

Moral Integrity as Business Ethic

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Abstract: *Business Ethics is a way of conducting business activities, which covers all aspects related to individuals, companies and society. Business Ethics in a company can shape the values, norms and behavior of employees and leaders in building fair and healthy relationships with customers, business partners, shareholders and the community. Business ethics in the company has a very important role, namely to form a company that is strong and has high competitiveness and has the ability to create high value, a solid foundation is needed. Moral integrity is one of the basic principles in doing business where business people in conducting their business must adhere to the moral principles, the good name of the company is maintained and the company is still trusted as a good and professional company. The results of this study conclude that a person with high moral integrity will be firm in his stance even though he is in a bad environment. The moral integrity possessed by a person in doing his work will have a long-term positive impact both for himself and the organization where he works and high moral integrity will ensure that a person will work with good business ethics.*

Keywords: *business ethics, integrity, moral*

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A. PRELIMINARY

Business Ethics is a way of conducting business activities, covering all aspects of individuals, companies and society. Business Ethics in a company can shape employee's and leaders' values, norms, and behavior in building honest and healthy relationships with customers, business partners, shareholders, and the community. Business ethics in the company has a significant role, namely to form a company that is strong and has high competitiveness and can create high value, a solid foundation is needed.

In professional demands, it is closely related to a code of ethics for each profession. The legend of ethics tells to certain ethical principles that apply to a domain. Ethical principles generally apply to everyone, and they also apply to professionals. Several principles of business ethics must be obeyed by business people, one of which is moral integrity. Moral integrity is one of the basic principles in doing business where business people in conducting their business must adhere to ethical principles. The company's good name is maintained, and the company is still trusted as a good and professional company. For example, Unilever is a multinational company that implements a code of business ethics that guides Unilever employees to uphold moral integrity.

Moral integrity does not only apply to companies. A state leader and apparatus are also expected to uphold moral integrity. Indonesia has one example of moral virtue, namely General Hoegeng. The story about his example as a police officer should be used as an example for

other government officials to view the figure of the apparatus with full authority.

The research objective of this paper is:

1. Knowing more deeply about the principles of business ethics of moral integration
2. Understanding the importance of implementing moral integrity in the company
3. Knowing the importance of applying moral integrity to leaders and government officials

B. LITERATURE REVIEW

1. Integrity

According to Webster's Third International Dictionary (1981), Oxford Dictionary (1963), and An English-Indonesian Dictionary, by John M. Echols and Hassan Shadily (1975). These dictionaries explain that 'integrity' means 'wholeness', the notion of 'whole'; 'uprightness' and 'honesty', meaning 'sincerity' and 'honesty'. It is also explained that 'integrity' means 'an uncompromising adherence to a code of morals', meaning unshakable dedication to the moral code'.

Integrity is character, ethics and morals. But integrity is also more than that, as explained by the Oxford Dictionary (Cloud, 2007:29-30), the definition of integrity, including:

- Honest and have strong moral principles; moral truth.
- The state is intact and undivided.
- Unified, intact, or solidly constructed condition.
- Internal consistency.

Stephen R. Covey in Triharsa (2006:78) defines integrity as a life based on principles (being integrated around principles). Integrity itself is a child of humility and courage. Humility means acknowledging that some natural laws or regulations control the universe. Courage is needed when we want to live in harmony with that principle. Many social norms, morals, and values around us deny these principles from this integrity flow wisdom and an abundance mentality.

According to Dr Haidar Bagir in Sudibyo (2006: 104-105), the definition of integrity is being authentic (honest) towards oneself and others and does what is said and done. Or, in other words, "union of words and deeds" or do and do nothing that conscience says is good. The aspects of integrity include honesty, attitude responsibility, transparency, and accountability, which can create reliability, credibility, and effectiveness. The development of a culture of integrity can create competence and togetherness. Integrity can make peace and tranquility in life.

According to Raka in Fadliah (2006:39), the essence of integrity is honesty, sincerity. Integrity is shown by the congruence between values and habits, the correspondence between words and deeds, and expressions and feelings. Integrity is needed to ensure that the freedom given can be used responsibly. Integrity is required to build mutual trust in a community.

Meanwhile, according to Hay Consultant in Triharsa (2006:76), integrity is the consistency between actions and values that one believes in. Expressing his intentions, ideas, and feelings openly and

directly also values the openness and honesty of others, even in difficult situations Furthermore, Hay in Triharsa (2006:77) divides that integrity into four levels:

1. Be open and honest about work situations (is open and honest about work situations), for example, admitting mistakes made, expressing feelings or ideas even though they are not asked.
2. They act consistently with values and beliefs (takes actions consistent with values and beliefs), serving clients entirely even though they have to sacrifice time or personal interests.
3. Act by values when it is difficult to do (acts on matters when it is not easy to do so), for example, admonishing friends or superiors whose actions are not by regulations or have the potential to harm others.
4. Acting based on values even though it contains considerable costs and risks (takes action based on values when high cost or risk is associated with doing so), for example, not obeying orders from superiors who violate organizational rules or moral norms even though they are threatened with punishment issued.

2. Integration of Ethics and Morality

Often the terms ethics, morality, and integrity are used interchangeably to mean the same thing. However, all three have differences. Ethics is a standard of what is good and evil, right and wrong. In simple terms, ethics is the theory, while

morality is the practice. Integrity is the integration between ethics and morality. The more the two are integrated, the higher the integrity (Maxwell, 2007). Ethics is a standard about right and wrong and good and evil (Muttaqien, 2006: 7). What humans think is right and good is human ethics. Management expert, Chris Argyris in Muttaqien (2006: 7), calls it an espoused theory.

Meanwhile, morality is the actual act of right and wrong, good and evil. Chris Argyris, in Muttaqien (2006: 7), calls it theory-in-use. So, if ethics is at the level of theory, morality is at the level of practice. Integrity is the integration between ethics and morality. Someone with integrity and good morals will have thoughts about good morals and apply them in everyday life.

Ethics is etymologically derived from the ancient Greek, namely "ethos," which means customs or habits. In this sense, ethics is related to customs or living habits considered suitable by certain people. Some interpret ethics as values and moral norms that become the grip of a person or a group in regulating their behavior (Bertens, 2004). The study of ethics is the most fundamental problem in studying the humanistic sciences. The study of ethics can be classified into two parts: pure ethics (theoretical) and practical ethics (applied). Pure ethics is ethics in the study of philosophy, namely critical and fundamental thinking about teachings, norms, values, habits, and moral views and theories about honest investigations.

May, Chobanin, and Wong in Tobroni (2005:46) argue that ethics is usually preoccupied with the question: How should we lead our lives what is valued

and what is the meaning right? Ethics is the science of norms, values and moral teachings. The moral is a code of conduct or value system that regulates right/wrong, good/bad, right/inappropriate, including desires, beliefs, words, character, and others related to one's actions about other people. Morals tell us which to choose in various situations and why one choice is right and another is wrong. While ethics in a practical sense or applied ethics can have something in common with morals. The terms "protestant ethics" as stated by Weber in Tobroni (2005:46) and "economic ethics" as proposed by Adam Smith for example, have the same meaning as the term "protestant morals" or "moral economics". In this case, the time moral or ethics contains at least two main points, namely: 1) as the way a person or group behaves with other people or groups; 2) the existence of norms or values that form the basis for this way behaving.

Integrity is also different from honesty. Integrity is conforming to reality with words. Integrity is active, while honesty is passive (Priyaksono and Sembel, 2004). Honesty is a necessary condition but not a sufficient condition for integrity. Integrity results from a human person/individual process and the social environment based on fundamental values. Integrity means not splitting or cracking. Wholeness, unity, balance, harmony, and synergy complement each other to form a solid and efficient personal unit.

3. Characteristics of Integrity

According to Adrian Gostick and Dana Telford (2006:15), there are ten characteristics that people with high

integrity consistently show. The ten attributes of integrity are:

1. Realizing that it's the little things that matter

To have integrity, we must not lie in the little things, and as a result, we will not be tempted by the bigger things, such as power, prestige or money.

2. Finding the right one (when others only see gray)

In the world of work, we all face a gray area. It comes when we are dealing with right-versus-wrong decisions. Or when the right thing to do is not clear. The higher the organization, the more complex and gray choices to take. It doesn't take superhuman abilities to arrive at the right decision. What it takes is a commitment to spend the time and energy to find it.

3. Responsible

Responsible action was admitting when you made a mistake, apologizing, and correcting it. Being responsible is being open and honest, telling the whole story of both good and bad. No one has ever made a mistake, but it is important to admit it and immediately correct it honestly.

4. Creating a culture of trust

Integrity is a matter of character, and good nature will be formed in a good community. The district will continue to encourage and empower people to do the right thing.

5. Keep promises

To gain the advantage of integrity, we must keep our promises gain trust.

6. Caring for the greater good

A prominent characteristic of people with integrity is their low level of egoism. People with integrity plant a million goodness wherever they are, benefit others and give peace and happiness to themselves.

7. Honest and humble

Honesty is not something that is claimed personally. Honesty is a judgment made by others based on the actions taken every day of life. People who have integrity will not proclaim personal goodness or honesty.

8. Act like you're being watched

People who have integrity think and feel that their every action is constantly monitored. They need to ensure that this integrity is passed on to future generations through the example set.

9. Employ integrity

Integrity is very personal and individual. Outside influences, such as the boss, can't decide. Integrity is also not something that can be obtained overnight. That is the reason for prioritizing the characteristics of integrity in hiring and promoting someone. Hire and encourage someone with solid integrity, someone who the voices around them won't seduce, and when they make a mistake, they're ready to admit it and fix it.

10. Consistent

People with integrity show consistency between what he says and what he does. They are almost predictable. People with integrity demonstrate consistency, predictability, and trustworthiness. We know what they did and how it turned out. Consistency is a sign that a person is not affected by changes outside himself. Money, power, influence can come and go, but people's actions cannot be separated from the moral values within a person.

4. Ethics

Ethics (Ancient Greek: "ethics", meaning "arising from habit") is a where and how the main branch of philosophy that studies values or qualities is the study of moral standards and judgments. Ethics includes analyzing and applying concepts such as right, wrong, good, bad, and responsibility. Ethics requires a critical, methodical, and systematic attitude in reflecting. That's why ethics is a science. As a science, the object of ethics is human behavior. However, unlike other sciences that also examine human behavior, ethics has a normative point of view. This means that ethics see from the point of view of good and bad human actions. There are two types of ethics, including:

1. Philosophical Ethics

Ethics is derived from the activities of philosophizing or thinking, which humans carry out. Therefore, ethics is a part of philosophy; Ethics is born of philosophy.

2. Theological Ethics

There are two things to remember about theological ethics. First, theological ethics belongs to a particular religion,

but each religion can have its theological ethics. Second, theological ethics is part of ethics in general. Many elements are contained in ethics in general and can be understood after understanding ethics in general.

5. Business Ethics

Business ethics is conducting business activities, covering all aspects of individuals, companies and society. Business Ethics in a company can shape employee's and leaders' values, norms, and behavior in building honest and healthy relationships with customers/partners, shareholders, and the community. There are several definitions of business ethics according to experts, including:

Velasques (2002). Business ethics is the specialized study of moral right and wrong. This study concentrates on ethical standards as applied in policies, institutions, and business conduct. Hill and Jones (1998). Business ethics teaches to distinguish between right and wrong to brief every company leader when considering strategic decisions related to complex moral issues. He further said, "Most of us already have a good sense of what is right and what is wrong. We already know that it is wrong to take action that put the lives another risk" ("Most of us already have a good sense of what is right and what is wrong. other.").

Steady et al. (1984: 701), in their book "Business, Its Nature and Environment An Introduction," provide a limitation, namely, "business ethics is ethical standards that concern both the ends and means of business decision making".

C. DISCUSSION

Authors may (and are encouraged to) divide their discussion and analysis into multiple sections, depending on the flow of their article. Effectiveness and clarity are the keys.

Implementation of the Code of Business Principles (Company Business Ethics) at PT. Unilever

As a multinational company operating in Indonesia, PT Unilever has goals, values and principles that all employees must follow. The company's plans state that success requires "the highest standards of corporate culture with whom we work, the communities we touch and the environment in which we impact". Company values determine how employees must work to run the company's business and interact with co-workers, partners, suppliers and customers. PT Unilever has four central values, namely Integrity, Responsibility, Mutual Respect and Pioneering. As the company grows by entering new markets, joining new employees and new challenges to be faced, these values and principles will guide employees in their work and daily decision-making. Doing business with integrity has become the Heart of the Corporate Responsibility Commitment. Integrity shows how they behave wherever they are. This guides them always to do everything right to achieve the long-term success of the company.

The Importance of Moral Integrity from employees who work and have a beneficial effect on the company because employees who continually maintain their good name will guide employees to do things right even though the

challenges and temptations that approach are considerable. Sometimes in the business world, many things will put employees in a challenging position. The choice to do something that is not right and maybe even by violating the law or norms is a choice and can quickly solve the existing problems. Material temptations either by abusing their authority or because of attractive offers from other parties will always be easy to find in business trips.

The values adopted by Unilever by company are always instilled through regular training held every year to all its employees. They remind how Moral Integrity must be implemented and what sanctions will be given if employees violate it, which has become the standard and corporate culture. The following are the values and corporate culture that make Unilver a company that conducts its business by upholding moral integrity:

Ethical Standards

Every employee must conduct business with honesty, integrity and openness while respecting human rights. Employees must also respect the interests of parties related to the company.

Compliance with Laws and Government Requirements

Every employee is required to comply with the applicable laws and regulations in which Unilver conducts its business. The company will ensure that the resources and everything necessary to comply with this regulation is available. Every rule must be met first, even though doing so will cause work to be hampered.

Especially with the very complex laws and regulations that apply, especially in developing countries and countries with a high corruption index, cannot be used as an excuse for employees to violate the applicable laws in running a business.

Respect for human rights

Unilever is committed to creating a work environment that promotes diversity and equal opportunity, and non-discrimination for all employees. Employees will be recruited, hired and broadcast only based on the qualifications and abilities needed to do a good job. The company is committed to providing a safe and healthy work environment for all its employees. Leaders may not employ forced laborers or hire underage employees/child laborers. Leaders must respect the dignity of employees and support the right of employees to freedom of association and unionization. With this, every employee who works will respect each other, where no employee experiences discrimination and harassment because everything is based on each employee's ability. In this way, Unilever maintains the Moral Integrity of employees related to the relationship between fellow employees so that cases of harassment and even blasphemy against employees, especially the existence of child labor that may still be found in other multinational companies, will not be found at Unilever.

Business Integrity

Each employee must not give or receive directly or indirectly bribe or other disgraceful things for personal gain. No employee may offer, give or accept any gift or payment that could be categorized

or construed as a bribe. Any requests or giving of bribes must be refused immediately and reported to management. Each employee must ensure that any records or supporting documents are accurately available for every transaction made. This value makes Unilever a company that strictly forbids bribery either to take bribes or as a party to be bribed. Each party will be treated fairly according to their respective capacities and not because of the interchange offered.

Conflict of Interest

Each employee must avoid engaging in personal or financial activities that conflict with their obligations to perform their jobs. Employees are not allowed to abuse the authority they have for their interests. This will prevent the practice of Nepotism or interest groups within the company. Unilever also stipulates certain limits for employees in share ownership of other companies that have business with Unilever so that there are no parties who benefit from personal closeness.

Environmental Concern

Unilever employees must be committed to continuous improvement in environmental impact management and to the long-term goal of developing a sustainable business. Employees must cooperate with other parties to promote ecological awareness, increase understanding of environmental issues and share good things with outsiders. Unilver will become an environmentally friendly company with moral integrity related to the environment and not cause ecological damage.

Integrity in Competing

Unilever employees must participate in fair competition and be involved in developing competition rules. All Unilever companies and employees will operate by the principles of fair competition. This is so that Unilever employees do not justify any means in winning the competition in the market. Even if an employee gets confidential competitor information accidentally, the employee is not allowed to open or read the news and must be returned to a legitimate party.

By having the above values and harsh sanctions for employees who do not live up to these values, Unilever can keep its employees always acting based on high Moral Integration so that there are no issues with the company not complying with applicable government regulations, harassment and discrimination. Against employees and other related parties, accepting or committing bribes, unfair treatment due to nepotism practices and group interests, environmental pollution, or shady practices in competing with competitors. To ensure that every employee behaves with high moral integrity, Unilever provides a channel for anyone, both employees and outside parties, to report employees who work not based on the moral integrity of the ethical committee through the website: <https://secure.ethicspoint.com/domain/media/en/gui/16291/index.html>

This website can be accessed anonymously. This way employees will be careful because anyone can report them without fear of being found out. However, it is undeniable that even though the company already has an

excellent system to ensure every employee works with high moral integrity, some employees still do not implement it. People who do not work with moral integrity are only working for their interests and can be detrimental to the company, so Unilever never hesitates to fire employees with such traits, even for talented and high potential employees. Moral integrity in the end, returns to each individual, if the person already has good personal qualities and foundations, then the work will be reflected and with a sound system, the company will get reliable and trustworthy employees.

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