

## Editorial

## Management Ethics and Social Responsibility Amid Diversity Across Nations

Bahaudin G. Mujtaba\*

*The H. Wayne Huizenga School of Business and Entrepreneurship, Nova Southeastern University, Ft. Lauderdale, Florida, 33314, USA*

Managers, in both public and private sectors, are likely to face diverse and complex ethical challenges as they make decisions regarding functions such as hiring, promotions, compensation, suppliers and community affairs. Managers who work in a culturally diverse environment are likely to face even more difficult conflicts and decisions since people of different ethnic backgrounds are likely to have different rankings for various decisions and values [1]. For example, people of low context cultures living in individualistic societies are likely to place a higher level of importance on facts or truth [2] like the universalists, while those living in high context cultures that tend to be collectivistic will place loyalty higher as they function more like particularists [3]. Workers working in high uncertainty avoidance cultures are likely to avoid conflicts that can jeopardize their relationships with superiors or colleagues, while those living in low uncertainty avoidance and low power distance environments tend to take more risks even when this can hurt a relationship in the workplace [4, 5]. Therefore, it is important for modern global managers to be aware of such differences in values, behaviors and expectations. They should always act ethically, while also making sure that they are being seen as socially responsible and culturally competent in order to cohesively and synergistically work with and inspire workers toward creativity, innovation and higher productivity [6].

The study and awareness of cultural diversity, ethics and social responsibility are critical imperatives for all modern managers and employees [6]. By understanding ethics, morality, and social responsibility, managers and employees can be better prepared to gain a sustainable competitive advantage while avoiding unethical and illegal activities. Future managers must not only be effective and efficient, but they must also consistently act innovatively, creatively, and in a socially responsible manner [7]. Social responsibility requires a business to concern itself with the "social" dimension of its activities. Each business and manager is expected to act in an economically viable and legal manner, as well as in a moral manner, in order to be "socially responsible".

Social responsibility is usually defined as businesses and organizations taking an active part in the social and community-related causes [8]. The sustainability approach requires that a company remains economically viable by considering all

stakeholders, and not just the shareholders. Such a form of sustainability and social responsibility perception of acting ethically, at least to some reasonable degree, is in the interest of business and society. A corporation cannot remain a viable economic entity for too long in a society that is corrupt and unstable [9]. To operate efficiently, for example, a business needs skilled and competent employees. Therefore, formal education and training of current and future workers becomes important and of paramount interest to all business leaders. Being socially responsible is a smart and sustainable business strategy, especially when it comes to acting legally, economically, ethically and in a socially responsible manner at all times. One major benefit of being a socially responsible firm is that employees are more likely to be motivated, energized and engaged in the success of the firm, thereby helping the company to retain competent and experienced employees [10].

It should be noted that corporate social responsibility (CSR) is more than just being involved in philanthropy. According to some researchers [9-11], the social responsibility of business can be thought from a stakeholder's perspective, that is, by the corporation considering the values and needs of employees, suppliers, consumers, local communities, and society as a whole. Corporations can also take the stakeholder approach to corporate social responsibility by integrating stakeholder, social, environmental, as well as economic concerns into the organization's values, culture, governance, strategy, and decision-making.

The sustainability objective is to produce an overall economic value for the company, and to also create value for society as a whole by improving the lives of the people in the communities [10]. To operate efficiently, for example, a corporation can act in a socially responsible manner by providing computers to community schools. A corporation that acts in a socially responsible manner secures favor in the community. As such, socially responsible activities can improve a company's reputation when viewed by external stakeholders and government regulators, which may bring about additional economic benefits through brand building.

Some researchers [12] state that sustainability encompasses legal, ethical, moral, and social responsibility values, presented in their Business Sustainability Continuum (BSC) model. Mujtaba and Cavico's BSC model presents a continuum where businesses must see the importance of their actions as ethical and socially responsible for all stakeholders [12]. Furthermore, the BSC illustrates that the continual suc-

\*Address correspondence to this author at the H. Wayne Huizenga School of Business and Entrepreneurship, Nova Southeastern University Ft. Lauderdale, Florida, 33314, USA; Tel: 954 262-5045; E-mail: [mujtaba@nova.edu](mailto:mujtaba@nova.edu)

cess and “sustainability” of the business can be best achieved by an adherence to following core values [7]:

*Economic* dimension indicates that a business must have a viable business model to make a profit;

*Legal*, indicates that revenues and profits must be earned in legal manner;

*Ethical*, requires that the business should act in conformity with its values, promises, and obligations to all stakeholders; and

*Social Responsibility* encourages the business to get involved in the community and other philanthropic initiatives.

In the BSC model, social responsibility and sustainability initiatives should be incorporated into the organization’s culture by all business leaders and managers [9-12].

To support the theme of this journal and to have culturally competent global academicians and managers, this special issue on the topic “*Management Ethics and Social Responsibility amid Diversity across Nations*”, offers several excellent articles to raise awareness of law, ethics, morality, diversity, and cultural competency for today’s diverse working professionals. The articles are written in such a way that they can be easily read and understood by managers and business owners who are concerned with the diversity, legality and morality of their employees’ behaviors in the company.

The article entitled “*Ethical Maturity Scores of Future Arab Business Leaders based on Gender, Age, Seniority, Management, and Ethics Training*” uses the personal business ethics scores (PBES) survey to study the ethical maturity of 164 respondents from Saudi Arabia which is considered to be a high context and collectivistic culture. The authors provide their statistical analysis results as well as recommendations which can be useful for those working in the middle-eastern countries. This study highlights a statistically significant relationship between legal knowledge and ethical maturity among Arabs.

In the article entitled “*Afghan-Americans’ Understanding, Perception, and Commitment to Corporate Social Responsibility in Afghanistan: A Study Based Upon Gender, Generational Affiliation, and Leadership Experience*”, the authors discuss how corporate social responsibility has become more prevalent in Afghanistan. The results of this study’s 230 respondents reveal that Afghan-Americans have a high commitment to corporate social responsibility. They found that female Afghan-Americans have a higher commitment to CSR than males. They provide suggestions and implications for modern managers, political leaders, and United Nations officials working toward reconstruction and the peaceful development of Afghanistan.

In the article entitled “*Fostering and Maintaining Responsible Conduct within Public Organizations: A Case Study*”, the author discusses the need for fostering and maintaining responsible conduct in public sector organizations. The author looks at ethical misconduct by several board

members, administrators, and managers in public school districts. The article highlights the need for ethically responsible conduct in educational organizations. The causes of moral lapses and failure are explored, and the author recommends monitoring as an important step toward fostering and maintaining ethical conduct.

In the article entitled “*J.P. Morgan Recruitment Practices in China*”, the author discusses the Foreign Corrupt Practices Act (FCPA) and its implication for managers who might be tempted to conduct business through unethical and corrupt practices outside of the United States of America. The author examines the case of J.P. Morgan Chase and its recruitment practices in China. The article provides a comprehensive legal and ethical examination of the morality of recruitment practices based on several academic theories. The author has supplied general recommendations for companies to avoid liability pursuant to the FCPA.

The article entitled “*A Kiss is But a Kiss: Cultural Mores, Ethical Relativism, and Sexual Harassment Liability*” explores sexual harassment in the workplace along with the legal liability issues for managers and firms. This publication explores the concept of quid pro quo and the existence of a hostile working environment in the modern workplace. This article focuses on the physical aspects of perceived sexual harassment conduct, such as kissing, which at times can be perceived as hostile and threatening. The authors provide practical examples of socially acceptable behaviors in a culturally diverse workplace, and provide recommendations for global business managers to behave professionally at all times.

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