

• What is Business Ethics?

Business Ethics is the set of moral rules that govern how businesses operate, how business decisions are made and how people are treated. It is the study of proper business policies and practices regarding potentially controversial issues, such as corporate governance, insider trading, bribery, discrimination, corporate social responsibility and fiduciary responsibilities.

The Business Ethics comprise of observing rules and moral values while doing business and protecting legal rights of people, society, humanity, companies including environment as well. The safety of at the workplace is also part of it. The structure of business ethics is built on integrity, honesty, trust, transparency, regulations and protection of legal rights of all the stakeholders.

• Importance of Ethics in Business:—

Ethics is important for any business, big or small, for its long-term success. Following are the benefits of Ethics for any business:—

1) Decision Making:— It is our means of deciding a course of action. Without it our actions would be random and aimless.

2) Standardizing behaviour of Employee:—

Business ethics is about standard of behaviour in workplace, with partners, colleagues, customers etc.

3) Greater Customer Satisfaction:—

Customer will be satisfy satisfied only if the business follows all the business ethics. Business Ethics is needed to make business activities fair to customers. It checks business malpractices and offers protection to customers.

4) More Responsible Behaviour:— Business Ethics is needed in order to make

Businessmen conscious ~~as~~ as regards their duties and responsibilities towards consumer and other social group.

5) Improve confidence of ~~stak~~ stakeholders;

Business ethics is needed in order to improve the confidence of consumers as regards quality, price, reliability etc. of goods and services supplied.

6) Protecting Rights:— Business ethics is needed for the protection of rights of consumers.

7) Enhanced Corporate Image:— Business ethics is needed in order to create good image of businessmen in the society and also for avoiding public criticism.

8) Business ethics is needed in order to develop cordial and friendly relations between business and society.

9) Organizations doing business ethically will continue to survive and prosper for the long time.

10) Ethics in business are important most of all because we pass them on to others.

We have the ability to show others the correct way to act and behave by remaining ethical in the way we live.

• Features of Business Ethics: -

To develop a better understanding for Business Ethics, we should examine the key features: -

1) Code of conduct: - Business ethics is the code of conduct which businessmen should follow while conducting their normal business activities.

2) Based on moral and social values: -

Business Ethics is based on well-accepted moral/principal values. It suggests moral of conduct for businessmen.

3) Provides basic framework: - Business ethics provides the framework within which business is to be conducted

4) Needs willing acceptance for enforcement :- Business Ethics cannot be enforced by law or by force. It must be accepted as self-discipline by businessmen.

5) ~~Businessman should be given proper~~
5) Businessman should be given proper education, guidance and training in order to motivate them to follow ethical business practices.

6) Business Ethics is not against fair profit making. It supports expansion of business activities but by fair means and not through illegal activities or corrupt practices.
