

# CONTEMPORARY ISSUES IN BUSINESS ETHICS: SOUTH EAST ASIAN MANAGERS' PERSPECTIVES



*Edited by*  
**Suhaimi Mhd. Sarif**



**IIUM Press**

# **Contemporary Issues in Business Ethics: South East Asian Managers' Perspectives**

***Editor:***

***Suhaimi Mhd Sarif***

*Asst. Professor of Business Management*

*Kulliyyah of Economics & Management Sciences  
Department of Business Administration*



**IIUM Press**

Published by:  
IIUM Press  
International Islamic University Malaysia

First Edition, 2011  
©IIUM Press, IIUM

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without any prior written permission of the publisher.

Perpustakaan Negara Malaysia

Cataloguing-in-Publication Data

Suhaimi Mhd Sarif: Contemporary Issues in Business Ethics: South East Asian Managers' Perspectives

ISBN: 978-967-418-122-2

Member of Majlis Penerbitan Ilmiah Malaysia – MAPIM  
(Malaysian Scholarly Publishing Council)

Printed by :  
**IIUM PRINTING SDN.BHD.**  
No. 1, Jalan Industri Batu Caves 1/3  
Taman Perindustrian Batu Caves  
Batu Caves Centre Point  
68100 Batu Caves  
Selangor Darul Ehsan  
Tel: +603-6188 1542 / 44 / 45 Fax: +603-6188 1543  
EMAIL: iiumprinting@yahoo.com

## **CHAPTER 3**

# **ETHICAL DECISION MAKING IN SMALL AND MEDIUM FIRMS**

Suhaimi bin Mhd Sarif  
Nazreen Tabassum Chowdhury

### **ABSTRACT**

*In this chapter, the research aims to find out how small and medium sized firms take ethical decisions. To analyze and find out the ways by which they do it we have analyzed many research papers so that they can get a clear idea from different aspects how employees in small and medium sized firms take ethical decisions. In many circumstances we have seen that the researchers also sorted out the reason how and why employees go for unethical decision making processes. Later to be more vivid we conducted a small survey in different small and medium sized firms which in turn helped us to draw a conclusion why and how small and medium sized firms take ethical decision.*

*Keywords: ethical decision making, small and medium firms, business ethics, Islamic work ethics*

### **INTRODUCTION**

As the world is advancing different firms are specializing in different sectors and in parallel these firms are developing things which never before done by others small or large firms. Business ethics is one of the things that firms are now emphasizing on and trying to develop a more an ethical environment. Moreover the firms are developing their structure in such a way that the decisions taken by their firms are ethical and acceptable in the society. In many cases we see that firms taking ethical decisions expose it or share it in the society so that people get to know how ethical the firm is which infect helps a firm to have a good expose in the market.

The issue of effectively integrating ethics into business decision making is a major area of debate confronting today's corporate leaders. Persistent media reports of unethical behavior by corporations, business executives, and governmental officials highlight the need for effective solutions to the ethics dilemma. The ethics dilemma derives from the perceived conflict between the traditional corporate objective of profit maximization and the overall desire for increased social welfare. Although ethically responsible business practices are generally desired, opinions about what these practices are and how they should be encouraged are diverse. The complexity of the current business environment complicates the development and implementation of resolutions to ethical issues facing industry. Ethical