society (Cornford, Gillespie, & Richardson, 1999). It is possible due to the four key streamlines:

- There are potential environmental gains from organizational re-engineering since information technology can be used to lower waste for instance by reducing material usage or more accurate matching of production and delivery levels to realized demand.

- Information technology is in its essence a dematerializing technology, and it works through three dimensions: the replacement of traditional control technologies by information technologies; the informational content of physical goods is increasing; the

business shifts from trading physical goods to immaterial services. Most of the fastest areas of growth in our economies are in informational services such as software, design, new media and telematic services — all areas that directly depend upon information and communications technologies.

- Information technology makes direct substitution effects, especially in transport. There are more substitution possibilities including teleworking and teleshopping. Teleworking, in particular, holds out a promise of a more efficient use of people's time and the World's resources.

- Information technology also provides decision tools for monitoring and controlling the use of the environment and resources over the distance, thus making e-business offshoring and outsourcing more reliable and useful.

The information technology based business, and specially doing business over Internet, is characterized by its openness. The result is that a rich and chaotic wealth of information, images and ideas are being made available on a worldwide basis, to anyone who has the tools and interest to work online. Because of its size, global scale, complexity, openness and dynamism, this chaotic network effectively renders obsolete traditional mechanisms for structuring and controlling informational content. Strains are apparent across a broad range of legal domains: decency laws, privacy protection, security services, intellectual property rules and authentication systems. With extensions of the Web to include more and more people and with ubiquitous computing to connect more and more devices, a large credibility gap could be opened between the scale of the information flows and regulatory tools. This scenario could lead to a loss of trust in the network society. The Internet economic phenomenon is extremely high, and it is currently generating a lot of attention as the fastest growing area of business. We have

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