

Business Ethics: Its impact on Indian business growth

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Abstract: In last two decades, businesses have shown a remarkable growth potential since we entered the modern era of technology. People from different backgrounds claimed their leadership on business principles from time to time. The origin of incentive-based system has disbalanced the business core and has balanced functioning whenever it has been raised off as a big issue within organizations. The research is an attempt at understanding the impact of business ethics, corporate social responsibility (CSR) on Indian business growth. While it is recognized that teaching of this subject is essential, not much is known about the content delivered in the courses, the pedagogy in the classroom, the teaching material used and the adaptation done for different kinds of nature of participants on the course. This study was conducted using experimental/experiential analysis of employees, peoples, managers and surveys using a questionnaire to understand the extent of ethics these people follow while doing their business transactions in their usual course of working. Some of the significant findings were that a large number of corporate houses with special reference in the field of ethics, CSR, CG and profitability. The widespread industries and service sector firms are the main source of study.

Keywords: Business ethics, corporate social responsibility, corporate governance.

INTRODUCTION

In recent years, CG has gained crucial place all over the world. Factors like integration and globalization of financial markets and a surge of corporate scandals, have led to rapid developments in the field. It has brought up several questions on the consistency of human behavior that sparks up at times when remunerations are discussed. A need & change system is truly required to shape up the disturbing face of business to make ethical presence more effective for longer sustainability of today's business entities. To bring in a change, thought leaders need to come up with demonstrative ideas that will bring change not to the working system but on hierarchies as well. With rapid growth and internationalization of businesses, there is an urgent need to examine the vocabulary of business organizations to include deliberately sustainability, ethics, governance and corporate responsibility. There have been several calls from thought leaders in business and academia to incorporate a deeper understanding of the principles pertaining to responsibility of business in the business organization working

BUSINESS ETHICS

Business ethics (also corporate ethics) are a form of applied ethics or professional ethics that examines ethical principles and moral or ethical problems that arise in a business environment. It applies to all aspects of business conduct and is relevant to the conduct of the organization. Business ethics have both normative and descriptive dimensions. As a corporate practice and a career specialization, the field are primarily normative. Academics attempting to understand business behavior employ descriptive methods. The range and quantity of business ethical issues reflects the interaction of profit-maximizing behavior with non-economic concerns.

CORPORATE RESPONSIBILITY

“Citizens never support a weak company and birds do not build nests on a tree that does not bear fruit.” According to Wikipedia, Corporate Social Responsibility (CSR) is a concept whereby organizations consider the interests of society by taking responsibility for the impact of their activities on customers, suppliers, employees, shareholders, communities and the environment in all aspects of their operations.” This obligation is seen to extend beyond the statutory obligation to comply with legislation and sees organizations voluntarily taking further steps to improve the quality of life for employees and their families as well as for the local community and society at large.”

BUSINESS GROWTH

Business growth is the process of business expansion due to increasing overall customer base, increased output per customer or representative, new sales, or any combination of the above. Typically, the business growth rate also excludes the impact of foreign exchange. Growth including foreign exchange, but excluding divestitures and acquisitions are often referred to as core growth.

LITERATURE REVIEW

Pasquale Arena, profound in his study “This exploratory study pursues the objective of building a project governance model, as a useful golden mean to overcome the governance gap. The conceptual framework seems to have been adequately balanced in relation to the objective of harmoniously combining theory and practice. Renz’s project governance model offers us, above all, the opportunity to consider a governance gap and, generally speaking, the opportunity to think about how to enhance and enterprise ethics and accountability in development sectors.

OBJECTIVES OF THE STUDY

- To study the relationship between ethics, social responsibility and profitability.
- To analyze the exposure of professionals towards fulfilling corporate responsibility.
- To access the impact of ethics, code of conduct on the firm’s profits and financial results.
- To study the basic ethical values followed by business managers and professionals in present scenario.
- To analyze the attitude of professionals towards social responsibility and ethics.

RESEARCH METHODOLOGY

The research methodology is a way to systematically solve the research problem. It comprises of defining and redefining the research problem, formulating hypothesis and suggesting solutions, collecting, organizing and evaluating data, reaching conclusions either in the form of solutions towards for some theoretical formulation.

Data collected

Data are collected through:

1. Existing research in the related field
2. Journals
3. Books
4. Internet

DATA ANALYSIS AND INTERPRETATION

The study conducted deals involves detailing all the key factors of the corporate governance.

- The key component in the environment and sustainability are:
 - A. Ecological environment
 - B. Natural Resources: water
 - C. Consequences(climate, pollution)
 - D. Regulatory aspects
 - E. Green business,green strategy
 - F. Reporting, international standards, etc.
 - G. Challenges of development, environment management tools etc.

- The key components of Corporate governance Include:
 - A. Board of directors
 - B. Models of governance
 - C. Disclosure and reporting
 - D. International governance
 - E. Role of auditors
 - F. Environment, CSR, others.

- The key components in ethics involve the study of:
 - A. Personal beliefs, moral standards
 - B. Ethical theories
 - C. Indian and western ethos
 - D. Ethical dilemma
 - E. Functional ethics (marketing, HR, products)
 - F. Globalization
 - G. Ecology and environment
 - H. CSR, sustainability,Others, such as CG, Corruption

FACTORS CONCERNING

After a thorough research it is found out that:

- Most employees in the organization special the young and new ones face ethical dilemma in their functional areasthe early stage of their career.
- Lack of awareness about their corporate responsibility , ethical code of conduct.
- Despite High end demand for corporate people are more centric.

FINDING AND CONCLUSION

After the analysis, it is revealed that:

- Ethical firms had a prestigious standing in the mind perspective of customers and brings loyalty base for them.
- Creates a conducive legal and regulatory work environment for business are complying to every requirement.

- Business houses are taking major initiative to adhere to corporate responsibility through various eco-efficiency policies, green strategy and building a climate of integrity and excellence.
- A code simply defines the rights and responsibilities of members and helps guard against preferential treatment of employees.
- CSR initiatives help manage values associated with quality management, strategic planning and diversity management — this benefit needs far more attention [6]
- Customer loyalty, brand value, employees pride all in integration increase market efficiency and thereby increase the economic efficiency of the firm

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