

Business Ethics: The Discipline's Significance in the Current Socioeconomic Climate

Business ethics is a rapidly developing and promising academic field. Although some of its forms can be traced back to the earliest trading practiced in prehistorical human society, as a full-fledged discipline, it emerged in the second half of the last century (Wood 627). The discipline's main objective is to equip entrepreneurs and managers with instruments allowing them to make more responsible decisions. The notion appeared to replace business philosophy in which the "greed is good" mantra dominated till the 1990s (Wood 632). The discipline will be investigated in the context of its relevancy and applicability in the modern business. Business ethics is an indispensable academic field and instrument that prompts a company to reach the desired growth without employing morally dubious methods.

The Discipline's Overview

Business ethics has received increasing attention from theoreticians as well as employers. In academia, the study of business ethics has evolved into two principal branches – normative and descriptive ethics (Klopotal et al. 33). Normative business ethics provide employers and employees with standards that they should uphold in their professional activity, whereas descriptive business ethics concentrates on their real behavior portraying and forecasting it (Klopotal et al. 33). The discipline also outlines the characteristics of ethical decisions in business. Thus, an ethical decision is seen as "a decision that in terms of legal and moral requirements is suitable to a larger society" (Klopotal et al. 34). Organizational managers and leaders are the primary target group concerned by business ethics since they are chiefly in charge of creating an ethical climate at a workplace (Klopotal et al. 34). Presently, business ethics is of interest to professionals in various fields.

Challenges Within the Discipline

The academic discipline examines several significant business-related issues: labor practices, tax avoidance, and environmental impact. Since the term "global warming" was coined in the 1970s, it became increasingly apparent that the environment should be considered when business decisions are made (Wood 627). The need to preserve the natural habitat is one of the fundamental issues in business ethics. In addition, workers' exploitation and inconsistent standards in labor practices worldwide are also investigated within the discipline (Wood 639). Working hours, levels of pay, age, workers' physical environment, and many other aspects are issues that business ethics helps to navigate. The ethicality of tax regimes and avoidance is another extensive challenge within business ethics. Disingenuous practices that organizations employ to minimize taxes are ubiquitous and result in citizens' annoyance, outrage, and cynicism (Wood 640). It can be seen that the discipline revolves around poignant in the current socioeconomic atmosphere issues.

Business Ethics and Corporate Social Responsibility

The notion of business ethics is closely related to corporate social responsibility and operates in its theoretical framework. Furthermore, academic research sometimes amalgamates the two notions due to their overlapping qualities (Ferrell et al. 1). Both business ethics and corporate social responsibility, in oversimplified terms, presuppose not damaging others with organizational activities and practicing fair business (Ferrell et al. 9). The global community's concern regarding the effect that corporate activities have on its well-being prompts the discipline's popularity. Despite their overarching similarities, business ethics and corporate social responsibility diverge and are generally distinguished by researchers. Thus, Adda et al. state that "whereas business ethics includes the moral principles and standards that guide behavior; corporate social responsibility is an integrative management concept, which establishes responsible behavior within a company, its objectives, values and competencies" (28). It seems that in contemporary public and business

discourse, organizations strive to appear as ethical and socially responsible, particularly given the prevailing currently sociopolitical climate.

The Discipline's Objectives

Business ethics have the ability to influence the overall organizational performance. For instance, it helps organizations maintain high demeanor standards and ensure their activity's morality and legality. The discipline also has other practical implications, helping a business obtain growth responsibly. According to Klopotal et al., "ethics is considered to ensure good company reputation, increases trust in relations to different internal and external stakeholders, and ensures an increase in efficiency and efficacy of business" (37). Furthermore, since ethical decision-making considers the environment, business ethics helps reduce the costs linked to omissions in the workplace (Klopotal et al. 37). The importance of the discipline is not limited to reducing environmental impact, as it also helps to increase stakeholders' trust, since presently a brands' ethicality and integrity are assessed by an increasing number of consumers and potential investors (Klopotal et al. 37). Commonly, organizations implement business ethics to encourage integrity and delineate appropriate behaviors. Overall, appropriate business ethics enhance corporate image, performance, and public relations.

Business ethics strives to ensure corporate social responsibility and reduce the damage that business activities cause to the global society. Notably, it is attempted by investigating the ecological impact that business activity has, the fairness of employees' treatment, and tax avoidance, among multiple other poignant issues. Additionally, business ethics are beneficial for organizations, potentially improving public image and performance. The discipline's importance for the general public and business should not be undervalued. In conclusion, business ethics is fundamental for promoting moral and responsible business practices.

Works Cited

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