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Subject Code : 18MS03T3
Topic : Business Ethics Introduction
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Mid Report & Presentation Evaluation of Marks:

Criteria for Evaluation	Max Marks	Marks Awarded
Report Evaluation (10 Marks)		
Introduction to the Topic	02	
Critical Perspective of the Topic	02	
Continuity of the Topic	02	
Content of the Topic	02	
Structure of the Report	02	
Total Marks for Report (A)	10	
Presentation Evaluation (10 Marks)		
Communication Ability	02	
Presentation Methodology	02	
Outline of the PPT	02	
Body Language	02	
Answering Ability	02	
Total Marks for Presentation (B)	10	
Total (A+B)	20	

Signature of the faculty

BUSINESS ETHICS INTRODUCTION

Introduction:

What is ethics?

moral principles that govern a person's behaviour or the conducting of an activity

the branch of knowledge that deals with moral principles

Business Ethics:

- Present the definition of ethics in general and business ethics in particular.
- Recognize the need for a code of ethics that is upheld especially by setting the right “tone at the top.”
- Understand the board’s role in setting the company’s ethical codes.
- Recognize the benefits of and need for an ethical workplace.
- Identify incentive programs and their roles in promoting an ethical workplace.

Ethics at workplace:

- There is increased interaction between the board of directors, audit committees, internal auditors, external auditors, executives, and employees in general regarding ethical conduct in the workplace.
- Business ethics are most simply described as: a process of promoting moral principles and standards that guide business behavior.

Code of Ethics:

All organizations, regardless of their mission (e.g., profit oriented, nonprofit) and size (large vs. small), should establish an “Organizational Ethical Culture.” that means:

- (1) Organization, which is defined as a group of individuals or entities bound to achieve
- (2) Ethics, which is honorable behavior conforming to the norm of the group;

(3) Culture, which is a pattern of shared beliefs adopted by the group in dealing with its internal and external affairs.

Business Ethics:

Four different levels of business ethics have been identified based on what type of business and how their actions are evaluated.

1. The society level, which defines ethical behavior and assesses the effect of business on society.

2. The industry level, which suggests that different industries have their own set of ethical standards (e.g., chemical industry vs. pharmaceutical industry)

3. The company level, under which different companies have their own set of ethical standards

4. The individual manager level, at which each manager and other corporate participants are responsible for their own ethical behavior

CONSEQUENTLY, one feasible way to judge ethical behavior is to focus on determinants of business ethics and behavior such as corporate culture, incentives, opportunities, and choices.

Corporate Culture	Companies should promote a spirit of integrity that goes beyond compliance.
Incentives	Individuals within the company tend to act according to incentives provided to them in terms of rewards and the performance evaluation process.
Opportunities	Effective corporate governance, internal controls, and enterprise risk management can reduce the opportunity for unethical conduct.
Choices	Individuals, in general, are given the freedom to make choices and usually choose those that will maximize their well-being.

Attributes of an ethical culture:

- Sense of employee responsibility.
- Freedom to raise concerns without fear of retaliation.
- Managers modeling ethical behavior and expressing the importance of integrity.
- An understanding by leadership of the pressure points that drive unethical behavior.
- Processes to find and fix these areas of pressure.

The six principles of business ethics and conduct:

- Comply with a written code of business conduct.
- Provide sufficient training to all personnel within their organization regarding personal responsibility under the code.
- Encourage internal reporting of violations of the code with the promise of no retaliation for such reporting.
- Self-govern their activities by implementing controls to monitor compliance with all applicable laws and regulations.
- Share their best practices in implementing the DII principles through participation in an annual Best Practices Forum.
- Be accountable to the public, particularly through the completion of an annual Public Accountability Questionnaire.

Conclusion:

- Good business ethics should be a part of every business.
- A company's ethics will determine its reputation
- Business ethics plays an important role in every organisation