

## **A Review on the Theories of Ethics in the Organization and the Role of Islamic Ethics in the Organization Management and Administration**

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**ABSTRACT**— This article aims to review the ethics and study moral theories and survey a framework about global ethics training. This article also intends to review the management role in Islamic ethics. It was specified here that we need to use the Islamic ethics in the management and organizational ethics.

**KEYWORDS:** ethics, Islamic ethics, Islamic management.

### **Introduction**

Although the main purpose of organizations is increasing the efficiency and profit; but in the age of information and globalization, organizations should do appropriate reaction to social expectations and moral judgments to achieve to success and should integrate these expectations with economic goals of the organization in the best way to enable achieving to premier goals [1]. Observing business ethics and social responsibility through increasing the legitimacy of the organization, using benefits arising from enhancement of diversity and revenue, and improving profitability and competitive advantage will affect the organizational success [1]. Leaders and managers allegiance from ethical principles, paying attention to the legitimacy of the organization in terms of staff, emphasizing on universal moral principles, codifying the organization's code of ethics, taking appropriate measures that are compatible with the wishes and sensitivities of the community, and holding ethics training programs for managers and employees are among the measures that managers can do in this area [2]. Organizational ethics is not a new phenomenon. The wave of bankruptcies and financial scandals of companies and organizations has achieved the attention to the urgent need of organizations to social responsibility and organizational ethics to its topmost level. In addition to the public organizations, commercial organizations have also realized that they should consider ethical behavior in addition to profit maximization [3]. Organizational ethics including ethics training is a common feature of public and private sectors around the world. In response to real and perceived violations of governments and companies, ethics programs can be found practically in every public and private organization [1]. Ethics has tied to the body of policy and company in all of its forms which is considered as a preventive and corrective action and is used for helping to conflict with corruption, increasing trust between citizens and institutions, and as well as promoting obedience to the rules and procedures [1]. Institutionalization of ethics in organizations is a way for improving the quantity and quality of products, production, security and safety of employees and the community, fighting against employees' financial and ethical corruption, paying attention to the dignity of employees, having fair respect to laws and regulations, creating dynamics in the organization, and recruitment and appointment of individuals without any bias. In general, ethics institutionalized maker in organizations is a way to increase the quality of working life and the quality of a society in which the organization operates [4]. In the past two decades, investigating the ethical behavior in organizations was a favored topic for many researchers and specialists. Of course, proposed theories and frameworks were not able to integrate the components and factors affecting decision-making at different levels of analysis clearly and present a practical definition of what is the maker of ethical behavior in business. Existence of paradox between theoretical models and empirical findings resulting from the fact that ethics in business is analyzed from various fields that each of them had different methodological orientations and only a few of them had tried to benefit from interdisciplinary approach in their analysis [5]. The logic which is presented in the process of decision-making and ethical behavior is mainly derived from traditional moral theories that have been adopted from philosophy and applicable business theories which have been established based on social, economic, and sociological principles. While in the philosophical approaches of ethical behavior, traditional and normative theories are used to describe the ethical options and choices and examine the ethical behavior. It means the options which place in the area of virtual, deontological, and teleological frameworks. But in the practical approaches of business, descriptive and perspective frameworks are presented and some methods are utilized that use a big range of anecdotal evidences for examining the relationship between organization variables [6].

## Literature

The root of "Ethics" word is derived from the Greek word of "Ethikos" which means the authority of customs and tradition [7]. Organizational ethics is also emerged as a scientific concept in the West at the second half of twentieth century [8]. Moral principles are also discussed about how people should be and how should behave in their organization. Generally, the word of ethics deals with the standards of what behavior is right and what behavior is wrong [9]. Ethics has a close relationship by values and is considered as a tool that converts values into action. Ethics includes concepts such as trust, honesty, integrity, having faithfulness to the covenant with others, justice and equality and citizenship virtues and serving to society [10]. Ethics in meaning of recognizing right from wrong and good from bad have been always a controversial subject for philosophers and they always have spoken about it as a branch of philosophy. But the reality is that it is not always easy to distinguish right from wrong. Many ethicists argue that according to moral principles in practice, there is always an absolute right solution and others believe that the right solution will depends on the situation and conditions and determining that which approach is true shall be finally the responsibility of the same person [10]. Many standards and moral rules have differed from a culture to another culture and in various times. Moral relativism makes that anything which is considered true in a scientific society be considered wrong in another society or culture and sometimes will leads to an increase of ambiguous and conflicting among values [11].

## Morality Theories

Organizational decisions are made based on the assumption that will result certain consequences. From the standpoint of business and organization, decisions are codified to establish ethical practices and functions in the organization. Of course, not only the decision-making systems are complex and also bring a number of secondary outcomes that are not predictable, but also they are tied with some special moral theories like virtual, deontological, and teleological theories. These are the acts that are easily identifiable and can be assessed as ethical or unethical and true or wrong behaviors [1]. The empirical findings about theological theories show that the aim for decision-making is improving the long-term benefits which most managers do not consider them legitimate in their business methods. Decisions with such approaches certainly would be problematic. In practice, adopting theological standpoint in making moral decisions in the organizations will leads to reduction in the quality of taken decisions due to nonconformity and paying attention to obtaining benefit for all involved groups and also due to conflict with the conductive regulations of organization performance in business environment [5]. Teleological theories emphasize on the nature of action instead of emphasize on results and outcomes. For example deontology states that individual behavior should be based on their tasks. In fact according to this theory, task is the director of individual behavior. Contemporary approaches argue that with regard to virtual view, individual must have committed themselves to have ethical behavior and habituate them to it and develop it [5]. Generally, traditional moral theories consider ethical decision-making in business in two main aspects:

- 1) These theories stress on the sharing between individual and business environment and consider the decision maker orientation to achieve the results (means themselves benefits in the face of maximizing positive outcomes for everyone), and emphasize on the organizational and legal boundaries that are a director or limiter for this orientation.
- 2) Adopting deontological and relativism approaches for solving moral problems depends on interactions between individual characteristics and the organization's ethical codes [12]. Describing ethical decisions according to traditional theories of ethics is a reasonable effort to link the individual behavior with the organization's normative approaches. Of course, the traditional theories are concerned only to describe the rational patterns of decision-making and do not pay attention to the nature of individual factors that cause to make difference among individuals' ethical positions [5].

## The Code of Ethics

The codes of ethics play an important role in the formation of appropriate organizational behaviors. Ethical codes are indicator of appropriate behavior between members of a group, between an individual as a member of group with the group as a collection and also with those that are outside the group. Hence, the codes are public announcements that present ethical principles adapted with careers and other organizations [13]. The code of ethics includes a set of techniques that has priority over other values for the organization and should be followed by employees and managers. Values such as loyalty, honesty, respect, justice and fairness, dignity, accountability, resources sharing, perfection-seeking, compassion, impartiality, consistency, independence and etc. [13]. The codes of ethics are a set of codified rules that: are useful in solving some special problems that people are faced with them, improve ethical beliefs and behaviors, and provide necessary guidance for professional persons in determining appropriate action so that these will help them continuously and constantly in making decisions about moral and ethical issues [3].

## Ethics of Self-Preservation (ESP)

When management is integrated with behavioral omissions and ignoring facts of outside level of system, it will be fixed based on legacy of scientism. Under these conditions, organizational culture will be undermined and the intensity of narcissistic organizational cultures in ethics of self-preservation will be invigorated. This event appears in the commercial marketplace more clearly. Motivation needed for survival is an essential parameter in the continuation of life. Therefore, ethics of self-preservation is the bank of fundamental evaluation system in the modern organization.

### **Institutional Framework for Global Ethics Education**

Institutional components of global ethics education are focused on organizations such as the United Nation, the Universal Declaration of Human Rights, and the Universal Declaration of Human Responsibilities. 1948's document focused on innate dignity of human which reflects the view of Kant and basic political and economic rights related to working conditions and payment of compensation and appropriate and standard living level. 1997's document which is related to political rights has also included environmental protection and peaceful settlement of international disputes. These documents indicate important field of moral philosophy of virtualism, deontologism, and teleologism. As 1997's document has stipulated: To all human beings are endowed wisdom and conscience and hence they should behave towards each other as brother and sister [1]. In the economic front, it can be cited to Caux round table which was engendered by United States and France managers in 1986 and its members are Europe, Japan, and America. Organizations such as France global bank, Matsushita, Siemens and Manhattan are members of the round table. Today, the central office of this headquarter has placed in Tokyo, The Hague and Minneapolis. The main objective of this round table was developing a global ethics and presenting a model of corporative responsibility. Efforts were specially focused on the evaluation of corporative ethical behavior in the world level and the purpose of this round table was emphasizing on the human dignity including human rights and its Japanese concept, QC, or was working for the common benefits. Caux's principles have condemned international crimes including corruption, bribery, money laundering, arms trading, drug trafficking and terrorism [1].

### **Islamic Ethics**

Certainly the history of ethical issues returns to the long of human life on earth, Because Adam prophet has familiarized his children with Divine moral orders and he has been taught ethical commandments when God created him in the heaven. All of prophets also have patterned the edification for their work. Among these, Jesus Christ which his main orders contain moral issues is known as the moral teacher. But the holy prophet of Islam (peace be upon him) has raised moral issues with a wider range that has stated it as the purpose of his mission and said: I was only sent to perfect good character. Thus God praised him well and said: and most surely you conform (yourself) to sublime morality [15]

### **Management and ethics concomitance in Islam**

Management is not valuable in Islam intrinsically, but it is trusteeship and responsibility that a manager carries in his management time and it is not any honor or perfection for him, unless he puts the political power as an instrument for paying rights and fulfilling the Divine trust. 'Abdullah ibn' Abbas says that when Amir al-mu'minin set out for war with the people of Basrah he came to his audience at Dhiqar and saw that he was stitching his shoe. Then Amir al-mu'minin said to me, "What is the price of this shoe?" I said: "It has no value now." He then said, "By Allah, it should have been dearer to me than ruling over you but for the fact that I may establish right and ward off wrong." Imam Ali (a) has appointed in his letters to Ash'ath bin Qays (the Governor of Azarbaijan) and Malik Ashtar that: "Verily, you have neither been entrusted with the governorship so that you amass wealth nor is it a tasty and juicy morsel to be swallowed up" [15]

### **Scientific competence of managers from the view of Islam**

Now we will pay to express the general view of Islam about conditions of leaders and managers and after expressing a subject related to total competence necessity with a topic titled "Management right", we will pay to necessity of specialized knowledge [16].

#### **Management right**

With a view to Imam's statements and narratives about leadership and management it can be concluded that achieving to success in management not only requires academic, professional and ethical qualifications, but also management and administration are right and worthy of those who have these capabilities.

Imam Ali (a) has appointed in some cases in his book Nahjul-Balagah when he is talking about sovereignty and incompetence of some governors that sovereignty is his and Ahl al-Bayt of the Prophet (PBUH) right and know his more competent than others about it.

1- "They possess the chief characteristics for vicegerency".

2- "You know that I am more competent than anyone for vicegerency".

In this view, Islam has emphasized that manager's legal personality should match by their actual personality. This means that if he is as a teacher, mentor, leaser or boss in legal aspects, he should have suitable legal personality matched with these aspects. Now pay attention to these hadiths:

1- Prophet Muhammad (PBUH) said:

"Anyone who be the Imam and leader of Muslims, while there be someone who is more competent than him, has betrayed really to God and Muslims".

2- Imam Ali (a) said:

"Anyone who is more adequate and more able to manage works is competent for leadership and management".

Some narrations have decried prefecture and ambitious of position perfectly. For example:

Imam Sadiq (a) said:

1- “Anyone goes to be president will be perished”.

And also said:

2- “Anyone who is trying hardly to be president and is thinking about it and want to be president in any manner is unblest”.

Undoubtedly, presidency is not decried as manipulating people’s ordinances by itself, presidency good and evil is the function of purposes that a president follows them. The mentioned narrations consider presidency that:

Firstly, their presidents follow profiteer aims and use presidency as an instrument to plunder and master people.

Secondly, Presidents who don’t have any scientific and moral competent and want to continue their presidency or want to be president in the future.

### **The relationship of management at the present time with Alavi management**

From 1970 onwards and in the management knowledge specially management that was created in the academic and executive circles, a topic titled “Professional ethics” was introduced as a principle in all parts of management. In fact two debates were discussed: managers’ social responsibility and managers’ professional ethics. Unfortunately, about eighty percent of these discussions were removed by someone who translated their book to Persian [17]. Professional ethics should regard “Culture” and pay to cultural problems. Professional ethics should be practical, Islamic and functional in Islamic society. Professional ethics is an interdisciplinary science that we need to jurisprudence to complete it. Amir al-mu’minin has known ethics as management in principle not an instrument [17]. Therefore, necessity of ethics in management and Islamic organization is clearly evident. In Islamic management humanity is the more important than anything else. Islamic society leader guide society members with the use of these powers and within the framework of ethical principles. Since this leadership is rooted in Muslims religious beliefs, ethical principles are also defined based on these beliefs.

### **Conclusion**

Management role in the development and degeneration of society and as well as making the society religious and secular is undeniable. Thus Quran karim and infallible Imams have examined the manager role in the society for several times and emphasized that the manager should be an ethical individual. Management in Islam is valuable when it be applied in the light of implementation and application of ethical statements. With regard to the importance of religion in ethics, it is possible to combine ethics with the most complete religion, Islam, and create Islamic ethics and manage and conduce it in various organizations and societies.

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