**Ethics is the Heart of Corporate Leadership**

In today’s competitive world, the impact of your employees' ethical choices can be just as significant as the impact of your business decisions. Employees should learn to recognize business ethics issues and the dilemmas and the associated best practices to avoid personal and organizational harm. They should learn to build & maintain a respectful workplace and improve the performance. Organizations that conduct business in an ethical manner have higher employee retention, more productive employees and demonstrated customer loyalty.

Ideal solution for promoting ethical behavior is not a punitive one, but a positive approach by the leaders of organizations. Ethical behavior must be practiced by the leaders. Ethical decision making should be rewarded in the system & process of Corporation so that Ethics and leadership can go hand in hand.

The court of public opinion is stronger than ever, being on the game is not an assurance that all is correct. Leaders must demonstrate the good faith to achieve ethical behavior. No industry is immune from what is deemed acceptable and appropriate behavior in the court of public opinion.

Business leaders therefore have a responsibility for the business environment that they create- “Corporate culture.” Ethical business leadership can encourage or discourage ethical behavior and create the circumstances within which good people are able to do good, and bad people are prevented from doing bad. Is compliance with the law all that is required to behave ethically? If the law was clear and unambiguous there would not be much a role for lawyers and courts.

Leaders hold positions of power that come with special trust and confidence. Ethics win trust and trust wins business. Morality of leadership depends on the particulars of the relationship between people. Ethical leadership is a life-time experience. To be a good leader, one should be aware of self-behavior and personal mentoring.

In the pursuit of economic benefits, business operations cannot be separated from the influences of social, political and cultural impacts – including that of religion. And these influences cannot be managed by economic and legal actions alone; they have to be dealt with ethical considerations as well.

The discourses around the world have changed profoundly in last five years and stronger voices have emerged asking global corporations to improve the human conditions. Many companies are increasingly finding their voices. Many Companies have invested strategically in a sound ethics and compliance program, and have worked hard to earn the trust of their customers and business partners, inspire their employees, deliver value for their shareholders and improve their communities. Recent research reports showed that the world's most Ethical Companies in particular continued to show exemplary leadership in global business. Doing business with integrity matters for corporations.

“Business” or “economic” decisions and ethical decisions are not mutually exclusive. The fact that a decision is made on economic grounds does not mean that it does not involve ethical considerations as well. Being sensitive to ethical issues is a vital characteristic that needs to be cultivated in ethically responsible people. Understanding one’s own character and values should play a role in decision-making.

Sometimes corporate or social environment is rife with ethical challenges and unethical decisions. It is simply easier to do the wrong thing. Sometimes people make decisions they later regret because they lack courage to do otherwise. We tend to give in to peer pressure in our professional environments, both because we want to “fit in” and to achieve success in our organizations, and also because our actual thinking is influenced by our peers.

Self-regulation - self-imposed standards of behavior with reference to codes and principles of corporate governance - can correct and moderate the path of success. Culture of self-regulation starts with individuals and refers to individual thoughts, beliefs which have a cumulative effect on corporate business and governance. Regulations/laws and Self-Regulations are complimentary approaches for ethical governance and sustainable results.

Practice of humility free up leaders to be happy and help build true connections and human relationships. Curiosity helps leaders to continuously learn new things and adapt. Humility helps leaders to unlearn selectively the past baggage and move on in the journey of life. Introspections help leaders to realize who they are but do not allow them to challenge their own views. Leaders should also understand how others see them. Leaders should always seek out with empathy and value other’s viewpoints. Organizations, tend to be healthiest where there is a supremacy of ideas, where people are willing to listen to the youngest person in the room—provided, of course, that he or she has the facts.

Will you remain passive and simply conform to social and cultural expectations, to “go with the flow.”

or

To live a meaningful human life, you will reflect on your decisions, assuming the responsibility of autonomous beings.

**JAYANTA ROY**

**Founder & Principal Consultant**

**JRMC Global, Mumbai**

**Email: jrmcglobal@gmail.com**

****