

Ethics and business in the UK

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Business ethics is a form of applied ethics that examines ethical principles and moral problems that arise in the business environment. Many changes have been made for the last few decades within businesses trying to maintain ethics in their workplace. Some researchers believe that ethics contributes to the success of the business. Others have different views; they argue that the main goal of the business is to make profits and create more value for shareholders. They reiterate that ethics cannot build a business or cannot be the top priority of the business. The essay aims to describe the difference in profit making between ethical business behaviour of the company and shady businesses.

There is a huge debate regarding ethical standards in organizations and the way it contributes to the success. Many people believe ethics does not count much in business, they argue that the main objective of the business is profit making. However, one thing that has risen for the last several years is that businesses are trying as much as possible to main ethical standards in their daily activities. Despite the call for ethical needs in businesses, some companies that have been accused of running the businesses in an unethical manner appear to be more successful. In the UK, HSBC is among many companies that have faced many accusations for conducting its businesses in an unusual manner. According to Peston, the bank has been accused of money laundering in and outside the UK (2011).

According to Vulliamy (2012), the investigation revealed that HSBC was doing nothing to control money laundering by drug cartels and terrorist. Prior the issues under investigation by the Senate in the U.S., the bank was still settling issues with the Justice Department in relation to money laundering and tax evasion. However, in the case before the U.S. Senate, the bank explained to the Senate that it had changed their policies related to the topic. Bank management pointed out that over-hauled anti-money laundering policies were adopted. However, it was noted that the bank had been accused previously for similar issues. In addition, the bank had assured the Senate in 2003 that they were working on reforms

meant to tackle irregularities. Other less ethical banks in the UK are Barclays and the Standard Chartered Bank. Despite all the accusations, these banks appear as the most trusted by the customers. HSBC is an international bank that operates in many countries, such as China, Brazil, Germany, India, Turkey and the United States. In the UK alone, the bank has a huge number of retail banking. This shows that the bank is quite successful despite many blames level on by the government of the U.S. and the UK.

Starbucks is a famous company that is described as the most ethical company in the business environment. The company runs coffee shops in advanced economies such as the United States and others. However, some issues arise due to the company business activity in the UK. According to the Sky News report, Starbucks avoided tax payment for three years since 2009 (2012). The company defended itself saying that they faced losses when first entered UK market. The report by the Sky News (2012) reveals that the company made sales approximating to £1.2 billion but paid no taxes. Other companies made sales a little bit higher than Starbucks and paid taxes. For example, in the same year, McDonald's sales were £3.6 billion and the company paid taxes amounting to over £80 million. KFC is another company operating in the UK; it paid taxes amounting to £36 million on sales approximating to £1.1 billion. It is evident from the study that Starbucks evaded tax payment despite huge level of sales. KFC paid taxes in the same year despite making sales much less than Starbucks.

However, McDonald's was also subjected to accusation for unethical behavior. According to British consumers, the company is less ethical as compared to other high profile companies. The public relation of the company was affected by a film depicting the effects of the products offered to the public. Based on the documentary titled Super-Size Me, the company was shown as a cause of rising obesity in Europe and the United States (Walsh, 2006). Although, the company objected the claims stating that they have made huge changes on their menu. In the UK, companies that operate largely in other countries are blamed for

running their business unethically. For example, BP and Shell are blamed for environmental degradation; Nike is accused of engaging with suppliers that use children as a labor force in Asian countries. To sum up, although all above-mentioned companies were blamed for unethical business behavior, they are still the top companies in profit making.

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