

A STUDY ON THE ORIENTATION OF SELECTED ETHNIC COMMUNITIES TOWARDS BUSINESS ETHICS (AN EMPIRICAL STUDY)

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ABSTRACT

The paper makes an effort to study the role of four theoretical approaches to business ethics under consideration namely Utilitarianism, Managerial egoism, Deontological Ethics and Virtue Ethics on three prominent ethnic groups namely Bodo, Mishing and Rabha. The study was exploratory cum descriptive in nature and conducted on a sample of 1200 respondents comprising of 400 respondents from each community. Stratified cum convenience sampling technique was used with a structured questionnaire schedule for field study in the state of Assam.

The field study found that the people of the Bodo community are highly influenced by Managerial Egoism and Deontological Ethics whereas the people of the Mishing community are highly influenced by Utilitarianism and Virtue Ethics. Lastly the people of the Rabha community are influenced by a mixture of Managerial Egoism, Deontological Ethics and Virtue Ethics. These are vital input for managers in taking important decisions in the field of management.

Keywords: ethnic, ethics, egoism, utilitarianism, deontology

INTRODUCTION

In a globalised environment marked by rapid disruption, the field of ethics has become an important area of discourse. Ethics is generally defined as a branch of human philosophy that deals with ideal human behaviour and the noble way of living or taking decisions regarding in life. The word ethics has its origin from the Greek word 'ethos' which signifies the habit, customs or character of human. Various theoretical approaches with respect to ethical behaviour of business stakeholder have been developed by thinkers. Conventionally among these norms four approaches are quite prominent namely utilitarianism, managerial egoism, deontological ethics and Virtue ethics (Baines, Fill and Page, 2013).

The principle of Utilitarianism advocates for actions that bring the greatest amount of good for the greatest number of people. It is basically decisions made by considering the consequences. Utilitarianism is inclined to satisfy the needs of

consumers with the production of better quality goods and services in a mass scale. Managerial egoism is an approach that is more concerned with the self interest of an individual. It is a manifestation of behaviour of the manager that revolves with own interest to make the most to enhance the value of stakeholder. Deontological ethics proposes that an action has no relationship with consequences. It is believed that rules of ethics, rationalism, laws, self respect are the key factor to be observed in taking various business decisions and should be triggered as an innate outcome. Virtue ethics is concerned with the development of sound ethical traits on a person that emanates from the individual character. Such an approach view that upholding virtue ethics in life with right character leads to ethical behaviour in business. It focuses on the moral character of the individual in performing any activity.

REVIEW OF EXISTING LITERATURE

A few prominent literary works related to study on business ethics of ethnic communities have been reviewed which have been published in leading journals. Past studies of authors like Bose (2019), Suharnomo and Syahruramadhan (2018), Autenrieth (2015), Sharma and Dudeja (2013), Ho (2010), Sarma (2007), Scholtens and Dam (2007), Morris, Schindehutte and Lesser (2002) and Baumhart (1961) reveal the existence of gap related to study on orientation of ethnic communities towards different ethical approaches.

NEED AND OBJECTIVE OF THE STUDY

The north eastern part of India is a heart of diverse cultures and several ethnic groups.

The region is inhabited by over 200 of the 635 tribal groups in the country, speaking a mixture of Tibeto-Burman languages and dialects (NCERT Supplementary Reader 2017). The favorable geographical location of Assam has led to the habitation of many ethnic tribes. The unique ethnicity of each groups forms distinctive market segments that help marketers to reach the common people through the local vendors and retailers. As per the Census of India 2011, the total population of the Bodos, Mishing and Rabhas community in Assam as recorded was 1450000 persons, 680424 persons and 296189 persons respectively. These three ethnic communities constitute a significant portion of the total population among the ethnic communities. Consequently a need was felt to know the behaviour of these ethnic communities towards business ethics. Hence the objective of the study is;

- (i) To know the nature of orientation of the ethnic communities namely the Bodos, Mishing and the Rabhas towards the four approaches to business ethics namely utilitarianism, managerial egoism, deontological ethics and virtue ethics.
- (ii) To know if there is any affinity in orientation of the selected ethnic communities toward the different ethical approaches.

RESEARCH METHODOLOGY

The study was exploratory and descriptive in nature. Field work was conducted with a structured interview schedule. Primary data was collected for the Mishings, Bodos and Rabhas from three districts of Assam namely Majuli, Baksa and Kamrup Rural respectively. The study

used stratified sampling followed by convenient sampling technique.

CONSTRUCTION OF SCALE

STEP 1: Attitudinal statements have been used to know the degree of agreement or disagreement to different approaches to ethics. The statements were framed considering the 4 ethical approaches i.e. Managerial Egoism, Utilitarianism, Deontological ethics and Virtue ethics. Under Utilitarianism a total of 19 initial statements, under Managerial Egoism a total of 19 initial statements, under Deontological Ethics a total of 18 initial statements and under Virtue Ethics a total of 20 initial statements were framed respectively. An independent sample of

200 units was taken and by Exploratory Factor Analysis the set of statements was reduced to 4 final statements (factors) respectively under each approach.

STEP 2: A total of 16 final attitudinal statements (Table 1) from step 1 were used. Each four statements serially were related to Utilitarianism, Managerial Egoism, Deontological Ethics and Virtue Ethics respectively. To establish the reliability of the scale, Cronbach's Alpha was run and the scores (as given in Table 1) were above 0.70 (Nunnally, 1978). An additional 17th statement was used to measure the overall attitude of respondents towards business ethics. Three point rating scale was used to measure score on each attitudinal statements, where 3 denoted

Table 1: Reliability Score Of Attitudinal Statements

	ATTITUDINAL STATEMENTS	Score
S1	Businessman is to produce the greatest benefit over harm for everyone	0.734
S2	If an action has maximum benefits for everyone, it is quite fine	
S3	An action is considered to be right if it has genuine utility or value	
S4	Balancing the good and bad consequences of an act is true morality	
S5	An persons self-interest is the real motive of all conscious business activities	0.778
S6	An individual is to work as long as it benefits business firm to the maximum	
S7	Business sustains when it dedicates to maximise its own growth and success	
S8	A firm till it follows law and manage self interest, ethics is not the issue	0.721
S9	A person is to manage business with the spirit of "doing one's duty"	
S10	Providing proper goods and services is a part of moral duty and integrity	
S11	Good or bad action cannot be judged solely based upon only end results	
S12	Ethical principles should be the guide to work rather than consequences	

S13	A person with moral uprightness is normally trusted by others in business	0.844
S14	A person with a righteous life follows the policy of good business practice	
S15	A businessman should stress on moral character rather than only duties	
S16	Moral Principles and virtuous life lead to virtuous business conduct	

'agree', 2 denoted 'neither agree nor disagree' and 1 denoted 'disagree' for both step 1 and step 2.

SAMPLE SIZE AND SELECTION OF GEOGRAPHICAL AREA

As per Morgan Formula of calculating sample size, the feasible size was 384 for Bodos and 382 each for the Mishing and Rabhas. To make the study more representative a sample size of 400 respondents from each community was selected. The district of Majuli, Baksa and Kamrup was taken for the Mishing, Bodos and the Rabhas respectively. For field work, the questionnaire was translated into Assamese language and interpreters were used to overcome language barriers. The respondents selected were all major adults.

ANALYSIS TECHNIQUE USED

Based upon the scores of the respondents on the statements, logistic regression was used. Analysed data are in Table 2, Table 3, Table 4 and Table 5. Based upon the attitudinal scores of the respondents on the various statements, Logistic Regression has been used. In conducting the test, the overall attitude towards ethical principles (i.e. S17 as dependent variable) as recorded in a 3 point scale was coded in the form of two outcomes namely 1 and 0 for rating 3 and 1 respectively and rating 2 was treated as a

missing value. In conducting logistic regression, mean of statement 1 to statement 4 is used as V1 (data for Utilitarianism), mean of statement 5 to statement 8 is used as V2 (data for Managerial Egoism), mean of statement 9 to statement 12 is used as V3 (data for Deontological Ethics) and mean of statement 13 to statement 16 is used as V4 (data for Virtue Ethics). In the analysis, V1, V2, V3 and V4 were used as the independent variable (or covariate). Statement no 17 was used as the dependent variable.

ANALYSIS

BODO COMMUNITY

Based on Logistic Regression, Classification Table 2 (in step 1) reflects the overall correct classification rate of the model as 83.8 percent in comparison to previous result (in step 0) which is 82.4 percent. The model Chi-square test is used to know the overall significance as given in Table 3 which indicates the probability of observing the field data under assumption of accuracy of the model fit. As per the model chi square test, the value is 20.55 with a probability of $p < 0.00$ denotes that the predictor (i.e. different ethical thoughts) have a significant effect. The H-L statistic (Table 4) has a significance of 0.87 which denotes that it is statistically not significant, hence complies with the H-L goodness-of-fit test.

Table 2: Classification Table

Observed			Predicted		
			Orientation to Ethics		Percentage Correct
			0	1	
Step 0	Orientation to Ethics	0	0	38	.0
		1	0	178	100.0
Overall Percentage					82.4

Observed			Predicted		
			Orientation to Ethics		Percentage Correct
			1	0	
Step 0	Orientation to Ethics	0	34	4	10.5
		1	177	1	99.4
Overall Percentage					83.8

Table 3: Omnibus Tests of Model Coefficients

		Chi-square	df	Sig.
Step 1	Step	20.55	4	0.00
	Block	20.55	4	0.00
	Model	20.55	4	0.00

Table 4: Hosmer and Lemeshow Test

Step	Chi-square	df	Sig.
1	3.84	8	0.87

Table 5: Variables in the Equation

	THOUGHT	B	S.E.	Wald	df	Sig.	Exp(B)
Step 1	Utilitarianism	0.51	0.51	1.01	1	0.31	01.67
	Managerial Egoism	1.01	0.49	4.20	1	0.04*	02.75
	Deontological Ethics	0.77	0.34	5.05	1	0.02*	02.16
	Virtue Ethics	0.49	0.45	1.19	1	0.27	01.64
	Constant	-4.51	1.54	8.48	1	0.00	00.01

The Wald Statistics (in Table 5) is significant ($p < 0.00$) and is an indicator of significant role of the predictor (independent) variable. Among the ethical thoughts, Managerial Egoism ($p < 0.04$) and Deontological Ethics ($p < 0.02$) significantly play a dominant role in the prediction. Table 5 reflects the value of Exp (B) in terms of variation of odds. The exp (B) in Managerial Egoism is more than exp (B) of Deontological Ethics, consequently when there is raise of perception by a level, Managerial Egoism is 2.75 times more and Deontological Ethics is 2.16 times more.

MISHING COMMUNITY

Similarly based on analysis of the Mishing community data, the Classification Table (in step 1) reflects the overall correct classification rate of the model as 90.40 percent in comparison to previous result (in step 0) which is 85.9 percent. As per the model chi square test, the value is 86.33 with a probability of $p < 0.00$ denotes that the predictor (i.e. different ethical thoughts) have a significant effect. The H-L statistic has a significance of 0.58 which denotes that it is statistically not significant, hence complies with the H-L goodness-of-fit test.

The Wald statistics (Table 9) as reflected is significant ($p < 0.00$) and indicates the significant role of the predictor (independent) variable. Among the ethical thoughts, Utilitarianism ($p < 0.00$) and Virtue Ethics ($p < 0.00$) significantly play a dominant role in the prediction. Table 9 reflects the value of Exp (B) in terms of variation of odds. The exp (B) in Virtue Ethics is more than exp (B) of Utilitarianism, consequently when there is raise of perception by a level, Virtue Ethics is 131.01 times more and Utilitarianism is 16.43 times more.

RABHA COMMUNITY

Similarly based on analysis of the Rabha community data, Classification Table (in step 1) reflects the overall correct classification rate of the model as 89.3 percent in comparison to previous result (in step 0) which is 81.5 percent. As per the model Chi-square test, the value is 132.78 with a probability of $p < 0.00$ denotes that the predictor (i.e. different ethical thoughts) have a significant effect. The H-L statistic has a significance of 0.39 which denotes that it is statistically not significant, hence complies with the H-L goodness-of-fit est.

The Wald statistics (Table 13) as reflected is significant ($p < 0.00$) and is an indicator of significant role of the predictor (independent) variable. Among the four ethical thoughts, Managerial Egoism ($p < 0.01$), Deontological Ethics ($p < 0.00$) and Virtue Ethics ($p < 0.02$) equally play a dominant role in the prediction. Table 13 reflects the value of Exp (B). The exp (B) in Deontological Ethics is more than exp (B) of Managerial Egoism and Virtue Ethics, consequently when there is raise of perception by a level, Deontological Ethics is 24.96 times more, Managerial Egoism is 5.07 times more and Virtue Ethics is 0.25 times more.

FINDINGS

The findings based on the objectives are as follows;

Objective 1: The Bodos are oriented towards Managerial Egoism and Deontological Ethics. They are benefit cum profit seekers and ruled by self egoism. For them man is obliged to be ethical naturally and satisfaction is not the only criteria for manufacturing and marketing goods. The Mishings are oriented towards Utilitarianism and Virtue Ethics. They have a strong religious affinity. They think collectively, culturally strong and lay more stress on the utility of products and services. Hence they are concerned with value for money in buying products. The Rabhas are oriented towards Managerial Egoism, Deontological Ethics and Virtue Ethics. They view ethics as a phenomenon that emanate as a natural outcome. They are benefit cum self profit seekers. Further they have religious affinity which at times dominates their decisions.

Objective 2: Comparatively among the three communities, the Bodos people have the highest level of orientation towards Managerial Egoism, the Mishings have the highest level of orientation towards Virtue Ethics and the Rabhas have the highest level of orientation towards Deontological Ethics. In terms of similarities, the Bodos and the Rabhas are similar in orientation except that the Rabhas have a minor affinity towards religion as well.

MANAGERIAL IMPLICATION

In serving the Bodos, there is a need to display the benefit of using marketed products and services. Ethics is required to be demonstrated

in personnel management. Besides satisfaction, the managers are required to demonstrate integrity in the way products and services are manufactured and marketed. Further to manage employees or business partners, there is a need to lay stress on the concern for humanism.

In serving the Mishings, stress should be laid more on CSR programs with a sense of generosity. Managers are required to provide adequate incentive to employees and the channel partners as per commitment. Teamwork is to be promoted with a sense of empathy. Further organizations are required to be more transparent in the way products are manufactured and marketed.

In serving the Rabhas, besides satisfaction, there is a need to demonstrate integrity with transparency in the way products are manufactured and marketed. Stress is to be given on the humanism aspect to manage employees or business partners. Further provide sufficient incentive to employees and the channel partners as per commitment.

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