



ETHICS IN PROCUREMENT PRODUCTION AND OPERATION IN SUPPLY CHAIN MANAGEMENT:

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ABSTRACT:

Procurement, production, operation, is what sets entire supply chain and their organization in motion. Procurement, production, operation, handles itself, and its activities set the tone for all the events at follow right up to the final delivery of goods and services to the end customer.

Ethics is the basis on which most of the procurement, production, operation, related principles such as fairness, integrity and transparency is based on supply chain.

Ethics originates from philosophy, and refers to common principle with appropriate, and inappropriate actions, with moral duty and behavior with business context, and refers to the use of recognized social principles that involves justice, and fairness, throughout the business relationship, and being ethical means treating suppliers in just fair, honest and fitting manner, and a preferential treatment or personal buying may be considered unethical.

Ethics in procurement, production operation, is considered a part of the business activity that is meant for the function of the activities, being meant not bring damage to consumer in supply chain, also being the code of standards that are to be followed, complied in supply chain.

Ethics in procurement, production, operation management in supply chain is an approach of managing the design, improving, operating business systems, that will be focused on production delivery of goods, services in supply chain. The main objective of the operation management is to ensure that the products, services, are delivered to customers, consumers, in the best quality, lower costs.

Procurement, production, operation, management as the research of the outcome, will enable, to understand, the continuing effort with supply chain management, understand the role of ethics that will be able to play in the organization, as this outcome will enable the role of ethics, can play in steering the organization to great height, research will also be liable to assist professionals, to guide, training, counseling, in the organization,

on related matters of ethics. Procurement, production, operations management will result in the study of providing a hypothesis, proposed through a smart procurement, operation management in supply chain.

Key Words: Procurement, Production, operation, Ethics, philosophy, training, counseling, guiding:

INTRODUCTION:

Ethics training in procurement, production, operation management, is one of the essential components to ensure that the employers are aware of the importance of ethical practice. An innovative way of having employees with all the important information about ethics, and they are able to deal with this in their day to day function, in a methodical way to supplement ethics policy with procurement ethics, and having for anyone who are involved with the purchase of products or services, and who meets with suppliers.

Procurement production, operation, functions are in control of large budgets; hence it is expected to behave ethically with other concepts of supply chain.

Ethical procurement, production, operation, policy is how a conduct of business is with supplier, sourcing, sub-contractors, with an expectation that the supply, the work point, is regard the way they conduct the business, in which supply chain confirms ethical procurement, production, operation, standards. The policy expects to adhere to environmental, an ethical procurement, production, operation plans in supply chain. The payment to supplier must in accordance with the agreed terms and timely manner. This is to ensure that procurement, production, operation will be not be done with the knowledge of the wrongly derived materials, as per ethics of supply chain.

The treatment to suppliers, or contractors, is done fairly and objectively at all times. Expecting suppliers or contractors to adhere to the organization policy, provide a safe working environment with ethical procurement, production, operation, policy.

For goods ethics in procurement, production, operation, it is necessary to practice integrity avoid conflicts of interest, and personal enrichment treat suppliers, vendors, contractors, equally and fairly, comply with other legal obligation which is considered to be one of the challenges of ethical production as this is to know how to make it into a practical reality that the organization can apply in a constant way.

Procurement, production operations considered to be ethics of supply chain, manages the policies, with necessary facts, that are bound to change the organization, with the right of the supplier, adhering to the standards, audits, frauds, that are liable to take place in the organization, by the lack on the part of the organization, for not taking active standards set, code of conduct, regulation, law, conflict with policies, which are required in supply chain.

INNOVATION:

Dealing with procurement production, operation, in the following situation: 1. Responsible for procurement, production, operation, of consumer supplies of an organization. A potential supplier sends the catalogue together with a gift of expensive items with supplier logo. 2. Have agreed to a contract with an organization, but do not take up the job or task, and drop the demand for the company's own product will be a depressed condition, and will affect the profitability, as the supplier will guarantee for lower price, that would re-establish margins the company needs to meet the objectives as this would mean breaking contract with the supplier, who supplied in the beginning. Legal action by the supplier would be unlikely, since it may affect small organization, who is suppliers to the organization

Supply chain consumer demand increases generating the needs of products in procurement, production, operation management, the requirement of raw materials, in global chain, as they have become complex, as procurement, production, operation management gives the real truth as ethics in supply chain. as supply chain spans towards different countries, continents, across multiple suppliers, vendors, sub-contractors, as it is have their own quality, of products, with sustainable standards in supply chain.

Supply thus translates, directly the environmental impact, gas emission, water scarcity, waste management, land fill issues, pollution, air quality use, energy consumption in supply chain, with an introduction to more ethical sustainable supply chain, as it is able to track, trace, transport, the production to different location, with the use of the modern technology, Radio Frequency Identification System, Global Positioning System, in supply chain.

TECHNOLOGY:

Procurement Production, Operation ethics: Illegal ethics in procurement, production, in line with operation management: 1. Payment in cash for a kind made to a supplier or contract negotiations, sourcing, sub-contract work, payment can occur before or during the award of the contract, in procurement.

Coercion: Threats may be made against pressure put on indeed that with the same object of payment made to gain support for a supplier or contract negotiation, sourcing, sub-contract work. The payments aims to motivate individuals, with so as to gain and motivate through fear of which might suffer or lose.

Extortion: is considered to be an illicit in the ethics of procurement, production, operation management, and the way payment, and this if accompanied with pressure from supplier.

Favoritism: this gives an undue preference or negotiating advantage to a supplier who is part of the supplier, operation, even production in an organization.

Illegal sourcing supplier offers goods or service misrepresented products illegally whether because of material used or labor employed for stolen products from suppliers.

Influence exchange of award or contract or preferential treatment by other party of another individual in the ethics of procurement is not justified.

Bribery in procurement, during production, function of operation management, is one of the most common and unethical or even fraudulent procurement, during production, even during operation management,

procedure or practice, and this is worth examining, also to understand how this typically take place, and moving importantly to how this will take place , and more important how the consequence which will affect the ethics of supply chain.

CHALLENGES:

Ethics of supplier, sourcing, sub-contractor: Strict policies against corruption, laundering, extortions in ethics of procurement, production, operation management, in supply chain: 1. Avoid any activity which may cause conflict of interest with procurement, production, operation management, problems on customer's part keeping personal interaction separate. 2. Avoid any payment or favor in order to win a contract, since during negotiations favors are to come as a possibility, and keep to know that customers is to look at the supplier as unethical, and may not strike a deal in future transaction in supply chain. 4. Avoid any person business with customers. 5. Try to know the code of ethics from the customer in the organization and train the resources in accordance with the organization.

Ethical procurement, production, operation, strategy: 1. Supply chain can be reviewed by creating a strategy during which a procurement strategy, during which supplier risk is reviewed, regardless whether they are direct or indirect. 2. Identify problems with production, and then carrying out an assessment that concentrate and bring in effort on greater areas of risk. 3. Consultation with local and other experts which may be able to solve the problem with the organization, to implement a suitable solution. 4. Construct a strategy in ethical procurement, production, operation management, to identify as and when risks are identified, then construct an ethical sourcing strategy, to identify the information from different suppliers, and how the review will be organized in the key risk areas to be prioritized.

Track of indirect purchase in ethics of procurement, production, operation, since the risk in getting counterfeit and faulty goods, as it means employing correct policy which checks ethical sourcing which may be in place.

Codes of Ethics in procurement production, operation: To ensure an ethical and accountability, procurement production, operation management: 1. Personal integrity –Individual involved in purchasing or procurement, production, operation, supply chain is to act with integrity, and professionalism. Honesty care, and due diligence must be an integral part of supply chain activities. 2. Confidential information in procurement, production, operation, should be safe guarded, and participants must not be engaged in any other activity, that may create a conflict of interest, such as accepting gift, or favors', and also providing preferential treatment.

Accountability of Transparency: Supply chain activities must be open, and accountable in particular tendering contract, and purchasing activities, which must be fair transparent, and conducted with a view to obtaining the best value for the public money, compliance and continuous improvement. Every supply chain organizations must comply with code of ethics, and all procurement participants must work to improve supply chain policies and procedures, to improve supply chain skill levels and knowledge.

Ethics in supply chain procurement, production, operation, should be transparent, with regard to disclosure, monitoring sustainable practices, both strategic operational for continued relationship within supply chain, collaborating with logistic organization, against risk management in order to mitigate among related aspect of ethics in supply chain.

Supply chain changes in consumer behavior, awareness, sensitivity, on social environment, issues increase the ethics, procurement, production, operation, constituting reasons to implement Corporate Social Responsibility, in supply chain. In supply chain research has yielded that consumer, prefer product of organization, that have been attached to be most important that to protect environment, which put emphasis on the basic ethics, responsible for protection, of environment, that have more emphasis on related activity of corporate social responsibility in supply chain.

PURPOSE OF STUDY:

Principles and Standardization of procurement, production, operation, ethics: 1. Avoid any unethical practices in relationship, and communication. 2. Refrain from soliciting or accepting any thing in kind, credit, and preferential discounts as an acceptance of gifts, entertainment favors or services from potential known suppliers that might influence procurement decisions and in the ethics of purchasing in supply chain. 3. Handle confidential information belonging to suppliers, sourcing, sub-contractors, with due care and with proper consideration of ethical, and legal application, and following all the government regulation in the ethics of purchasing in supply chain. 4. Promote a positive supplier relationship through courtesy, and there be no impartial in the phases of procurement cycles. 5. Refrain from reciprocal agreements that restrain competition. 6. Enhance the proficiency and nature of the procurement ethics profession by acquiring and maintaining good knowledge with the highest standards of ethical behavior.

Reciprocity is effectively the weakness of the purchasing or procurement, production, operation, functions. Procurement, production, operation, strategy includes a positive effort to oppose any corporate or organized commitment in form of reciprocity. The guidelines in dealing with reciprocity: 1. Procurement, production, operation, professionals should become sufficiently knowledgeable of the provision in anti-trust law to recognize the potential of legal problems in the ethics in supply chain. 2. If procurement, production, operation management, professionals believes the potential for reciprocity may exist local counsel should be sought. 3. List of suppliers sourcing agents, sub-contractor, contractors, should be provided to sales and marketing personnel for their use. 4. The procurement, production, operation, professional should recommend that such list not be used to avoid the potential legal and ethical problems inherent in each use in the ethics of procurement, production, operation management..

Reciprocity (exchange) due to its potential to restrain work is both a legal and ethical issue, which may result in legal sanctions against the company in its management so its procurement personnel will be able to follow the ethics in purchasing in supply chain. The professional purchaser must be able to recognize the reciprocity and ethical implication. Cross deals between supplier and customers are not anti-trust violations. Dealing with a supplier who is also a customer may not constitute a problem, if in fact the supplier is the best source.

LITERATURE REVIEW:

(CITATION)

Confidential information in ethics of procurement, production, operation management: Procurement, production, operation, management, professional including others in the position which influences procurement, sourcing, manufacturing decisions deal with confidential or proprietary information of both employer and supplier. It is the responsibility of the procurement, production, operation management professionals, to ensure that such information which includes material, manufacturing, information which may not be confidential in the strictest sense, but is not generally known and is treated in confidential.

Proprietary information requires protection of name, composition, process of manufacture or right to unique exclusive information, which has marketable value, and is upheld by patent, copyright, or non-disclosure agreements. The procurement, production, operation, profession should therefore avoid releasing information to parties until assured they understand and accept the responsibility for maintaining the confidentiality of material. Extreme care and a good judgment should be used if confidential information is communicated verbally in ethics of procurement.

Conflict of interest in ethics of procurement, production, with interest in operation: Procurement, production, operation, management, performance has the right to engage in activity which is of private in nature, and outside their employment. Procurement, production, operation, professionals must use the position in a way to induce another person to provide and benefit to themselves or persons with whom their connection with family business, personal or financial ties.

Supply chain ethics external challenge, in procurement, production, operation, involve legal obligations, regulations, customer demands, that is responsible for consumers, customers, having competitive advantage, better environmental, social responsibility, loss of reputation in supply chain.

Internal factors in supply chain, the ethics are related to costs, associated to complexities in supply chain, monitoring communication, information, thus establishing measures for sustainment, of sustainability in supply chain. Supply chain, collection, recycling, disposal of retained products in procurement, production, operation, is an ethics which become an uncertainty of risk in supply chain.

In supply chain the ethics of inventory management of perishable products, in procurement, production, operation management, may considered to be rather outdated, but in the field of logistic, supply chain management, with policies of ethics, for replenishment policies of inventory, the main focus is storage, encounter the perishable of the product, quantity, quality, which is liable to take place in perishable product in supply chain. During the transportation, process the ethics is that distributor, wholesales, contractors, should take appropriate effort to preserve freshness, to the success in respect of the impact of both quantity, quality, of the product to be delivered in supply chain, in order to have an efficient to the delivery, with the sourcing of 3PL(Third Party Logistics) transporting in supply chain.

Supply chain procurement, production, operation, management with improved product quality; have been identified as an additional benefit associated with ethical behavior in supply chain. Supply chain believes that ethics nurtures the quality resulting in a positive relationship between, productivity, quality, and ethics. In supply chain the procurement, production, operation, of good quality, products is ethical, as poor quality products, can have a negative impact in an organization, as markets shares the profit in supply chain.

Improved product quality along with composite social responsibility, with ethical initiatives may help to strengthen the organization, reputation, for being reliable with meeting very good expectation in supply chain.

RESEARCH METHODOLOGY: PRIMARY

Ethics in procurement, production, operation should be a conduct that is to be avoided: Engage in outside business or employment by an outsider which may encroach the primary responsibility of loyalty to the goals of the employer, even though there may be no other conflict in supply chain.

Engage in business with or employment by a company which is considered to be a supplier, sourcing agent, sub-contractors to the employer, to make sure of employment with the procurement professionals in the company or associates with its product to further outside business or employment. Lending money to or borrowing money from any customer or supplier, sourcing agent, sub-contractors, is against the ethics of procurement, production, operation management, in supply chain. Information of one supplier must never be shared with another supplier or the production, operation activities, unless as it is forbidden to be done, since government regulation requires purchasing production, operation, profession to disclose such information. Some examples of information considered to be unethical in procurement, production, operation management: 1. Price of the product. 2. Details of Bidding complied and Quotation obtained (premature opening of bids.) 3. Design information 4. Work sheets of the calculation done worked on purchasing projects. 5. Information regarding Assets.

HYPOTHESIS Supply chain ethics in procurement, production operation management, is to avoid the manufacturing of defective, dangerous, products with good ethical relations, between the organizations, which conclude with pollution, environmental ethics, with the emission of carbon, testing the ethics of supply chain activities.

Ethics involved in supply chain, in various disciplines, application, procurement, production, operation, management in various practices, over the years in supply chain, has become a matter of growing concern, interest, which have constituted to ethical behavior, to the extent of practices adopted for the benefits of supply chain.

Supply chain ethics has led to numerous process of transformation of a product in procurement, production, operation, from sourcing, vendor management, sub-contracting, for the benefit of consumer, customer, as they are managed with consideration, for business requirement, specifically for the profit of the organization with the impact on supply chain.

Supply chain method research on primary objective is data collection, of procurement, production, operation, management, as per the data collection adopted, the technique to answer research questions, which is considered as important in supply chain.

SECONDARY:

Single sourcing suppliers in ethics of procurement; for production, operation management, is when specific goods and services are required organization enter into single source supplier contract. This potentially has fraudulent over price, by the supplier and collusion between buyer and the supplier to source the product from single source when it is available with other supplier at a cheaper price.

Periodical audit should be performed to verify that procurement, production, operation activities are conducted ethically and in accordance with procedure. Audits also serve as a deterrent value to the future of unethical behavior.

The procurement, production, operation management, fraternity is one of the low prestiges within the organization: 1. In general top management does not have comprehensive understanding of the income generating possibilities of the procurement, production, operation, management funds. 2. Management regards procurement, production, operation, in general nearly as a means of effecting prices reduction. 3. The procurement, production, operation management department is often not involved in or informed about the organization a policy plans and programs. 4. The position of authority of the procurement, production, operation management department, is vague, and is often subordinate to the function of finance, marketing. 5. Companies management does not appoint competent and trained person who are appropriated remunerated in procurement, production, operation department as an ethics in supply chain. The low status of production, procurement, operation departments in companies may possible be the cause of unethical behavior.

The data collection on procurement, production, operation management, with proper ethics, the secondary data management, is by booking methods, paper work methods, research journals, websites, data from internet, managing the supply chain segment from various industrial applications in supply chain.

In supply chain, procurement, production, operation, the ethics the best practices of suppliers, vendors, contractors is the code of conduct, laid down, minimum standards, that each supplier, vendor, contracts, are required to meet to facilitate, as per the requirement stated in labor contract, child labor, excess overtime, compensation, the freedom to continue to work in supply chain. The code of ethics articulates the leadership standards, according to code of conduct, that is to be implemented, should also note the measures of compliances against the set standards in supply chain. The expectation of the standards are required to be declare by vendors, contacts, sourcing agents as per the standards of ethics set in supply chain, to ensure that the compliant is necessary to evaluate for audit, as detailed in supply chain.

DECISIONS/FINDINGS:

In supply chain business activities, is considered to be an procurement, manufacturing, operation activity, which include manufacturing, supply, transport services, with activity of converting raw materials, into final products, which is eventually required by the customer or the consumer.

Procurement, production, operations is also planning, for goods, as per market requirement, services, that have been considered as a best part of the ethics, for forecasting, customer's demand, also managing movement of goods, as a part of the production, facilities in supply chain.

Ethics of basic procurement, production, operations is also locating proper suppliers, sourcing partners, contractors, selecting, managing merchandize scale, reverse logistics, negotiations, communication, with supplier servicing, sub-contractors, the ethics of managing inventory, collaborating with all activities, in supply chain, which includes the demand forecasting, capacity planning in supply chain.

Supply chain global market competition with the introduction of the product of shorter life, has instigated, procurement, production, operation, to invest in better, sourcing, contracting, to focus on attention in supply chain, with better communication, vendor development, technology, machine building, internet of things, Block chain, as this has motivated with continuous evolution, in supply chain, with better technique to manage effectively in supply chain.

In supply chain, procurement, production, operations management, vendors, contractors, sourcing partners, are demanding to know more of the products manufactured, the ethics practiced, to be socially, ethically, also in environmental ways, suitable for consumption, proper usage, in supply chain. Social media, is able to give an access to information, of the functioning, decisions, with experts giving socially, ethically, adhering to the environmental, also responsible for the practices of ethics, that give the consumers or customers the right satisfaction in supply chain.

In supply chain procurement, production, operation, introduces the best practices of ethics, in transparency, visibility, which has significant impact, when applying the significant impact, assuring the best visibility in supply chain ethics, but the implementation of the practices should also remain ethical in supply chain.

Supply chain procurement, production, operation, management, sustainability, the ethics is to integrate, with the supply chain management, strategic planning, risk management, organization culture, ethics, transparency in supply chain, as sustainable supply chain management, the strategic transparent, integration, achievement, of an organization, environment, social, economic goals, in the systematic, coordination with key organization, business process of long term economic performances of the individual organization in supply chain.

Supply chain procurement, production, operation management, work in multi-disciplinary, environment, they must be aware of effectively respond to the challenges, presented by globalization, sustainable, ethical, conduct effective communication, system design, the operation, procurement, production, should excel in business technical, inter-personal aspects of the work as actively support the mission, vision of the organization.

Procurement, production, operation management, in life cycle management, concept of implementation, the green product design, green packing, green distribution, warehousing, conservation of natural resources, are a factor, of ethics considering the environment decisions in supply chain. Supply chain has been confirmed to the need of an eco-friendly process, technically, ethically product evincing efficient system, conservation technique in supply chain.

The importance of packing in procurement, production, operation management, raised by option, may have the ethics in supply chain, as to be argued the recent of requirement of the customer, being shown certain preference for green packaged products, the ethics has shifted to the universal awareness, that ethics is to focus on package to protect the need for energy efficient of logistic products for reduction of global carbon front in supply chain.

FUTURE WORK/CONCLUSIONS:

Ethics in supply chain management with core support functions, in procurement, production, operations, of the organization is to support the functions in finance, product development, human resources, information system, marketing function, coordinating the business process, mainly with production, pricing, sales, distribution, of products services, in supply chain. Ethics in supply chain should be able to maintain, manage, work force, prepare schedule, assign specific assignments to coordinate with the departments in the organization, reviewing performance data, to measure the ethics of production, operations, procurement, with key performance indicators, in supply chain. Procurement, production, operation management, is the concept of coordinating with activities, directly related to manufacture of products, providing services in supply chain.

Ethics has been involved in supply chain, in various disciplines, with application in procurement, production, operations, management, in various practices over the time in supply chain, as this has become a matter of growing interest, which has constituted to the ethical adoption, for the benefit of supply chain. Supply chain ethics has led to numerous process of transformation, of product from one source to consumer requirement, as they are managed with great consideration, for business requirement, specifically for profitability with wider impact in supply chain.

Supply chain procurement, production, operation, are practicing healthy supply chain with ethical activities, as there is liable to be a wider scope for improvement, so as to upgrade the activities, able to achieve organizational efficiency in supply chain.

In addition through the information, the system breaks the boundaries to become a part of supply chain management, in procurement, production, operation, management, which become a part of supply chain management, as the practices works as a leverage, with the performances of ethics of the organization, as it conflicts enough to manage, in supply chain efficiency as they are part of the imperative part of the final supply chain.

Procurement, production, operations, of products materials, may be considered to be easy as per the ethics of supply chain, but delivery may have difficulty, as they may not be simple, especially with difference in shipping time, frames, when materials are to be sourced from different continents, in which the delay is very familiar in supply chain. Ethics is to benefit the supply chain, through buffer stock, efficient warehouse operation management, so as to enable the materials, are liable to be delivered, as per terms of delivery, so enable production operation to run smoothly in supply chain.

SOURCES OF ELECTRONIC MEDIA INFORMATION:

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