

Coursework

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Submission date: 17-May-2018 09:37 PM (UTC+0100)

Submission ID: 89457893

File name: 5129_Thomas_Losq_Coursework_111237_717234074.docx

Word count: 2135

Character count: 10707

Today the economy and business are not the same as 50 or even 20 years ago. First of all, there was the global expansion, which increased tenfold in the 20th century, and the emergence of the Internet at the end of the 20th beginning of the 21st century. It is thanks to the Internet that the face of business has literally changed with the birth of online business. Big companies are then born as Facebook, Amazon, Netflix but also brands like Nike or Asos who create online shopping platforms. This new facet of the trade may allow companies to increase their notoriety thanks to the speed of the net, but the consumer does not see behind the scenes and whether these companies have ethical practices or not even for online business. In this report, we will first study, in a critical way, how ethical models and CSR can be related to online business and then in a second time we will focus on the American company Facebook to highlight its business online and give recommendations that can improve the ethical performance of the company.

We will first begin this report by defining what business ethics is and showing the different theories. Business ethics concerns the various notions that can be involved in the business, such as corporate governance, corruption and also corporate social responsibility (CSR). According to A. Krishna (2011), business ethics is also linked with sustainability, and the issues with today's world and the different actors have changed. With the birth of online business, the competition has increased enormously, sometimes giving rise to practices that can be described as unethical. For L. Fountain (2012), the ethical responsibility of a company, often attributed to business leaders in people's minds, is a general responsibility because the life and work of a company is not only due to the leader but to all parties who work there. The author also adds that honesty is one of the best policies to adopt in a strategy for a company that wants to respect the principles of business ethics. A business facing a dilemma and wanting to abide by and stay ethical must choose honesty to have an ethical business reputation. When we talk about business ethics we also think about theory and theories of ethics. In the article by G. B. Sadler (2011), we learn about theories that surround business ethics:

- Consequentialism : This theory is based on the fact that something is right or not because of its consequences. We divide the consequentialism into two parts: the utilitarianism which judges the greatest good for the large number, and the hedonism which says that a thing will be good if the consequence is pleasant or avoids the pain.
- Deontology : Here an action will be judged as good from a moral point of view, because of its characteristics and not its consequences.
- Virtue Ethics : The theory here is more about a philosophical approach to questions about morality (E. Westacott, 2018). The advantage is that virtue makes it possible to have a broader conception of ethics in relation to other theories.
- Right Theories : Here the theory consists of the protection and the priority to rights established by society (L. Chonko, 2011). Rights are considered ethical because the people assume these rights.

With the birth of the internet at the beginning of the 80s and its rapid expansion at the world level thanks to companies such as Windows or Apple, companies such as Facebook or Amazon have taken the opportunity to create and develop online business. With an increasingly connected world, demand and consumer demands have changed, businesses have had to find ways to meet them. What makes the online business so successful is that it is very convenient and accessible from all over the world (Entrepreneurial dynamic, 2014). Being in one country and wanting to buy or invest in another country is no longer a constraint. However, it took a long time and it took pioneers and great innovations to get there, such as the invention of the online transaction in 1979, the first online ordering system in 1994 or the opening of the iTunes Store in 2001 (M. Laura, 2017). But today the business online has grown so much that we are asking the question of ethics with the use of the internet.

Today, with this expansion of online business, there is also a shift in consumer behavior. In fact, consumers' buying habits have been transformed with the Internet, to the point where experts are even referred to as experts (Waintrop, 2016). These consumers are also increasingly solicited by means of communication channels (feedback) such as social networks where it is very easy to communicate and interact between companies and their customers to continue to give satisfaction. With online business there are no borders, everyone can buy and do business anywhere in the world without moving from home or country of origin. Of all these novelties, the collective intelligence of consumers was born (Briard & Leboucq, 2017). This concept consists on the one hand for companies to call on their customers to have new ideas for projects or to receive advice to improve certain products or services offered. On the other hand, this allows customers to react and adapt their purchasing behavior according to the opinions and experience of other consumers to refine their research and be sure of their purchase, but also to feel more expert than the sellers, through their research upstream. One of the problems is also the closing and the decrease of frequentation of the physical shops which is decreasing notably because of the expansion of the online business, which also raises questions on the ethical practices of the online business. The purpose of our report here is to find out whether opening up more and more to this type of business and commerce, and that online business is becoming more and more important, is in good harmony with the principles ethics and the concept of CSR. One of the principles often mentioned in the CSR is Carroll's pyramid (1991). This pyramid encompasses 4 principles, 4 "responsibilities" (Economic, Legal, Ethical, Philanthropic) that companies must have to be an ethical enterprise and in agreement with the CSR. We will see through the example of Facebook the relationship and the link that can be made between CSR / ethics and online business.

Let's move on to the example of Facebook. Facebook is an American company created in 2004 by Mark Zuckerberg. It is a social network with 1.8 billion monthly active users and a turnover of 27 billion dollars in 2016. In addition to its activity in social networks, Facebook has gradually acquired companies such as Instagram, WhatsApp or Oculus VR. Often singled out for ethical problems such as intrusion into privacy or harassment, we will see how Facebook perceives and interprets the notion of ethics in its business. It is in October 2012 that Facebook exceeds one billion users, with also many questions such as privacy and ethics. Facebook tries to value ethics to the maximum, and is considered as a universal space without borders (physical and psychological) where users are alter

ego (Schmelck, 2013). Facebook has also become a major crowdfunding platform and is also becoming a platform for advocacy for various causes, and that's how Facebook begins its ethical work. There are, however, some concerns about the ethical issues of the US company, including the acceptance of the terms of use of the social network (PNAS, 2014). Indeed when registering on the site, a user must accept the terms of use so that Facebook can retrieve user data to improve their services and benefits. However it seems that Facebook does not pay attention to the fact that users accept or not these conditions, but would use the use of algorithm to recover personal data, which looks like an intrusion of privacy, and which is seen as ethical on the part of Facebook users. Often when we talk about Facebook we even hear that ethics is questionable. In particular, users are being spied on via the abundance of advertising on the platform as soon as a person watches something on the Internet (Gouritin, 2012). Facebook highlights the need for transparency on its platform, but today more and more users create their account under a nickname different from their real name to have the least intrusion into their privacy. But Facebook does not stop there and tries to set up a whistleblower system to improve the quality of the data they collect to learn more about its users. In June 2014, a case greatly shocked Facebook users as the company experienced the emotional state of more than 700,000 followers, which was seen as violating ethical codes and could harm its users (Hoffman, 2016). Facebook then understood his mistake and, in collaboration with the University of Washington, conducted an awareness program and a system to identify sensitive users to prevent suicides and harassment victims. However some researchers and specialists see in the online business through the image of Facebook, that these practices, unethical are intrusions that never cease to increase and which are seen as censorship or even aggression against the democracy (Whiteman, 2018). If we come to these terms strong enough to describe the practices of the American company, it is because academics and researchers who have studied the Facebook case describe the fact of collecting data as the social network does. is unethical and the first use of social networks, so online business. Cambridge University's extensive research concluded that this practice would have been considered "ethical" if users had been warned and Facebook had clearly said what the data collection was for. And problems on Facebook we can highlight many others like the fear that it can cause because of harassment, a feeling of power given that "everything" is possible to do and say on this platform unless to be banned (Beavers, 2012). And it's early in 2018, that Facebook CEO Mark Zuckerberg was questioned in front of the US Congress because of the use of 87 million Facebook profiles with the help of the Cambridge Analytica company (specialist in profile targeting for ads). What was criticized was therefore the invasion of profiles to "micro-target" and thus adapt user advertising (Graham, 2018). If we finally take the model of the CSR pyramid (Carroll, 1996) we see that initially economically Facebook is a company that makes a profit and is projected over the long term. Legally it is a company that does not have problems with the laws and who respect them and likewise for the philanthropic dimension where the Facebook platform is a means that allows the dissemination of charity and charity. It is ethically that Facebook still has a long way to go because there are still difficulties in creating a perfect ethical atmosphere without any problem, and it's something that can be expanded to all online business.

In conclusion of this report, we could establish a very clear link between online business and ethics / CSR. We can say that the general online business (but also imaged by Facebook as in our example) is ethical because it allowed and allows to do things that was not possible before, and to gather the whole world in a moment simply through numerous platforms (shopping, social networks, etc.) and to increase global solidarity. However, we must still be wary because it is still a fragile balance partly because of the youth of the phenomenon and we must harden the tone to impose clear rules that must be respected to avoid drift and that it remains a positive innovation.

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