Brief Discussion on Business Ethics Construction in the New Era

Qiang Wang^{1,*}, Huicui Li¹, Xiaokai Tang²

- 1. School of Business, Qingdao University, Qingdao 266000, China
- 2. School of Automobile and Traffic Engineering, Heilongjiang Institute of Technology, Harbin 150000, China

*Corresponding Author

ABSTRACT. As an important part of enterprise culture, business ethics have gradually become a key factor in promoting enterprise growth and enhancing core competitiveness. Firstly, this paper expounds the importance of business ethics construction to enterprise development from the connotation of business ethics. Then, the problems of business ethics construction are discussed and analyzed. Finally, the main measures of business ethics construction are summarized.

KEYWORDS: business ethics, new era, connotation, construction

1. Introduction

With the rapid development of economy and technology, enterprises face some new opportunities and challenges. As a valuable spiritual wealth of enterprises in the new era, business ethics have played an irreplaceable role in the growth of enterprises. The development goal of an enterprise cannot be simply to pursue wealth, it should also pay attention to the development of its own enterprise culture, especially in terms of business ethics. It is necessary to increase the degree of emphasis and gradually find the social firm value. As a driving force for social and economic growth, new era enterprises should attach importance to their own business ethics construction and actively assume social responsibilities. Due to the current special economic development period, the existing enterprises urgently need to expand the market scope to gain a dominant position, it exposes lots of problems in the development of business ethics with the increasing number of emerging enterprises. The loss of business ethics will not only hinder the steady growth of enterprises in the new era, but also lead to the unhealthy operation of new social and economic system. Therefore, this paper sorts out and analyzes related literature, systematically researches the connotation, importance, existing problems and main paths of business ethics construction.

2. The connotation of business ethics

German psychologist Max Weber pioneered the concept of business ethics and called it, but he did not give a specific explanation. Later, the Webster Dictionary concluded that business ethics are to establish a standard to reflect enterprise social responsibility and obligations. Some scholars actively advocated business ethics and put the interests of the state and people at the forefront. Professor Lynn Sharp Paine[1] believed that the handling of relationships with employees, customers and society has a good impact on business performance. Due to a number of scandals in the American business community, business ethics have gradually attracted the attention of managers. At the same time, many scholars regard business ethics as an important topic of academic research. Scholtens and Holme believed that business ethics are mainly used to regulate behavior, they are important manifestation of values, principles and ideas, and they also refer to a series of ethical principles in line with organizational values [2][3]. Belas and Jaroslav believed that understanding business ethics must know the connotation of business relations firstly, and the fundamental problem is the theorization and moralization of capital systems [4].

3. The importance of business ethics to the enterprises

First of all, business ethics are important factors in determining the cultural values of enterprises. According to the management theory in new era, the sustainable development of enterprises has become an important indicator to measure the core competitiveness. Based on this, the enterprises actively build the business ethics and ethical culture to enhance their competitiveness and productivity, and this has become a main direction of enterprise development in the future. Good business ethics are the cornerstone of enterprise development, and they play irreplaceable roles in improving the connotation in the development of enterprise culture. An enterprise with good business ethics will bring a good internal development environment for itself and give consumers a good consumer experience. At the same time, consumers can also act as supervisors to continuously promote the development of business ethics. Then, business ethics are conducive to enhance the image of companies, and they increased the influence while actively taking on social responsibility. Enterprise managers must recognize the importance and necessity of business ethics, they can subtly establish a good public image and increase profitability with the recognition and trust of consumers. Finally, the good behaviors of companies will make consumers more sympathetic to their products [5]. Therefore, business ethics can increase customer loyalty and make them reduce a lot of advertising costs. Business ethics are fast, direct and long-term way to regulate the behaviors of employees. In the sales activities, companies avoid the waste of marketing resources through building good marketing ethics and caring about the interests of consumers. In this way, they can continuously improve the recognition of consumers and enhance the comprehensive ability of enterprise management, profitability and other aspects. At the same time, companies can give full play to the enthusiasm and creativity of employees, reduce the cost of enterprises greatly, increase the profits of employees and improve the performance of enterprises in the process of managing all aspects of ethics.

4. The problems of business ethics construction

In the process of rapid economic development, the competitions have become extremely fierce in enterprises. Under the background of this social and economic development, the development of enterprises faces great threats, and the requirement of reducing costs and increasing profits in business activities has been greatly raised. In the process of actively expanding production scale and improving production efficiency, enterprises often neglect the construction of their own culture, so business ethics construction become more arduous. A series of ethical and moral crises have emerged in the economic development of some enterprises. We should attach great importance to three aspects of the problem by analyzing relevant literature.

Firstly, the historical continuation of ethics cannot be liberated. In the development of history, each stage has its own unique ethical culture. The enterprises should face traditional ethics and adapt to the new ethics. At the same time, consumers endure and adapt to traditional ethical phenomena and inherit the enterprise social effects from traditional ethical phenomena. Traditional business ethics are not applicable to the development of society and economy in the present era. Traditional conservative thinking has led to the lack of motivation for corporate moral change in our society.

Secondly, the market mechanism and the legal system are not perfect. Since the economic development is not particularly perfect, it has caused legal gaps in certain industries and aspects and resulted in non-ethical behaviors in enterprises. Although many countries have introduced laws on ethical constraints, it has produced certain disconnected behaviors in the process of economic transformation. Therefore, countries should actively introduce relevant laws and regulations about ethics and moralities, it is an important manifestation of promoting enterprise behavior in line with social responsibility requirements.

Thirdly, because of defects in the supervision system, the companies will shirk social responsibility. Without supervision, social behaviors such as business operations, production, sales and management are difficult to be constrained. Due to the imperfect supervision system of existing business ethical behaviors and the lack of systematic evaluation system and mechanism, the managers of enterprise do not pay much attention to business ethics and ignore the importance of improving business ethics. If enterprises only pay attention to material interests and shirk social responsibility, it will result in a serious lack of integrities in social and economic subjects.

5. The main measures of business ethics construction

Lakhawat believed that business ethics can be improved by companies that are accountable to stakeholders in order to assume enterprise social responsibility [6]. Strengthening the construction of business ethics and cultivating excellent enterprise culture are the fundamental guarantees for coordinating the various relationship

problems, deepening enterprise reform and ensuring the survival and development of enterprises, and they play an important role in improving the core competitiveness of enterprises. In a word, it has a great significance for economic development to do a good job in business ethics construction and bear enterprise social responsibility.

Governments should publicize business ethics and create a good social environment actively. Carasco thought that companies must consider environmental factors in their ethical and ethical behavior [7]. Governments actively promote the good business ethics and support ethical and cultural exchanges between enterprises by certain media or other means. At the same time, the governors should create a good social environment as soon as possible in order to raise business ethical awareness. And the enterprises must formulate rules and regulations for daily operations and production, strengthen the code of conduct and enhance the sense of social responsibility and mission.

Each country should build the construction of legal system and improve the enterprise moral system. As a result of building a relatively perfect legislative framework to promote enterprises to abide by laws and regulations, enterprises have to actively assume social responsibility to promote corporate ethics practice. In addition, governments vigorously promote enterprises to actively assume social responsibility by certain administrative and economic means. For example, the enterprises with good business ethics should be given certain economic encouragement and support through formulating corresponding incentive policies. Therefore, enterprises can easily create good business ethics in the process of social and economic development.

The implementation of business ethics supervision regulations should be promoted in order to constrain enterprise behavior. Governments actively create environmental conditions that are conducive to compliance with business ethical behaviors for the companies, strengthen the constraints and supervision of enterprises and guide enterprises to assume social responsibilities. And the relevant supervision departments should be construct and the daily business operations of enterprises should be restrained. At the same time, the supervisory department shall inspect the supervision work and guide consumers to further supervise business ethics by reasonable means, so as to strengthen effective communication between enterprises and government, enterprises and consumers, government and consumers.

6. The significance of business ethics construction

Strengthening the legal system construction in business ethics can promote mutual supervision between governments, enterprises and consumers and accelerate the effective construction of social business ethics. First of all, it will greatly enhance the marketing power of enterprises and promote the cultivation of high-quality management talents while creating a good enterprise culture. Secondly, good social business ethics contribute to the coordination and distribution of production, organization and management, which promotes enterprises to provide quality products and services to the society and continuously strengthens business

ethical characteristics. Finally, good business ethics can promote the common progress of business ethics and benefits, so as to maximize the economic benefits of business ethics in the market.

References

- [1] Paine L S (2002). Value shift: why companies must merge social and financial imperatives to achieve superior performance. McGraw-Hill.
- [2] B. Scholtens and L. Dam (2007). Cultural Values and International Differences in Business ethics. Journal of business ethics, vol.75, no.3, pp.273-284.
- [3] C. Holme (2013). Business ethics Part One: Does it matter? Industrial & Commercial Training, vol.40, no.5, pp.248-252.
- [4] Belás and Jaroslav (2013). The Impact of the Financial Crisis on Business ethics in the Banking Sector: A Case Study from Slovakia. Review of Economic Perspectives, vol.13, no.3, pp.111-131.
- [5] K. Butcher, B. Sparks and F. Callaghan (2001). Evaluative and relational influences on service loyalty. International Journal of Service Industry Management, vol.12, no.4, pp.310-327.
- [6] D. Lakhawat (2015). Business ethics and environmental issues:a review study. International Journal of Social Science& InterdisciDllnary Research, vol.4, no.6, pp.1-8.
- [7] J.B. Singh and E.F. Carasco (1996). Business ethics, economic development and protection of the environment in the new world order. Journal of Business ethics, vol.15, no.3, pp.297-307.