

**BOOK REVIEW:  
“ETHICS FOR MANAGERS” BY D. PUPAVAC**

*Ratko Zelenika\**

In November 2006, the University of Rijeka published a book by Drago Pupavac, PhD, entitled **Ethics for Managers**. Besides the introduction, an extensive bibliography and a short note on the author, the book is comprised of six chapters that the author uses to elaborate the results of his scientific thoughts on ethics in business practice.

The main task of ethics is to define the ways of people's behaviour, and to contemplate the answers to the question of **what should morals be like for an individual or society as a whole to fulfil their role**. The task of ethics in management is to develop a new spirit and build it into voluntary standards, without expecting the legislative obligation. In order for companies to be successful and effective, they need to implement into their activity ethical codes and elect ethical committees or ethical representatives. The inclusion of Croatian business systems into modern globalisation processes imposes the necessity for the creation of a positive climate that will allow the promotion of ethical values as a pre-condition for a new and positive foundation for the development and respect of high standards in business and development.

In such a scientifically theoretical and methodological amalgam, the author emphasises the importance of ethics in modern business practice since the image of the companies that do not comply with ethic principles (cheat on their customers, employees, stock-holders) is often smeared to the extent that it not only endangers growth and development, but also its very existence in the market arena.

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In the first part, **Introduction**, the author gives basic remarks on the reasons of the contemporary study of business ethics, reflections it has on macro, mezzo and micro levels, and explains the structure of the book.

The second part, entitled **Theoretical characteristics of ethics, morals and business ethics**, is divided into three sub-sections: (1) theoretical characteristics of ethics, (2) basic characteristics of morals and (3) business ethics as part of ethics. Special attention is being given to the third sub-section where the author elaborates on business ethics, object, values and principles of business ethics. He further explores ethical dilemmas as morally problematic situations and states the arguments of those who support and those who oppose business ethics, as well as those who, for their suspicion regarding the implementation of ethics in business practice, could be categorised as non-believers.

Max Weber states that the interest (both material and ideal), not the ideas, directly determines man's behaviour. However, views that were created from ideas work as a signalman and the behaviour, driven by the dynamics of interest, often chooses a certain rail. Accordingly, in the third part, entitled **Practical ethics in important world religions**, the author gives general characteristics of Confucianism, Hinduism, Buddhism, Judaism, Christianity and Islam as the main religions of the world and explores their influence to applied ethics.

**Main characteristics of a good society** is the title of the fourth part. In this part of the book, the author systematically and concisely qualifies the characteristics of a good society: poverty, healthcare, good economy, good public management, security, social security, education, concern for environment, strong international position and migrations, etc. Special attention has been given to elaborating on a good economy, without which it would be impossible to fulfil the goals of a good society. Within this sub-section, the author explores the co-relation of goals in macro-economic policy and a good economy, the market within the function of a good economy, progressive taxation, grey economy in the kaleidoscope of a good economy, corruption and prevention of illegal enrichment as a goal of a good economy.

The fifth part, entitled **Modern approach to defining a good company**, deliberates on the theoretical characteristics of a moral company, social responsibility of a company, relation between the company and the employees, or relation between the company and the state, between the company and the share-holders, relation with the competitors, relation between the company and

buyers, ethical code and strategies for its implementation in the company's business practice.

Ethical and unethical behaviour of managers and employees in the work place is being dealt with in part six of the book. This part, Good management and good employees, consists of two sub-sections. In the first sub-section, Good management, the author states some ethical problems the managers encounter, and give the example of management's unethical business behaviour and ethical business behaviour. In the second sub-section, Good employees, the author elaborates the rights and obligations of the employees in a company and explores the phenomenon of "whistlers".

Pupavac's book is filled with contemporary examples taken from domestic and foreign business practice. The important issues have been substantiated by carefully chosen extracts from domestic and foreign literature, which makes this book extremely interesting and original.

Finally, as a form of a summary and having in mind the importance of the treated subject, the following should be mentioned:

Firstly, including economists into the business ethics problems discussion will contribute to faster acceptance of ethical behaviour in business practice and thus decrease possible conflict situations.

Secondly, the notion that business ethics can be managed and thus directly and significantly influence a company's reputation in public is a reason that has brought an ever growing interest for it. Codes for business behaviour among the companies of highly developed countries are becoming a rule. Accordingly, participation of Croatian companies in the globalisation process imposes the need for accepting ethical behaviour.

Thirdly, while economics as a science examines how people use scarce or limited resources to produce different goods and divide them for consumption, by paraphrasing Socrates, one can state that ethics has been put side by side economics, thus due to its strength, does not become insensitive to the problems and needs of those for whom all commercial activities take place.

With this work, Pupavac has given significant contribution to establishing a productive debate between ethics, politics and economics. This has been confirmed by critics of this truly valuable work, which will be a useful companion to both the existing and the future Croatian managers.

