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THE GLOBAL SURVEY OF BUSINESS ETHICS 2022-2024 (GSBE)

Teaching, Research and Training

Volume 2: Asia, Australia, Russia,

South and North America

Editors **Bryan Robinson | Georges Enderle**



Global Survey of Business Ethics

2022-2024

Teaching, Research and Training

Volume 2: Asia, Australia, Russia and America

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INTRODUCTION

This volume is the second one of the Global Survey of Business Ethics 2022-2024 and contains a variety of reports from many continents. They were prepared by volunteer teams during the period from late-2022 to mid-2024 and are structured in line with the proposed GSBE framework of survey questionnaire, interview schedule and methodology. As this framework is described and explained extensively, along with the history and the launch of the Global Survey of Business Ethics, in Volume 1, the readers can find this information there.

Volume 1 and Volume 3 present the country reports from one continent, that is from Africa and Europe, respectively. In contrast, this Volume 2 contains 13 reports from five continents and includes seven from the ten most populous countries on Earth (www.worldometers.info, as of July 1, 2024): India (1,428,627,663), China (1,425,671,352), United States (339,996,563), Indonesia (277, 534,122), Brazil (216,422,446), Russia (144,444,359) and Mexico (128,455,567). This is a total of 3,961,172,072 people or ca. 49% of the world population (8,118,835,999). Given this enormous population, the reports in this volume can only provide some tiny glimpses of the huge diversity of challenges and opportunities in the field of business ethics.

The report on *Mainland China* relies on the expertise in business ethics of 27 professors and 16 associate professors from Business Schools/Management Schools of 36 Universities around the country.

Comparing the changes of business ethics since the Global Survey of Business Ethics in 2012, the report explains the current themes, the prospects and obstacles of business ethics in teaching, research and training and concludes that the field of business ethics has grown stronger over the last decade. But, there is room for further developments: The teaching at the undergraduate and Ph.D. levels should be strengthened; fundamental questions of business and economic ethics should be further explored; and the room for improvement in business ethics trainings is large.

After briefly describing the legal framework and the economic situation of *Hong Kong*, the report on this Special Administrative Region of China (“HKSAR”) emphasizes the importance of Confucian ethics, the exemplar of the Junzi (“the noble man”) for business leaders and how to embed and constrain the profit motive in Junzi virtues for the corporation.

As another Special Administrative Region of the People’s Republic of China (since 1999), *Macau* has been a gaming hub in Asia for over 100 years. Local labor laws and gaming regulations aim to protect both the casino operators and industrial workers. So research includes CSR in gaming enterprises, ethical aspects of human resources management in tourism enterprises, and topics such as responsible investment.

A very different perspective on business ethics is presented in the report on *Japan*. It summarizes the historical background of business ethics in five periods and explains the significant changes of corporate governance regulation and the implied conception of the Japanese corporations since the Meiji Restoration (1868-1889). Major future research themes in business ethics in Japan include emerging areas such as the ethical implications of artificial intelligence, human rights in the business context, sustainability, and responsible business practices. Although they are common themes in the global community rather than unique to Japan, they need a deeper understanding of the details of these themes in order to provide a more concrete perspective on business ethics research in Japan.

The report on *Indonesia* was carried out between December 2023 and April 2024, when Indonesia conducted the national general elections. What became evident was the intersection of business and politics that provides ample space for developing business ethics teaching, research and training in a more holistic way in the future. Respect for the law, freedom of expression, and justice are essential to business participation in the democratic process. As the largest Muslim-majority nation in the world, Indonesia recognizes Islamic law or Sharia that influences personal matters such as marriage, inheritance, and religious affairs. But, it also influences politics and business, most often in a respectful way. The theme of “Religion and Spirituality in the Economy and Business”, proposed by the GSBE framework, reveals its importance in this country, in contrast to Mainland China, but in a comparable way in the Philippines and in Mexico.

Indeed, the report on the *Philippines* mentions various channels in which Catholic Social Thought (CST) plays an important role for business ethics: in organizing international conferences, in leadership meetings, in collaborating with innovative companies, in supporting faith-based organizations in local communities, and in Catholic higher education institutions, which incorporate CST principles into their management curricula. However, the country still suffers from persistent grinding poverty and extreme economic inequality. The report concludes that some long-standing challenges to business practice in the country need to be more vigorously addressed by more effective business ethics pedagogy in both academia and business practice.

As the report on *India* explains, there are many ethical issues in business in this large country: Discrimination and harassment, Health and safety in the workplace, Whistle-blowing or social media rants, Unethical accounting practices, Corporate espionage and nondisclosure, Technology and privacy practices, Nepotism or favoritism, and Environmental responsibility. Despite the wide variety of ways to understand ethics and

more particularly business ethics, all respondents in academia and business agreed that a remaining problem in India is the lack of inculcating ethical values or establishing ethical norms in any type of organization, whether it is an educational institution, a consultancy firm or a business corporation.

The report on *Australia* found strong evidence that ethics and ethical concerns are appearing in a wide range of media in the country, and that this “ethics talk” has brought pressure onto business, as it has been frequently asked to explain its actions in ethical terms or to explain its response to ethical questions. This interesting focus on the ethics talk in the media might be inspiring also for other countries in which it is not “appropriate” to use the ethics language when one talks about business.

Supported by the very active Russian Business Ethics Network (RBEN), the report on *Russia* focuses on business ethics training, that is, the professional development of managers in ethics and compliance. The survey was conducted among the professional community in Russia and people working in different industries, mostly in ethics and compliance functions. The respondents prioritized the business ethics themes proposed by the GSBE framework and ranked as the top three themes: Anti-corruption, leadership and ethical management, and whistleblowing. The report regrets that “the political events after February 2022 interrupted the majority of partnerships and cooperation between Russian large businesses and universities and Western countries. Nevertheless, we attest a genuine interest to business ethics among managers and people working in Russian companies and the intention to deal with many diverse and specific issues they raised in answering the questionnaire.”

Finally, we move to South and North America. The report on *Latin America* covers mainly information from Argentina, Colombia and Chile while some information is also included from Mexico, Costa Rica, Peru, Bolivia and Brazil. In Latin America, there are four focus areas of business ethics: (1) Values, Moral Philosophy and Organizations, (2) CSR and

Management Studies, (3) Professional Ethics and (4) Sustainable Development, ESG factors, and Corporate Governance. An element of great specificity is the effect of business ethics in the Colombian post-conflict. The Final Agreement for the Termination of the Conflict and the Construction of a Stable and Lasting Peace in Colombia with the FARC (Revolutionary Armed Forces of Colombia) implied an active role for companies, such as the generation of employment and support for enterprises of actors in the peace-process, and how CSR practices of SMEs contribute to peace-building. The interviews with representatives of large companies and associations that promote CSR in Colombia revealed highly interesting and encouraging results.

The report on *Brazil* emphasizes the big diversity of the country, given the troubled history of the native population and the arrivals of white, yellow and black people. The country is not poor, but unjust and unequal, with many poor people. Inequality in the distribution of income and opportunities for economic and social inclusion is the decisive factor for the high levels of poverty that afflict Brazilian society.

Similar problems of economic inequality hit and hurt Mexico, which is part of Latin America and North America. The report on *Mexico* quotes the World Inequality Lab (2022) that, in 2021, the wealthiest 10% of the population owned 79% of total household wealth and earned more than 30 times of the average national income. Moreover, the homicide rate in 2021 reached 28 homicides per 100,000, one of the highest in the world. Impunity rates also soared. Obviously, these issues have also raised ethical concerns about how businesses deal with violence and corruption, and how to promote fair wages that guarantee a life of dignity.

The report on the *United States* recalls the unique regulative promptings for business ethics in the U.S. (and in other countries). As an example, the Sarbanes Oxley Act (SOX) of 2002 (18 U.S.C. §1514A) requires the establishment of procedures, including confidential and anonymous reporting from both internal and external sources. Moreover, SOX

protects employees from being discharged, demoted or harassed if they report observations of wrongdoing, including reports to their managers. SOX therefore established a norm for reporting observations of misconduct, and thus brought about the idea of speak-up cultures (including whistleblowing) that motivate employees and managers to openly discuss workplace ethics. Overall, business ethics in the United States remains widely varied. Stakeholder management theory has been given a great deal of attention in the last 20-30 years in the field. As in many other parts of the world, AI ethics has exploded as a subfield in business ethics research, and ESG and DEI concerns have also grown substantially in importance. The normative approach to business ethics remains strong in the U.S., although empirically oriented approaches and compliance-based approaches are quite strong in the field as well, leading to a rich body of educational content and varied perspectives on how to deliver business ethics education.

These snapshots of the reports illustrate the broad range of topics gathered in this volume. They hopefully stimulate the curiosity of the readers and invite them to read the rich chapters with much pleasure and benefit.

CHINA: MAINLAND

*Zhou Zucheng, Antai College of Economics and Management, Shanghai
Jiao Tong University, zczhou@sjtu.edu.cn*
*Luo Ben Nanfeng, School of Labor and Human Resources, Renmin
University of China, nanfeng.luo@ruc.edu.cn*
*Zhang Xuan, School of Economics and Management, China University
of Petroleum – Beijing, zhangxuan@cup.edu.cn*

2.1 Introduction

As a part of the global survey (Rossouw 2011), Zhou et al. (2011) conducted a study on business and economic ethics teaching, research and training in East Asia, about 10 years ago. In Mainland China, they identified the local terminology of business ethics and offered an overview of training, teaching and research in business and economic ethics with the main themes and the major issues for the following five years.

Since 2012, great changes have taken place in teaching, research and training in the field of business ethics in Mainland China, and remarkable progress has been made. Research on business ethics in Mainland China has surged since then. Over the last decade, some review articles have been published in the field of business ethics in Mainland China, in both Chinese and English journals (e.g., Dong et al., in press; Du et al. 2022; Lu 2015; Yin & Quazi 2018). Nevertheless, they mainly focused on the research part of this field, and often just on one main topic of business

ethics research in Mainland China, for instance, contextualization of CSR research in China (Yin et al. 2020), CSR communication (Dong et al. 2023) and CSR as part of human resource management (Xiao et al. 2020). Therefore, the review of the research in business ethics is incomplete. Moreover, the teaching and training of business ethics in Mainland China have often been neglected in the current literature.

As more than 12 years have passed since the last comprehensive overview of teaching, research and training of business ethics in Mainland China, it is now a good timing to conduct a new survey, especially to capture the changes over the last decade.

2.2 Methodological considerations

In this research, multiple methods were applied to collect data from different sources, including a questionnaire survey, desktop research and personal observations. Specifically, desktop research was adopted to search information of business ethics on the internet while personal observation generally involves observations and insights of individual scholars regarding business ethics.

Questionnaire survey. A sample of experts was identified, based on their experience and reputation about teaching, research and training in business ethics. Due to the large amount of research content, the respondents needed to invest a great amount of time in participating in the questionnaires survey. To ensure an acceptable level of response rate, appropriate respondents should have a comprehensive and in-depth understanding of the teaching and research in the field of business ethics in Mainland China. In order to improve the efficiency of the research and obtain high-quality information, those active and renowned Chinese experts were selected for our survey. Specifically, we targeted those who have been active in business ethics research and teaching, generally with more than 10-year experience. All these experts are working at business

schools of influential universities in Mainland China. In this way, we surveyed a special expert sample, covering most of the influential experts in the business ethics teaching, research, and training in Mainland China.

The questionnaire used for collecting data was basically the standard questionnaire designed for the Global Survey of Business Ethics 2022-2024, which was translated into Chinese. However, we have added some questions based on the specific situation of China. The modifications to the standard questionnaire was mainly done to show the unique characteristics and changes of the teaching, research and training of business ethics in Mainland China. The survey on scholars not only investigated the teaching and research of the experts themselves, but also their understanding and evaluation of the overall situation of teaching and research in the field of business ethics in Mainland China. The survey consisted of both structured and unstructured questions.

A personal invitation letter was sent with the questionnaire to the targeted expert one-to-one via email by the senior author of this article, who has maintained long-term communication and cooperation with these experts. The letter invited the experts to voluntarily participate in this survey and also informed them that their names - given their participation - would be listed in the attachment of our report. They had one week to fill out the questionnaire. For those who did not finish it on time, the senior author reminded them by email. All the questionnaires were completed within two weeks. Finally, 46 invitations were sent out and ultimately 43 experts responded (see the list of the experts in the Appendix), resulting in a valid response rate of 93.48%.

The sampled experts are from 36 influential universities, located in all the seven major regions (i.e., Northeast, North, East, South, Central, Northwest, and Southwest). All experts are affiliated with business schools, and 27 are professors and 16 associate professors. All 43 experts master English as a foreign language. 16 are female and 27 are male. 38 experts hold PhD degrees, 4 have Master degrees, and only one has a

Bachelor degree. Regarding their educational background, the big majority is educated in management, except 1 in philosophy, 1 in economics, 1 in law, and 1 in ideology.

Regarding their activities (see Table 1), almost all of the experts (n=42, 97.7%) are engaged in business ethics-related teaching. This is closely followed by research participation (n=37, 86.0%), showcasing a commitment to advancing knowledge in the field of business ethics. Training and consulting are also significant activities, with over half of the respondents (55.8%, n=24) being involved, reflecting a practical application of business ethics knowledge. In addition, about one third of these experts (n=15, 34.9%) take part in social activities with broader societal ethical issues. Lastly, the participation in government policy-making is the least common, yet still notable, with 11.6% (n=5) of respondents involved, illustrating a direct influence on the legislative or regulatory aspects of business ethics.

Table 1: Number of experts involving business ethics-related activities

	Frequency	Percentage (%)
Teaching	42	97.7
Research	37	86.0
Training and consulting	24	55.8
Social activities	15	34.9
Government policy-making	5	11.6

Note: n = 43

The majority of the sampled experts had over 10 years of business ethics teaching experience, with 48.8% (n = 21) falling in the range of 11-20 years and 16.3% in the range of more than 21 years. Also, nearly one quarter of these experts (23.3%, n = 10) had 6-10 years of experience. Meanwhile, there is a small group (11.6%, n = 5) with under 5 years of experience.

Among the 43 surveyed experts, 41 participated in the business ethics research. Over 60% of them ($n = 27$, 62.8%) had 11-20 years of research experience in the field of business ethics. Specifically, 44.2% ($n = 19$) of the experts have been involved in business ethics-related research for 11-20 years, and a substantial segment ($n = 8$, 18.6%) had more than 21 years of experience. Meanwhile, a notable portion (25.6%) of the experts have conducted research in this area for 6-10 years. Merely two of them (4.7%) had research experience below 5 years. In general, this distribution of the research experience suggests that the surveyed experts represent a well-established and experienced community in the field of business ethics research.

Desktop search. To assess business ethics research, desktop search looked at relevant publications. As the term business ethics was defined in a broad sense, we firstly used as the search keywords the following five business-ethics-related terms: *Qiyè Lunlì* (Business Ethics), *Shangyè Lunlì* (Business Ethics), *Jingjì Lunlì* (Economic Ethics), *Guanlì Lunlì* (Management Ethics), and *Qiyè Shehui Zeren* (Corporate Social Responsibility). The adoption of such keywords facilitated the comparison between results of current study and previous study, as the same terms were also employed in the 2011 survey (Zhou et al. 2011). Moreover, under the new development philosophy, the government of China set up the goals of carbon peaking and carbon neutrality. Academic scholars have been paying closer attention to sustainable development, under the key term *Qiyè Kechixu Fazhan* (Corporate Sustainable Development), which was therefore included as one search keyword. Our analysis of publications includes both academic articles and published books, applying the methodology of desktop search.

Specifically, academic articles were retrieved from the Chinese Academic Journals Network, the same database used in our survey of 2011. Included are only articles in the Chinese Social Science Citation Index (CSSCI), which are generally recognized as of high quality in Mainland

China. Relevant articles about *Qiye Lunli* (Business Ethics), *Shangye Lunli* (Business Ethics), *Jingji Lunli* (Economic Ethics) and *Guanli Lunli* (Management Ethics) were identified in the titles of articles, whereas the themes of *Qiye Shehui Zeren* (Corporate Social Responsibility) and *Qiye Kechixu Fazhan* (Corporate Sustainable Development) were searched with the terms *Shehui Zeren* (Social Responsibility) or *Kechixu Fazhan* (Sustainable Development) along with *Qiye* (Corporate) in the titles of articles. In addition, CiteSpace analysis has been applied for academic articles, checking specific research topics focused by scholars.

As for the search of books, however, it is extremely hard to apply the same method we adopted in our survey of 2011, because the Google Books search engine has been no longer accessible in Mainland China since March 2010. Therefore, books were searched on the Publication Data Center of China National Archives of Publications and Culture, which is the biggest and the only national database of publications in Mainland China. Similar to the search for journal articles, books were searched with the same six keywords in the titles of books. As in the survey of 2011, translated books were not accounted for. The databases were accessed in December 2023.

Regarding business ethics-related research projects, we looked at the projects funded by two major national foundations: the National Social Science Foundation and the National Natural Science Foundation. The data were retrieved from their websites: <http://fz.people.com.cn/skygb/sk/index.php/index/seach/487> and <https://fund.cingta.com/>, with key words including “qiye + shehui zeren” (corporate + social responsibility), “qiye + kechixufazhan” (corporate + sustainability), “qiye lunli” (business ethics), “shangye lunli” (business ethics), “jingji lunli” (economic ethics), and “guanli lunli” (management ethics). Years of publications range from 1991 to 2023.

2.3 Terminology and key recurrent concepts

Among the 42 experts with Chinese as their native language, 18 translated the English term “business ethics” as “*shangye lunli*” (商业伦理), 7 as “*qiye lunli (xue)*” [企业伦理(学)], and 14 as either “*shangye lunli*” (商业伦理) or “*qiye lunli*” (企业伦理). “*shangye lunli*” (商业伦理) and “*qiye lunli*” (企业伦理) seem to be interchangeable in the Chinese context. Other terms mentioned are “*guanli lunli*” (管理伦理), “*qiye shehui zeren*” (企业社会责任), and “*kechixu fazhan*” (可持续发展).

2.4 Teaching business ethics

Changes in teaching business ethics

Based on the average score in Table 2, we find that there are significant positive changes in various aspects of business ethics-related teaching in Mainland China over the past decade. Specifically, the teaching of business ethics gained more importance attached by public administrations, became more prevalent in itself and in the environment of business schools, received more support from business schools and other courses, got more teaching resources, and strengthened the motivations and capabilities of teachers. All the surveyed experts considered that the importance attached by public administrations to business ethics teaching and education as well as the prevalence of business ethics teaching to show either ‘some improvement’ (4) or ‘significant improvement’ (5). In addition, the prevalence of, importance attached by public administrations to, and teaching resources available of, business ethics teaching ranked the top 3, with a mean of 4.77, 4.70 and 4.67 (in a scale of 1-5), respectively. The lowest average score is for the support for business ethics courses from other courses in business schools (4.12), indicating a

relatively small, but still positive, change in term of the integration of business ethics in or support from other courses in business schools.

Table 2: Changes in business-ethics teaching over last decade

In Mainland China, compared with 10 years ago:	n	Min.	Max.	Mean	Std.
Importance that public administrations attached to business ethics teaching and education	43	4	5	4.70	.465
Prevalence of business ethics teaching	43	4	5	4.77	.427
Environment of business schools for business ethics teaching	42	3	5	4.36	.533
Supports from business schools for teachers conducting business ethics-related teaching	43	3	5	4.35	.613
Supports from other courses in business schools for business ethics courses (in terms of integration of business ethics in other courses, or supports provided by other courses)	43	3	5	4.12	.498
Resources available to teachers for business ethics-related teaching (such as guides, textbooks, and cases)	43	3	5	4.67	.522
Motivations of teachers to offer business ethics courses	43	3	5	4.21	.559
Capabilities of teachers to teach business ethics courses	41	3	5	4.44	.594

Teaching Courses

Most of the Chinese experts participated in the teaching for both undergraduate and MBA students (see Table 3). In the undergraduate

programs, a total of 32 Chinese experts taught, with 21 mandatory courses and 14 elective courses. For the duration, it was most likely for a course to have 32 (or 36) classes. The common course names were *qiye lunli (xue)* [企业伦理 (学)], *shangye lunli (xue)* [商业伦理 (学)], or *qiye shehui zeren* (企业社会责任). In addition, 40 Chinese experts offered courses for MBA students. These courses were predominantly mandatory (n = 36). The duration of the courses could be either 16 or 32 classes, in the most cases. The second most courses were offered for undergraduates (n = 32). Some experts delivered more than one course. There were 21 mandatory and 14 elective courses. Most of these courses were of 32 classes.

There were also less than one fourth and one third of Chinese experts delivered courses in EMBA programs (n = 14). The courses for EMBA students were mostly mandatory.

Nevertheless, it was so far uncommon to have business ethics courses for PhD students (n = 6) and Academic Master (n = 10). Out of 43 Chinese experts, only 6 provided business ethics courses in PhD programs. These courses were in most cases elective. They were on corporate social responsibility theories, management innovation and sustainability, green management and carbon neutralization, and so forth.

Table 3: Teaching courses of Chinese experts

Programs	Number of teachers	Number of mandatory courses	Number of elective courses	Duration
Undergraduate	32 ^a	21	14	Mostly: 32 classes
Academic Master	10	4	6	Mostly: 32 classes
MBA	40	36	4	Mostly: 32 or 16 classes
EMBA	14 ^b	11	2	Mostly: 32 or 16 classes

PhD	6	2	4	Mostly: 32 classes
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Note: (a) Some experts delivered more than one undergraduate courses. (b) Some experts did not indicate the types of courses they delivered.

Some respondents mentioned additional business ethics-related courses, for example, business ethics and accounting professional ethics for Master of Professional Accounting (MPAcc) students, project ethics, or society and professional ethics.

2.5 Themes in teaching business ethics and their importance

The coverage of business ethics themes varied in the courses (see Table 4). The two most frequently mentioned topics were *Corporate Social Responsibility* and *Stakeholder Management*, both of which had 100% support. To some extent, it showcases the central importance of these two themes in the business ethics curriculums. Other themes that were covered by more than 80% of respondents included *Sustainability*, *Leadership and Ethics Management*, *Integrity*, *Chinese Traditional Culture*, *Professional Ethics*, *Creating Shared Value*, and *Business and Wealth Creation* (ordered from high to low percentages). Themes with Chinese characteristics, such as socialist core values, a community of shared future for humankind, common prosperity, and high-quality development, also received relatively wide attentions. On the contrary, three themes, including *Whistleblowing*, *Conflict and Terrorism*, and *Religion and Spirituality in Economy and Business*, were included by less than 25% of teachers, suggesting these themes might be relatively less prioritized or deemed less relevant by the majority of business ethics courses.

Table 4: Topics included in the business ethics courses taught by experts

No.	Topic	Frequency	Percentage (%)
1	Human Rights	15	34.9
2	Poverty and Social Inequality	28	65.1
3	Sustainability	42	97.7
4	Just Energy Transition	17	39.5
5	Business and Wealth Creation	35	81.4
6	Corporate Governance	32	74.4
7	Digital Transformation	25	58.1
8	Corruption	19	44.2
9	Whistleblowing	10	23.3
10	Conflict and Terrorism	3	7.0
11	Religion and Spirituality in the Economy and Business	7	16.3
12	Diversity	27	62.8
13	Micro, Small and Medium Enterprises	23	53.5
14	Leadership and Ethics Management	42	97.7
15	Chinese Traditional Culture	37	86.0
16	Socialist Core Values	30	69.8
17	A Community of Shared Future for Humankind	29	67.4
18	Common Prosperity	29	67.4
19	High-Quality Development	25	58.1
20	Integrity	39	90.7
21	Innovation and Entrepreneurship	27	62.8
22	Professional Ethics	36	83.7
23	Corporate Social Responsibility	43	100
24	Corporate Philanthropy	34	79.1
25	Stakeholder Management	43	100
26	Creating Shared Value	36	83.7

The importance of each theme in the business ethics courses was rated in a reversed scale, where 1 denotes "very important" and 5 "should not

be included". Therefore, the lower the score, the more important the theme is considered to be. The results in Table 5 reveal that the most important themes in business ethics-related course teaching (in bold) were *corporate social responsibility*, *integrity*, and *sustainability*, with the strongest mean score of 1.14, 1.14, and 1.19, respectively, being considered the most important among all. Their low standard deviations of less than 0.400 further indicates a strong consensus on their importance. In addition, themes with Chinese characteristics, such as *Chinese traditional culture*, *a community of shared future for humankind*, *socialist core values*, *common prosperity*, and *high-quality development*, were all rated as important or above, with the average scores between 1 and 2. Nevertheless, two themes, *conflict and terrorism* and *religion and spirituality in the economy and business*, were regarded by Chinese experts to be only roughly important in business ethics courses. Their mean scores were both above 3, in an interval from 1 to 5. This corroborates the above finding that only a small portion of Chinese experts included these themes in their business ethics curriculum.

Table 5: Importance of themes in the business ethics courses

Themes	n	Min.	Max.	Mean	Std.
Human Rights	41	1	5	2.39	1.070
Poverty and Social Inequality	42	1	5	2.00	.855
Sustainability	43	1	2	1.19	.394
Just Energy Transition	42	1	5	2.12	.861
Business and Wealth Creation	42	1	3	1.64	.577
Corporate Governance	42	1	3	1.64	.656
Digital Transformation	41	1	5	2.02	.851

Corruption	41	1	4	2.17	1.022
Whistleblowing	40	1	5	2.93	.997
Conflict and Terrorism	38	1	5	3.37	1.172
Religion and Spirituality in the Economy and Business	39	1	5	3.03	1.063
Diversity	42	1	5	2.24	.958
Micro, Small and Medium Enter- prises	42	1	5	2.21	.951
Leadership and Ethics Manage- ment	43	1	3	1.23	.480
Chinese Traditional Culture	40	1	4	1.58	.813
Socialist Core Values	42	1	3	1.74	.767
A Community of Shared Future for Humankind	40	1	3	1.70	.687
Common Prosperity	42	1	5	1.64	.821
High-Quality Development	41	1	3	1.61	.771
Integrity	42	1	2	1.14	.354
Innovation and Entrepreneurship	41	1	5	1.88	.872
Professional Ethics	43	1	3	1.30	.513
Corporate Social Responsibility	43	1	2	1.14	.351
Corporate Philanthropy	43	1	3	1.81	.794
Stakeholder Management	43	1	3	1.28	.549
Creating Shared Value	42	1	3	1.36	.618

Note: Each theme was rated in a scale of 1-5, with 1 denoting “very important” and 5 “should not be included”.

2.6 Extant literature on business and economic ethics

Chinese textbooks

Chinese textbooks published on business and economic ethics have experienced a great increase. There were 87 textbooks in total with the six keywords concluded in the book titles published from 2011 to 2023, compared to 32 textbooks published before the year of 2011.

Specifically, as shown in Figure 1, quantities of published textbooks on all the six themes have increased through these years, with the biggest increase on the theme of *Shangye Lunli* (Business Ethics) from 6 textbooks before 2011 to 42 textbooks between 2011 and 2023, showing that *Shangye Lunli* (Business Ethics) was the most popular theme of textbooks. Before the year of 2011, *Qiye Lunli* (Business Ethics) was the hottest theme of textbooks, with 19 textbooks published. There was also a rise in the number of textbooks on *Qiye Lunli* through 2011 to 2023, with a number of 26. Textbooks published on themes of *Jingji Lunli* (Economic Ethics), *Guanli Lunli* (Management Ethics) and *Qiye Shehui Zeren* (Corporate Social Responsibility) all increased slightly, from 1 to 2, from 3 to 6, and from 3 to 8, respectively. It is also noteworthy that there was no textbook published on *Qiye Kechixu Fazhan* (Corporate Sustainable Development) before 2011, yet 3 textbooks on this theme were published from 2011 to 2023.

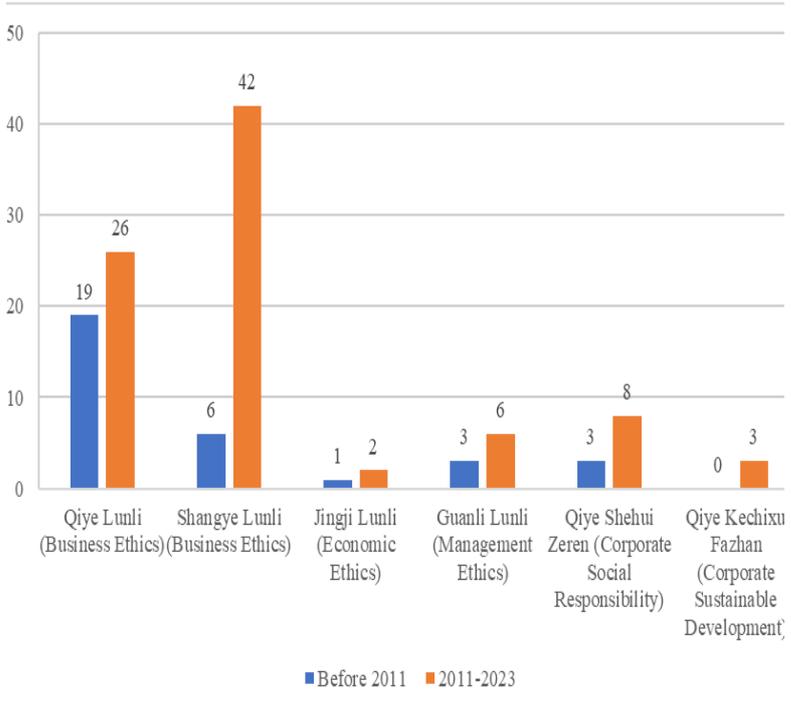


Figure 1: Quantities of textbooks

Prospect of teaching business ethics

The majority of the experts, accounting for over 60%, are “moderately optimistic” about the future of business ethics-related teaching over the next five years in Mainland China, suggesting a generally positive but cautiously optimistic view of the future of the teaching in this field. Moreover, about one quarter of experts ($n = 11$, 25.6%) are “very optimistic”. In sum, a cumulative percentage of 86.1% of experts are optimistic (moderately or very) about the future of business ethics-related teaching in Mainland China. This indicates a predominantly positive outlook among the participants, with only a small fraction expressing uncertainty ($n = 4$, 9.3%) or lack of optimism ($n = 2$, 4.7%).

Obstacles of teaching business ethics

40 Chinese experts responded to the question regarding the obstacles faced by the business ethics teaching in Mainland China. Many Chinese experts (n = 13) primarily underscore that the understanding and importance attached to ethical issues still need to be improved, especially the (business) school's engagement to and support for the business ethics curriculum. Besides, it is suggested that the business ethics teaching should integrate theories and practices (n = 12). There is also a need for developments of teaching materials (n = 11), including teaching cases, in particular, Chinese cases, and for the cultivation of high-quality teachers (n = 7). Regarding the teaching content, it is important to balance the internationalization and localization (n = 6), to be further standardized (n = 5), and to reflect the new changes (n = 3). Finally, the teaching methods should also be improved (n = 3), for instance, to avoid empty preaching.

In sum, business-ethics teaching experienced significant growth over the last decade. Business ethics courses, under the names of *qiye lunli (xue)* [企业伦理 (学)], *shangye lunli (xue)* [商业伦理 (学)], or *qiye shehui zeren* (企业社会责任), were offered to all levels of programs. Such courses were mostly common for the MBAs and undergraduates, and relatively less so in the PhD programs. In terms of the teaching themes, CSR and stakeholder management were considered to the most important ones, and those with Chinese characteristics were also received significant attentions. Nearly 90% of experts are optimistic with the future of the business-ethics teaching in Mainland China. For the further developments, it was suggested having improvements in the following areas: the (business) school's engagement; teaching staffs; and course guidelines extended to undergraduate programs.

2.7 Research on business ethics

Changes in business ethics research

Similar to business ethics teaching discussed above, business ethics research is also regarded as having positive changes, in terms of importance attached and prevalence, in Mainland China over the last 10 years. Regarding the importance attached by Chinese experts, all 43 respondents in our sample experienced “some improvement” or “significant improvement”, resulting a mean score of 4.53 (see Table 6). Likewise, the prevalence of business ethics research was evaluated as having, in general, improved to a large extent (with an average of 4.44), compared with 10 years ago.

Table 6: Changes in business ethics research

In Mainland China, compared with 10 years ago,	n	Min.	Max.	mean	Std.
Importance attached to business ethics research by scholars	43	4	5	4.53	.51
Prevalence of business ethics research	43	3	5	4.44	.55

Themes in academic articles

The development of research on business and economic ethics has been flourishing since 2011. Articles and books published in Chinese have blossomed in respect of both quantity and depth of themes. Our analysis regarding research themes is mainly based on the publications in Chinese.

General development in article publications.

There were 3,280 academic articles in total with the six keywords concluded in the article titles published from 2011 to 2023, compared to 2,665 academic articles published from the 1980s to 2010. The number

of academic articles has been growing quickly since the beginning of the second decade of the 21th century.

Specifically, focused research areas have been changed through these years. As for academic articles, more publications have emerged on themes of Corporate Social Responsibility, more than being doubled, as shown in Figure 2. There was also some increase in the number of articles on economic ethics. Such rise might be due to the academic reflections on critical worldwide events such as the great financial crisis in 2008 and significant societal change including the entry of Mainland China to a new normal in economic development.

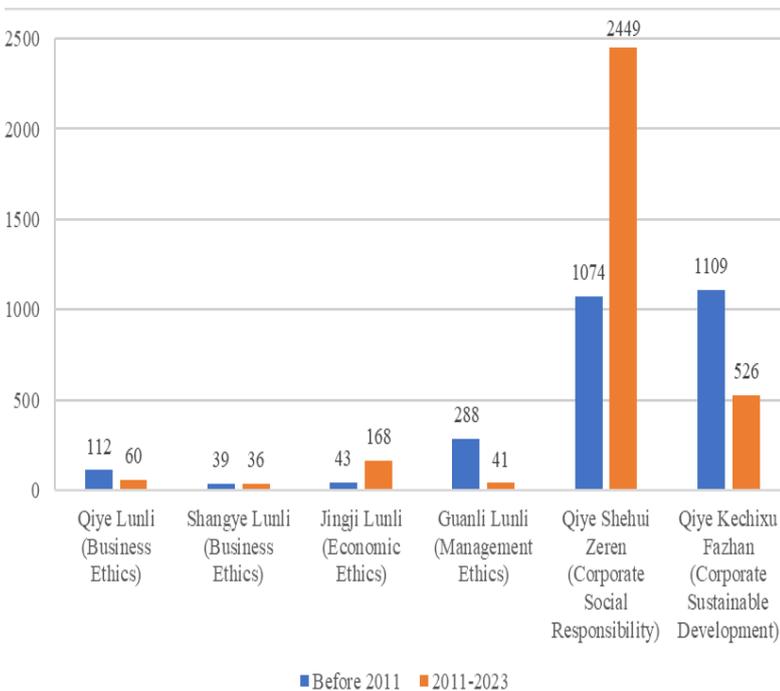


Figure 2: Quantities of published academic articles

Regarding specific research content, we applied CiteSpace to generate a visualized analysis of published academic articles. Figure 3 shows

the visualization graph of academic articles published in 2010 and before, while Figure 4 shows that in 2011-2023.

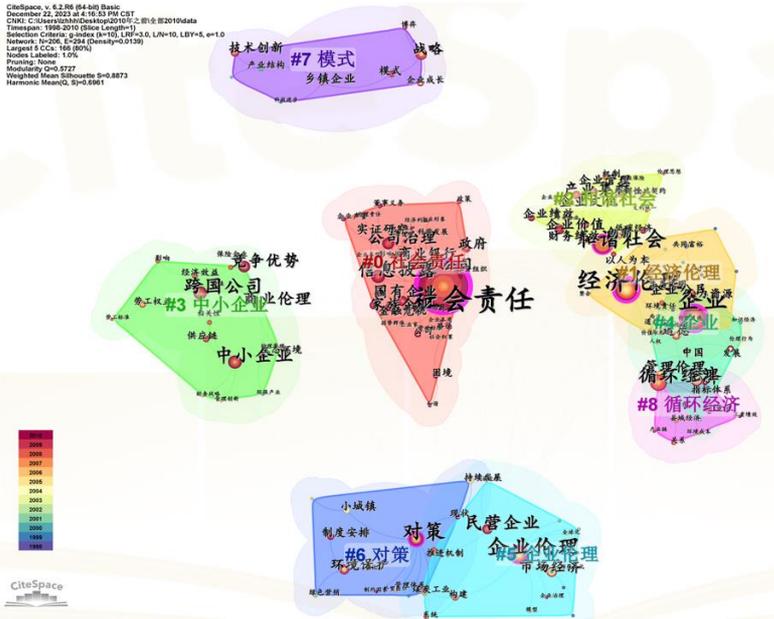


Figure 3: A visualization of academic articles published in 2010 and before

Notes:

- #7 模式: Model
- 社会责任: Shehui Zeren (Social Responsibility)
- 经济伦理: Jingji Lunli (Economic Ethics)
- 和谐社会: Harmonious Society
- 中小企业: Middle and Small-Sized Enterprises
- 企业: Enterprise
- 企业伦理: Qiye Lunli (Business Ethics)
- 对策: Countermeasure
- 循环经济: Circular Economy

Comparing Figure 3 and Figure 4, we can conclude that research contents of business ethics have significantly expanded, and academic articles in more research fields are more closely connected with each other. In addition, Figure 4 clearly shows that research on the theme of Corporate Social Responsibility has now taken a prominent position among all.

Qiye Lunli (Business Ethics). In total, there have been 60 academic articles with the titles containing *Qiye Lunli* since 2011, whereas the number is 112 before 2011. The quantity has been slightly going down after 2012, in which year 15 academic articles were published, the highest during 2011-2023. 2014 was also a big year for scholars publishing articles regarding *Qiye Lunli*, with 8 research papers. In each of the other years, there were only several research articles published.

Shangye Lunli (Business Ethics). There have been 36 academic articles with the titles containing *Shangye Lunli* since 2011, whereas the number is 39 before 2011, generally no substantive change. Each year there were several research articles published except 2023, in which year there was no published academic articles.

Jingji Lunli (Economic Ethics). There were only 43 academic articles with the titles containing *Jingji Lunli* before 2011, whereas the number becomes 168 after 2011, a really big jump. Especially from 2011 to 2018, the development was quite flourishing in this field.

Guanli Lunli (Management Ethics). There were 288 academic articles with the titles containing *Guanli Lunli* before 2011. However, the number goes down to 41 after 2011. Only several academic articles were published each year during 2011-2023.

Qiye Shehui Zeren (Corporate Social Responsibility). There were 1,074 academic articles with the titles containing *Qiye Shehui Zeren* before 2011, but the number goes sharply up to 2,449 after 2011, that is, it more than doubled. For each year between 2011 and 2023, the number of published academic articles is beyond 100. Scholars have been enthusiastic about this theme.

Qiye Kechixu Fazhan (Corporate Sustainable Development). There were 1,109 academic articles with the titles containing *Qiye Kechixu Fazhan* before 2011, but the number drops to 526 after 2011, that is, a significant decrease.

Themes in Books

General development in book publications. Since 2011, there have been 661 books published in Chinese with the six keywords in titles, whereas only 274 books published before the year of 2011. That is, the number of books has increased to more than two times.

Comparing the six major themes, books on Corporate Social Responsibility have increased most significantly (see Figure 5), more than four times as that before 2011. In addition, books on Corporate Sustainable Development have almost doubled its number.

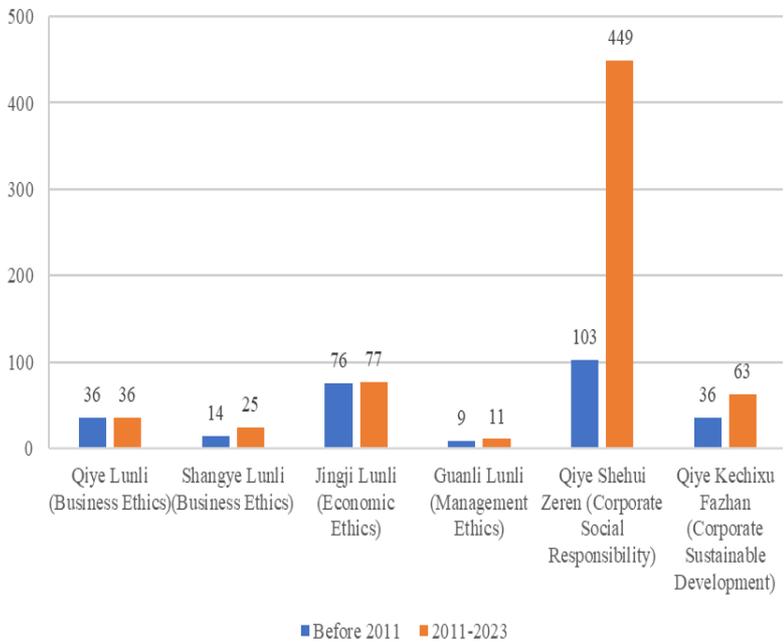


Figure 5: Quantities of published books

Qiye Lunli (Business Ethics). There have been 36 books with the term *Qiye Lunli* in the title since 2011, which is just the same with the number of books before 2011 (see Figure 5). 2019 and 2011 were the two years with the biggest and second biggest number of books, whereas in each of the other years there were only several books published.

Shangye Lunli (Business Ethics). A total of 25 books have been published with the term *Shangye Lunli* in the title since 2011, whereas the number is 14 before 2011, a significant increase. Especially in 2022, 5 books were published, the most during these years.

Jingji Lunli (Economic Ethics). 77 books have been published with the term *Jingji Lunli* in the title since 2011, whereas the number is 76 before 2011, that is almost no change. A few books were published in each year. The quantities are smallest in 2018 and 2021, which are both 3. Comparatively, 2020 is the year with the largest number, 9 books being published.

Guanli Lunli (Management Ethics). 11 books were published with the term *Guanli Lunli* in the title since 2011, whereas the number is 9 before 2011, a slightly increase in the number. The total numbers, however, are both quite small.

Qiye Shehui Zeren (Corporate Social Responsibility). 103 books were published with the term *Qiye Shehui Zeren* in the title before 2011, whereas the number is 449 after 2011, that is, more than fourfold.

Qiye Kechixu Fazhan (Corporate Sustainable Development). 36 books were published with the term *Qiye Kechixu Fazhan* in the title before 2011, whereas the number nearly doubles to 63 after 2011. 2015 is the year with the largest number of books on this theme, with 10 books published.

Themes in national research projects funded by grants

We found a total of 293 business ethics-related national level research projects. Among them, 170 projects were funded by the National Social

Science Foundation, and 123 by the National Natural Science Foundation.

Among the key words, the search with “*qiye + shehui zeren*” (i.e., corporate + social responsibility) resulted in a predominant stake (n= 238, about 80%) of all projects. It was followed by, from high to low, “*jingji lunli*” (economic ethics) (n = 33), “*qiye + kechixufazhan*” (corporate + sustainability) (n = 10), “*qiye lunli*” (business ethics) (n = 7), “*guanli lunli*” (management ethics) (n = 5), “*shangye lunli*” (business ethics) (n =2).

The total number of projects in the years 2012-2023 was about four times of that of the years 2000-2011, with 222 versus 57, respectively. This increase was mainly due to the rise of number of projects relating to corporate social responsibility (CSR). Such CSR-related projects were 199 in the years of 2012-2023, which was over five times of that in the years of 2000-2011 (n = 33). In addition, the number of projects relating to “*jingji lunli*” (economic ethics) as well as “*shangye lunli*” (business ethics) was equal in these two intervals. In contrast, the number of “*guanli lunli*” (management ethics) went down to 0 in 2012-2023, from 4 in 2000-2011.

Themes identified from the expert survey

Data from the survey on Chinese experts show that corporate social responsibility was the most common research theme. Among the 39 experts (who filled out the open question regarding the main research themes), 23 of them explicitly listed corporate social responsibility (including CSR reporting, CSR as platform, and so forth) as (one of) their primary research topic. Some other common themes included ESG (6), fundamental issues in business ethics (6), sustainability (5), corporate philanthropy (5), Chinese traditional culture and business ethics (5), ethics in human resource management (5), corporate moral management (5), and responsible leadership (4). Topics such as stakeholders, immoral behaviors, corporate governance, ethics of multinational enterprises, social

enterprise, business ethics teaching, low-carbon and green innovation, were also mentioned.

Academic associations

In 2014, the first Forum on Chinese Enterprises, Management, and Ethics was launched and held meetings for ten consecutive years. In the same year, the Corporate Social Responsibility Professional Committee of the China Enterprise Management Research Association (later renamed as Social Responsibility and Sustainable Development Professional Committee) was established. Late in 2018, the Management Ideology and Business Ethics Professional Committee of the China Management Modernization Research Association was founded. These academic associations were mainly in the management field.

Journals

As the same as about 10 years ago (Zhou et al. 2011), no academic journal in Mainland China was dedicated to business ethics. However, many journals welcome the submissions with business-ethics themes, as shown above the information regarding the academic articles.

Prospect for business ethics-related research

Experts are optimistic about the prospect of business ethics research in Mainland China for the next five years. The mean score provided by 43 experts on this issue is 4.19 (out of 5), slightly greater than 4 (i.e., “somewhat optimistic”). Some optimism is suggested, but with some caution.

Research themes for the next five years

According to the survey, business ethics in the digital era is highly emphasized as an important research theme for the next five years in Mainland China. Corporate social responsibility as well as ESG are considered being in need to continuing academic attention. Other themes

include environment and low-carbon, traditional Chinese culture and business ethics, sustainability, ethical/responsible leadership, ethics in human resource management, ethics in international business, fundamental issues in business ethics, and corporate moral management. Common prosperity, a theme advocated by Chinese society, was also highlighted.

Obstacles of business ethics research

The obstacles of business ethics research in Mainland China are the shortage of high-quality empirical data, research talents, and research funds. In addition, the publication outlets for business ethics research are limited, which make the research outputs difficult to get published.

It seems that some obstacles are associated with the limitations of the current business ethics research. It is thus suggested that Chinese experts integrate theories with practices, clarify fundamental concepts and issues in business ethics, conduct research in business ethics with Chinese characteristics, and avoid over-homogeneity of research topics.

To sum up, the business-ethics research has for the last decade developed remarkably, which is manifested in the increasing number of publications of articles and books, research projects, and academic associations. Particularly, there was a surge in the research of corporate social responsibility. Experts are “somewhat optimistic” about the future of business-ethics research. They expect topics such as CSR and ESG to receive continuing attention for the next five years. There is a need to develop high-quality datasets and cultivate excellent researchers.

2.8 Training on business ethics

In Mainland China, there are some training and consulting firms and/or institutions that provide business ethics-related training services. Nevertheless, the analyses below were based on the survey of experts at universities.

Changes in business ethics-related training

Business ethics-related training has changed in Mainland China, compared with 10 years ago. Table 7 shows on average experts acknowledged that the importance attached by firms to the business ethics-related training was higher (4.12), and the prevalence of such trainings was greater (4.05) than before 2011. Yet, the increase of training was somewhat smaller than in teaching and research.

Table 7: Changes in business ethics-related training

In Mainland China, compared with 10 years ago	n	Min.	Max.	Mean	Std.
Importance attached to the business ethics-related training by firms	41	3	5	4.12	.510
Prevalence of business ethics-related training	40	3	5	4.05	.504

Types of training on business ethics

Out of 43 surveyed Chinese experts, nearly 80% of them (79.1%, $n = 34$) have offered business ethics-related training. Regarding the types of trainees, about three quarters (74.4%, $n = 32$) of experts delivered training to corporate personnel, and five experts to personnel of governmental departments. Such distribution of number of experts providing training across types of trainees indicates a strong focus on the corporate sector, which is consistent with the nature of “business” ethics training.

Themes in training on business ethics

With an open question, experts were invited to list the topics of business ethics training. Based on content analysis (particularly qualitative factor analysis), we extracted the following common main topics: corporate social responsibility and ESG, ethical decision-making in business, compliance management, corporate moral management, corporate ethical culture, and the relationship between business ethics and competitive advantages.

Prospect for business ethics-related training

The prospect for business ethics-related training for the next five years was not as optimistic as that for teaching and research. The average score reported by 41 surveyed experts was 3.85, which fell in the interval between “not sure” and “somewhat optimistic”.

Training themes for the next five years

Experts were invited to indicate five most noteworthy business ethics-related training themes in Mainland China for the next five years. The most mentioned themes of business ethics-related training were ESG, CSR (including international CSR), digitalization and ethics, and ethical decisions-making in business. Other frequently recommended themes included sustainability, stakeholder (management), double-carbon (i.e., carbon emission peak and carbon neutrality), Chinese traditional culture and business ethics, corporate moral building, ethical leadership, and professional ethics.

Obstacles of business ethics training

Business ethics-related training is predicted to encounter some hindrance in Mainland China for the next five years. In the view of Chinese experts, the primary obstacle that needs to be overcome is insufficient importance attached by corporations, represented by their entrepreneurs and top managers. Other obstacles include inadequate supply of good trainers and teachers and a relative lack of high-quality training materials and cases (especially those pinpointing to real questions and local practices in Mainland China). More support from government and supportive social context (e.g., public opinions, economic pressures, and media) are also suggested to further promote business ethics-related training.

In a summary, there was some growth in the business ethics-related training of Chinese experts. Nevertheless, the training developed not as significantly as the teaching and research of business ethics. (It might be partly due to the survey data reported by academic experts.) In addition,

the target audience of business-ethics training were mainly firms. The training themes were closely linked with corporate management, such as CSR and ESG. Some new themes, such as digitalization and ethics, were also viewed to be important for training in the next five years. For the further developments, there was a need to have more importance attached by the firms, and more attention and energies allocated by experts.

2.9 Conclusions and discussions

Based on the results from the questionnaire survey, desktop research and personal observations, we draw the following conclusions:

(1) In Mainland China, the field of business ethics has grown stronger over the last decade. This growth is evident in many aspects of teaching, research and training on business ethics. More academic associations and research institutions exist today. More importance has been attached to teaching, research and training, and greater prevalence of these areas has been reached. There are more publications in terms of books, journal articles and projects funded by grants for national research, as well as more business ethics-related courses offered across multiple levels of high-degree education.

Such growth may be due to government and a broad range of stakeholders in the societies promoting firms to be committed to business ethics and corporate social responsibility in the last 10 years. For instance, the idea of environmental protection, including the concept of “clear waters and green mountains are as good as mountains of gold and silver,” has been endorsed, and relevant policies have been carried out, e.g., “carbon neutrality and peak carbon dioxide emissions.” All these initiatives had profound impacts on the goals and operations of many businesses. Starting in 2015, the tough battle against poverty became widespread across the nation,

and finally succeeded in 2021. Recently, the Third Distribution was supported to encourage the development of philanthropy and to narrow the income gap. Relatedly, “Common Prosperity” was emphasized to be a basic pursuit. In addition, new regulations were launched to promote CSR and ESG, especially for those of the listed firms. For instance, in September 2018, the China Securities Regulatory Commission revised the "Guidelines for Governance of Listed Companies," adding a chapter to stipulate listed companies to disclose ESG information.

In addition, the developments, especially those in business ethics teaching, were also supported by the policies and regulations on business ethics education. The National Guidance Committee for Professional Graduate Education in Business Administration recognized business ethics as a core course in 2018. In the same year, the Office of the Academic Degrees Committee of the State Council issued the course guidelines of business ethics. The annual national conference on business ethics and corporate social responsibility teaching in MBA programs has been held since 2012.

(2) In terms of the themes, CSR seems to be the most popular in the business ethics-related teaching, research and training. It was included in the teaching topics by all experts. The number of articles and books on CSR increased, by over two and four times, respectively. Recently, ESG began to gain increasing attentions.

(3) Chinese experts are optimistic about the teaching, research and training on business ethics for the next five years. On average, experts rated the prospect of teaching and research more than “moderately optimistic”. There is some caution about the business ethics-related training, with a mean score between “not sure” and “somewhat optimistic”. The training might be constrained by limited resources and attentions of Chinese experts. Compared with teaching and research, training is usually not the priority of Chinese experts.

(4) The business ethics-related teaching, research and training in Mainland China encounter some obstacles for the next five years. Specifically, there was insufficient importance attached to business ethics teaching by business schools and to business ethics training by corporations and their managers. In addition, teaching, research and training have not been well integrated into business ethics practices, especially in the Chinese context. Moreover, there was a lack of high-quality teachers, researchers and trainers. Furthermore, in terms of research, empirical studies were predominant, with insufficient normative research. It might be related to the background of Chinese experts, with a majority of academic training in management and a relatively small portion with philosophy or ethics degrees. In sum, these obstacles to the further developments need to be overcome in the future.

There is room for further developments in business ethics teaching, research and training. We propose the following suggestions:

(1) Strengthen the teaching of business ethics at the undergraduate and PhD levels. While it was widespread at the MBA programs, teaching in business ethics was incomplete at the undergraduate level, and it was so far uncommon to have business ethics courses for PhD students. The PhD courses shall also facilitate the cultivation of the new generations of scholars and teachers in the field of business ethics. Therefore, in the future, it is highly desirable to enhance the teaching at the undergraduate level and in PhD programs. The further development needs not only the involvement of more universities, but also the support from the government. For instance, the course guidelines of business ethics could be more specified and extended to undergraduate and PhD courses.

(2) Business ethics research in Mainland China should be further advanced. While more high-quality research will be conducted, sections special for business ethics in the journals, or even a journal

of business ethics, will be beneficial. In addition, in terms of research themes, fundamental questions of business ethics and economic ethics should be further explored.

(3) There is large room for improvements in business ethics training. Compared to teaching and research, training in business ethics was under-developed. In the future, firms should have a better understanding of the importance of business ethics training. Chinese experts should also allocate more of their attentions and limited resources to the training of business ethics.

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2.11 Acknowledgement

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2.12 Appendix: Experts participating in the survey

27 professors and 16 associate professors, from Business Schools/Management Schools of 36 Universities:

Chao Gang, Professor, School of Business Administration, South China University of Technology, Guangzhou, Guangdong Province

Chen Honghui, Professor, School of Business, Sun Yat-sen University, Guangzhou, Guangdong Province

Feng Tianli, Associate Professor, School of Management and Economics, University of Electronic Science and Technology of China, Chengdu, Sichuan Province

Hu Fuzhao, Associate Professor, School of Business, Jiangnan University, Wuxi, Jiangsu Province

Jiang Peng, Associate Professor, School of Economics and Management, Tsinghua University, Beijing

- Li Enping, Professor, Economics and Management of School, Taiyuan University of Technology, Taiyuan, Shanxi Province
- Li Ying, Professor, Business School, Sichuan University, Chengdu, Sichuan Province
- Li Jinyi, Associate Professor, School of Management, Jinan University, Guangzhou, Guangdong Province
- Li Shuncai, Associate Professor, School of Management, Huazhong University of Science and Technology, Wuhan, Hubei Province
- Liu Chuanjun, Professor, School of Economics and Management, Taiyuan University of Science and Technology, Taiyuan, Shanxi Province
- Liu Haijian, Professor, Nanjing University Business School, Nanjing University, Nanjing, Jiangsu Province
- Liu Jianzhun, Professor, School of Economics and Management, Tiangong University, Tianjing
- Liu Xiaoxiao, Associate Professor, School of Management, Xiamen University, Xiamen, Fujian Province
- Liu Yuyu, Associate Professor, Business School, Renmin University of China, Beijing
- Mo Shenjiang, Professor, School of Management, Zhejiang University, Hangzhou, Zhejiang Province
- Niu Qibin, Professor, School of Economics and Management, China University of Petroleum-Beijing, Beijing
- Qian Xiaojun, Professor, School of Economics and Management, Tsinghua University, Beijing
- Ren Bing, Professor, Nankai Business School, Nankai University, Tianjin
- Shen Guanglong, Professor, Nankai Business School, Nankai University, Tianjin
- Su Yong, Professor, School of Management, Fudan University, Shanghai

- Tian Hong, Professor, School of Business and Management, Jilin University, Changchun, Jilin
- Wang Xinchao, Associate Professor, Guanghua School of Management, Peking University, Beijing
- Wang Yiqin, Associate Professor, School of Management, Harbin Institute of Technology, Harbin, Heilongjiang Province
- Xing Yiqun, Professor, School of Management, Zhejiang University, Hangzhou, Zhejiang
- Xu Changyong, Associate Professor, School of Economics and Management, Hebei University of Technology, Tianjin
- Xu Weitong, Associate Professor, Office of Student Affairs, Zhejiang University of Technology, Hangzhou, Zhejiang Province
- Xu Xixiong, Professor, School of Economics and Business Administration, Chongqing University, Chongqing
- Xu Yuehua, Professor, School of Management, Shandong University, Jinan, Shandong Province
- Yang Dongning, Associate Professor, Guanghua School of Management, Peking University, Beijing
- Yi Kaigang, Professor, School of Business Administration, Zhejiang Gongshang University, Hangzhou, Zhejiang Province
- Yin Juelin, Professor, School of Business, Sun Yat-sen University, Guangzhou, Guangdong Province
- Zhang Kejing, Professor, Glorious Sun School of Business and Management, Donghua University, Shanghai
- Zhang Zengtian, Associate Professor, School of Management, University of Science and Technology of China, Hefei, Anhui Province
- Zhang Zhe, Professor, School of Management, Xi'an Jiaotong University, Xi'an, Shaanxi Province
- Zhao Xiaoping, Associate Professor, Antai College of Economics and Management, Shanghai Jiao Tong University, Shanghai

Zhao Yanhai, Associate Professor, School of Management, Lanzhou University, Lanzhou, Gansu

Zheng Haidong, Professor, School of Economics and Management, China University of Petroleum, Qindao, Shandong Province

Zheng Qinqin, Professor, School of Management, Fudan University, Shanghai

Zhou Weizhong, Professor, CUFE Business School, Central University of Finance and Economics, Beijing

Zhou Yong, Professor, School of Management, Wuhan University of Science and Technology, Wuhan, Hubei Province

Zhou Zucheng, Professor, Antai College of Economics and Management, Shanghai Jiao Tong University, Shanghai

Zhu Bixiang, Professor, School of Economics and Management, Nanjing University of Science and Technology, Nanjing, Jiangsu Province

Zhu Shaoying, Associate Professor, School of Business, Guangxi University, Nanning, Guangxi Zhuang Autonomous Region

(All participants have consented to their identities being disclosed in publications of the GSBE.)

CHINA: HONG KONG

*Kenneth K. Kwong, The Hang Seng University of Hong Kong,
kennethkwong@hsu.edu.hk*
*Hong Weng Lawrence Lei, The Hang Seng University of Hong Kong,
lawrencelei@hsu.edu.hk*

3.1 Introduction

Legal Framework

On 1 July 1997, Hong Kong was returned to the People's Republic of China ("China") and became a Special Administrative Region of China ("HKSAR"). Before that, Hong Kong was officially a British colony since 1841. The Basic Law came into effect since 1 July 1997, and it has become the constitutional document of HKSAR. The Basic Law "enshrines within a legal document the important concepts of "one country, two systems", "Hong Kong people administering Hong Kong" and a "high degree of autonomy".¹ The Basic Law provided HKSAR with executive, legislative and independent judicial power.

The Hong Kong Economy

The free trade, low taxation, and minimum government intervention make Hong Kong the world's 10th largest trading economy.² With its favorable geographic location, Hong Kong has become a key trading partner of China, and a major service economy with different strong links

with countries in Asia-Pacific region. Based on the most updated data of Year 2022 provided by the HKSAR³, the GDP of Hong Kong is HK\$2,818.0 billion and GDP per capita of HK\$383,611. The labor force is 3.776 million⁴, and the unemployment rate is low. Hong Kong is a well-developed city, and the Independent Commission Against Corruption (ICAC) set up in 1974 has been effectively preventing and detecting corruption cases. ICAC has successfully raised the public awareness of not being trapped by corruption through education and engagement.

Challenges

Hong Kong is facing a few challenges. As in other countries, the economic performance of Hong Kong was seriously affected by the aftermath of Covid-19. Together with the turbulence arising from the social movement in 2019, Hong Kong needs to restore the decreased investors' confidence, adopt the change of customers' preference (e.g., habit of having dinner at home since Covid-19), and political uncertainty.

3.2 Existing literature

Business ethics has raised significant global interest since the business scandals occurred in the 1990s and early 2000s. The root of these business scandals mainly lies with the moral foundation of companies' management and company culture. As mentioned above, one of the biggest challenges Hong Kong currently facing is the decrease in investors' confidence, and morality development and ethical business behaviour are the major remedies to the problem.

Business ethics is basically an oxymoronic concept. People believe that one most effective way to maintain an individual's ethical integrity in business is not to engage in any business or market transactions because people (e.g., management in a company) act out of their own self-interest (Heath 2004). Profit maximization or wealth creation is the goal of a company. Therefore, it is very important to clearly examine self-

interest and profit maximization or wealth creation. Then business ethics has become the major subject of concern on the moral development and responsibility of the company management.

The philosophy developed by Confucianism covers the areas of inner virtue, morality, inner respect, and the community. Confucianism is one of the three major Chinese philosophies in the Zhou Dynasty (Snell et al. 2022). Hofstede et al. (2010) stated that Confucianism is the standard of proper business behaviour and practices. Tian et al. (2020) suggested that Confucianism effectively influences business management practices of companies.

Mellema (2010) noted that there are two schools of thought associated with moral ideals and the relationship with moral duty. These two schools of thought mainly claim that moral agents have the basic responsibility to achieve moral ideals (Brandt 1963; Slote 1992), and pursuing moral ideals is more than just a duty (Trianosky 1986). The thought of Audi (2005) is different from those of Brandt and Slote, and it is based on the thought of Frankena (1963). According to Audi (2005), the concept of moral ideals is to require a person to have certain traits of character. There are six moral ideals: (1) generosity, (2) beneficence, (3) forthrightness, (4) fidelity, (5) sincerity, (6) veracity. These moral ideas fit the traits of individual characters (Frankena 1963), which highly relate to the traditional Junzi virtues as discussed below.

Over the years, Confucianism has continued to remain the foundation development of business virtues in Asia (Kwong et al. 2015). There is a Chinese term called (君子), noted as “Junzi” in English, which is used to describe a noble-spirited person who is a model of human excellence to continually live up to the core Junzi virtues containing in the traditional Confucian literature. A company which incorporates these Junzi virtues in their business operations is named a “Junzi Corporation”. Wuchang (2009) and Rarick (2007) introduce the traditional five Junzi core virtues and state that these virtues are the common benchmark people use to

understand and evaluate the quality of management practices. The five Junzi virtues are benevolence as “Ren” (信 仁), righteousness as “Yi” (義), propriety as “Li” (禮), wisdom as “Zhi” (智), and trustworthiness as “Xin” (信) (Snell et al. 2022).

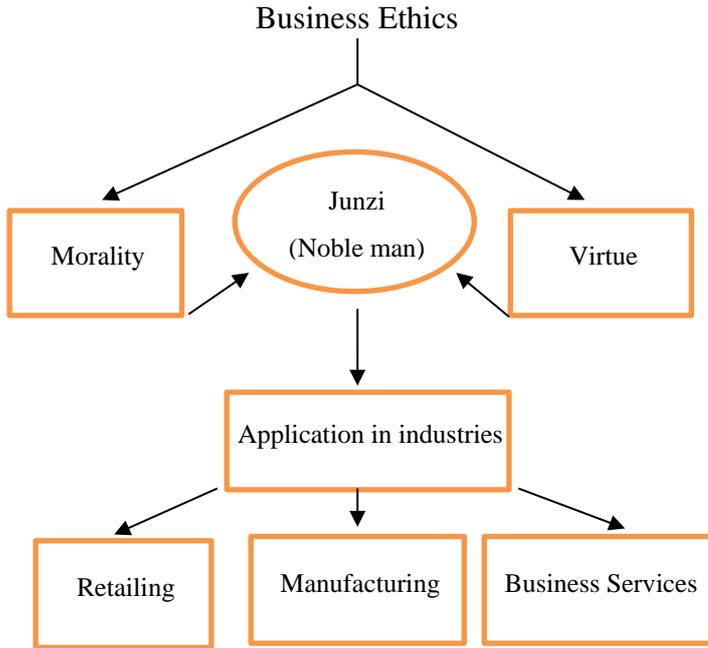
Snell et al. (2022) conducted a detailed analysis on the relationship between the Junzi virtues and organizational citizenship behaviour (OCB), which was first introduced by Smith et al. (1983). Borman and Motowidlo (1997) defined OCB as the employees’ abilities to make extra contributions to address different interpersonal needs and organization needs beyond their task. In such regard, Snell et al. (2022) argued that only a Junzi oriented company (i.e., a company that respects and applies Junzi virtues in their business practices) could encourage employees to align their work performance with the well-respected five Junzi core virtues. Besides creating an ethical work culture, Snell et al. (2022) added that the five Junzi virtues could support the ESG policies and practices.

Business wealth and creation

Based on the above literature, we draw on the existing literature about moral ideals and virtue ethics to re-define the pursuit of profit in a righteous way of today’s local business leaders and to qualify a gentleman or the noble man who is known as Junzi under the Confucianism-based Chinese culture. Hong Kong as in many other Chinese cities where the concept of the noble man is deeply rooted has subtly affected the behaviour of many business leaders. Hence the question: To what extent do business leaders in Hong Kong adhere to the principle of righteousness over profitability?

It is important to clearly re-define self-interest and wealth creation (profit-making). The primary concern of business ethics should always be the moral development and the responsible management.

3.3 Methodological considerations



We adopt the above diagram in our report. We believe that the two major domains of business ethics are morality and virtue, and the five Junzi virtues should be adopted by all companies. Our team conducted one-to-one in-depth interviews with the senior management of companies in different industries including trading, manufacturing, business services (B2B), and public utilities, which are the most representative industries in Hong Kong in terms of GDP and employment. The in-depth interviews were developed based on a list of five questions provided by the GSBE framework. The selected questions in English and Chinese are the following:

Question 1 (ENG): Can you please describe your organization's approach of inculcating business ethics and good corporate citizenship?

Question 1 (CHI): 請問貴公司就灌輸公司及個人層面道德理念的策略是甚麼?

Question 2 (ENG): In your view, what are the critical business ethics challenges that your organization, and society in general, face at the moment?

Question 2 (CHI): 你認為貴公司至現今社會所面對有關商業道德上的挑戰有哪些?

Question 3 (ENG): How do you believe your organization's approach addresses business ethics challenges relevant for your organization and society in general?

Question 3 (CHI): 你認為貴公司的營商之道有助及如何解決上述提及有關貴公司至現今社會所面對在商業道德上的挑戰?

Question 4 (ENG): With regard to higher education in business schools and universities, what is your view that the education students / graduates receive from a business ethics perspective?

Question 4 (CHI): 從商業道德角度來看, 你如何評價現今高等教育機構(如大學商學院)提供給現有學生或畢業生有關商業道德的教育?

Question 5 (ENG): What do you regard as the major ethical issues in the field of business ethics over the next five years?

Question 5 (CHI): 你覺得對商界來說, 在未來五年在道德上面對的問題有哪些?

3.4 Terminology and key recurring concepts

Terms in Chinese and English:

<i>Junzi</i>	Gentleman or noble man
<i>Rushang</i>	Confucian Merchant
<i>De</i>	Virtue
<i>Ren</i>	Benevolence

<i>Yi</i>	Appropriateness
<i>Li</i>	Norms, rites, and rules
<i>Zhi</i>	Wisdom
<i>Xin</i>	Integrity

3.5 Focus areas of business ethics

Prescribed by the teaching of Confucius, the “noble man” is aware of fairness, the inferior man is aware of advantage. Do business leaders in Hong Kong share this ethics value of being a Junzi in making a business decision?

Virtue ethics is a character-based and person-centered approach to inquire what disposition a good person must have. A businessperson with a good moral character can keep profit-seeking activities under a rightful manner. Instead of using power and physical force, a person with “de” (virtue) influences others by the moral character that constitutes psychological strength. Hence, this kind of person (saint) can attract admiration and invite imitation.

“Rushang” (Confucian merchant) always seeks to uphold a high moral standard in running a business and to avoid spiritual corruption. There is no contradiction in preserving the noble man status to earn social respect and to remain undefiled despite profit-making activities.

3.6 Themes in the teaching of business ethics

Cluster 4: Moral Reasoning in General Education (GE), offered by the Hang Seng University of Hong Kong

CHN2004: The Confucian Analects and Business Ethics

GEN2004: Business Ethics

GEN2003: Understanding Morality

MGT1021: Chinese Psychology and Business Ethics

See: <https://ccc.hsu.edu.hk/course-search/?course-keywords=&department=&semester=&cluster=4>

3.7 Themes in training on business ethics

The most important area of ethical training, as we believe, lies in business leaders' understanding and acceptance of the core values and benefits that can be realized by applying the Junzi business virtues in their businesses, given the fact that entrepreneurs nowadays seem to be materialistic. Training sessions from the history of the Chinese traditional Junzi virtues to the appropriate application of such virtues to businesses should be conducted. Business leaders need to develop such kind of awareness that profits are short-term benefits, and the benefits of applying Junzi virtues in businesses create the core value and long-term sustainability of corporations.

3.8 Conclusion

Virtue is never lonely; it will attract companionship. If one practices the Junzi virtues, especially righteousness, people will come to him/her, and they will do businesses with and support him/her. In such regard, he or she will be more likely to be successful and earns profits in an ethical manner. Righteousness and benefits (profit) can be reconciled and balanced, which is the main pathway for the success for any business. Profits are short-term benefits, which are mainly for shareholders, while righteousness is the core value of a corporation, which helps the corporation to bring long-term profits and to sustain. These virtues (“Ren”, “Yi”, “Li”, “Zhi” and “Xin”) prompt for the commitment of business leaders to remain considerate and humane all the time while seeking profit in business.

3.9 Endnotes

- (1) The Basic Law: <https://www.basiclaw.gov.hk/>
- (2) <https://www.cedb.gov.hk/>
- (3) HKSAR <http://www.gov.hk>
- (4) https://www.legco.gov.hk/yr2023/english/counmtg/motion/m_papers/cm20230621cb3-514-1-e.pdf

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CHINA: MACAU

*Zhang, Qianjin, Macau University of Science and Technology,
qjzhang@must.edu.mo*

*Im, Hong Kei, Macau University of Science and Technology,
hkim@must.edu.mo*

4.1 Introduction

Situated along China's southern coast at the western bank of the Pearl River Delta, Macau covers an expanse of 45.46 square kilometres, accommodating approximately 681,300 residents in 2023.¹ Having endured Portuguese rule for over four centuries, Macau transitioned into a Special Administrative Region of China in 1999. Governed by the "One Country, Two Systems" principle, Macau maintains significant autonomy in administration, legislation, judiciary, and final adjudication, safeguarding its distinctive social and economic identity.

In the post-handover era, the legal framework of Macau is molded by the Constitution of the People's Republic of China and the Basic Law of Macau, ensuring adherence to constitutional principles. The multicultural fabric of Macau, influenced by both Eastern and Western cultures, manifests in its diverse populace, comprising East Asians, Southeast Asians, South Asians, and the unique Macanese of Portuguese descent. Linguistically diverse, Macau embraces Mandarin, Cantonese, English, and Portuguese, while a variety of religions, including Buddhism, Taoism,

Confucianism, Christianity, and Islam, contribute to its vibrant societal tapestry.

Economically, Macau is globally recognized as one of the most developed regions, heavily reliant on the gaming and tourism sectors. Prior to the pandemic, in 2019, Macau boasted an annual Gross Domestic Product (GDP) of MOP 434.67 billion. However, amid the pandemic in 2020, 2021 and 2022, the regional GDP experienced fluctuations, amounting to MOP 194.4 billion, MOP 239.41 billion, and MOP 177.27 billion, respectively.² According to the latest statistics published by the government, the regional GDP in 2023 reaseched MOP 379.5 billion, increasing by 80.5 percent.³ Macau's post-pandemic economy has achieved a robust recovery, underscoring its resilience rooted in a diversified economic portfolio. This adaptability underscores Macau's determination for sustained economic growth in the face of global challenges.

As one of the special administrative regions within the People's Republic of China, Macau has been a gaming hub in Asia for over 100 years. Local labor laws and gaming regulations aim to protect both the casino operators and industrial workers. While government programs such as Responsible Gaming Promotions (負責任博彩推廣) and Responsible Gaming App (負責任博彩手機應用程式) seek to mitigate negative effects from gambling, the Macau SAR government is fully aware of corruption and social problems surrounding gambling, including briberies, corruptions, and money laundering. Once these hot buttons issues enter the public eye and coincide with the antigraft campaigns to root out corruptions from the Mainland, the Macau government will take actions in coordination with Mainland authorities. For example, money laundering is targeted with implications of national security for the fear of outflow of national wealth to foreign countries through casino operations and online bettings.

Moreover, with the significant presence of the tourism and hospitality industries, along with a substantial number of migrant workers,

improving overall business ethics in Macau requires attention from all sectors of society. In addition to the government's efforts, the private sector and higher education institutions contribute to enhancing business ethics in Macau. Based on the existing literature and drawing on first-hand data from structured interviews and questionnaires, this report primarily focuses on business ethics education, research and training in Macau.

4.2 Existing literature

The existing literature on business education, research and training in Macau is not extensive, but still covers business ethics themes proposed in the GSBE framework. It presents a multifaceted perspective on CSR, ethics education, and industry-specific challenges in Macau. First of all, the existing literature primarily focuses on CSR practices in Macau. Luo et al. (2016) observed and discussed the gambling industry's CSR practices in Macau, identifying popular practice areas and areas for improvement. In particular, they discussed how the engagement of the gambling industry in CSR contributes to the implementation of the Responsible Gambling initiative in Macau. Buhi (2020) also provided a macro perspective, discussing the development of CSR practices in Macau. Buhui revealed that despite the industry's powerful financial capacity, CSR development in Macau still faces systemic challenges and requires open acknowledgment of these issues and improved resource channeling.

Some other studies explored the motivations and strategies of gambling companies engaging in CSR. For instance, Leung and Snell (2017) argued that some gambling companies pursue pragmatic legitimacy by engaging in symbolic rather than substantive CSR activities. Guan et al. (2022) found that the gambling tourism companies in Macau can improve their image through CSR reporting and engaging more stakeholders.

Moreover, Lee et al.'s (2021) comparative study provides a new perspective, comparing CSR practices between US and Macau casinos and revealing the influence of different cultures and values.

In addition to CSR, a few studies have paid attention to the challenges faced by business ethics development in Macau. For example, Yuen et al. (2013) discussed the dysfunctional auditing behaviors among auditors in Macau. McCartney (2015) addressed the ethical issues in Macau's tourism and casino development, emphasizing challenges arising from limited resources. Noronha et al. (2021), using a sociological framework, analyzed the impact of the COVID-19 pandemic on Macau's gambling industry, identifying the compromises and changes during the pandemic.

Lastly, ethical education, research and training have also been discussed in existing research. In a survey of economic and business ethics in East Asia, Zhou et al. (2011) provided an overview of training, teaching and research in China, including Macau. The recent study by Leung (2023) offers insights into accounting ethics education in Hong Kong and Macau, highlighting potential gaps between academic and professional training.

Collectively, these studies offer a comprehensive understanding of CSR practices, ethical education, auditing behaviour, and industry-specific challenges in Macau's dynamic business landscape.

4.3 Methodological considerations

This study primarily employed a qualitative research approach, collecting first-hand data through interviews and questionnaires. Additionally, the findings were supplemented with secondary data from sources such as literature and media coverage. Structural interviews were conducted with twenty-six participants, comprising five scholars from the Macau region, nineteen respondents from the public sector, and two

respondents from the business sector. Questionnaires were also distributed to these participants.

These respondents were recruited through contacts provided by Macau volunteers, utilizing a snowball sampling method. The survey quality was ensured because of the existing relationships between the volunteers and the contacts from these institutions. Random sampling was not applicable, since a comprehensive list of local business enterprises or public agencies was not available.

4.4 Terminology and key recurring concepts

Used in research/teaching institution:

In Macau, commonly utilized concepts related to business ethics research/teaching include "business ethics" (商業倫理), "business integrity" (商業誠信), "Corporate Social Responsibility" (企業社會責任), and "Environmental, Social, and Governance" (環境, 社會和治理).

Used in public institution:

Relations between business and consumers (企業與消費者的關係), ethical awareness (道德意識), poverty and inequality (貧窮與不平等), whistleblowing (舉報), human rights (人權), sustainable development(可持續發展), and corruption (腐敗).

Used in business:

CSR, transparency, anti-money laundering, regulation compliance, code of conduct, regulatory monitoring (filled in English because no Chinese translation was required).

4.5 Focus areas of business ethics

For educators, the focus typically lies on Corporate Social Responsibility (CSR) and ethical issues in human resources management, because

these matters directly relate to an organization's societal contributions and employee management. Educators are concerned with ethical standards within businesses, employee well-being, and how organizations interact with communities to ensure sustainable and ethical business operations.

In contrast, researchers often concentrate on issues such as sustainability, environmental impact, Environmental, Social, and Governance (ESG) factors, and Responsible Investment (RI). Their emphasis is on studying the impact of businesses on society and the environment, as well as how companies integrate sustainability principles and responsible investment into their business strategies. The existing research contributes to driving businesses toward sustainable development within a broader social and environmental context.

Respondents from the public sector expressed more concern about issues of inequality and corruption. Meanwhile, business respondents focused on compliance with government regulations and employees' codes of conduct.

4.6 Themes in the teaching of business ethics

Macau has a total of ten higher education institutions⁴, including four public universities such as the University of Macau and the Macao Polytechnic Institute, and six private universities such as the Macau University of Science and Technology and the City University of Macau. Among them, seven higher education institutions (University of Macau, Macao Polytechnic University, Macao University of Tourism, Macau University of Science and Technology, City University of Macau, Saint Joseph University, and Macau Management Institute) offer subjects related to business ethics. These subjects are designed to impart relevant knowledge to both undergraduate and postgraduate students.

For example, the Bachelor of Business Administration program at the Macao University of Tourism encompasses four specializations: Marketing, Human Resource Management, Financial Management, and International Business. In the third academic year, undergraduate students are required to take a mandatory course in business ethics. Additionally, the MBA program at the Macao Polytechnic University offers elective courses in Leadership and Business Ethics. At the Macau University of Science and Technology's Business School, business ethics is a compulsory course for undergraduate students majoring in all business administration disciplines, as well as for master's programs in Business Administration, Management, and Accounting.

The primary course content covers topics such as Environmental, Social, and Governance (ESG), Sustainable Development Goals (SDGs), Social and Environmental Accounting, Sustainable Development Accounting, Corporate Governance, Marketing (Advertising and Sales), Privacy Issues, Discrimination Issues, Employee Welfare, and Care, and so forth.

It is noteworthy that most higher education institutions incorporate business ethics into management-related courses, aligning with international standards for business schools and indicating a certain teaching advantage. The inclusion of these courses demonstrates the commitment of Macau's higher education institutions to teaching business ethics. However, it is essential to acknowledge some limitations, including the fact that some teachers may not be experts in the field of business ethics. Most teachers have backgrounds primarily in human resources management or finance and accounting, rather than in-depth research in business ethics.

Furthermore, there is a relative lack of emphasis from students on business ethics courses. Compared to other required courses, business ethics is not given much importance. Therefore, it is essential for higher education institutions in Macau to consider how they can teach business

ethics and make the subject more appealing to students. This may involve recruiting more teachers with extensive practical experience in the field of business ethics and improving course structures and teaching methods to make business ethics more engaging. A teacher engaged in business ethics teaching highlighted that the business environment in Macau offers students many interesting business ethics cases. The curriculum could be more closely aligned with the local business environment in Macau, enabling students to gain a deeper understanding of business ethics issues pertaining to the gaming, tourism, finance, and cultural industries. Moreover, collaborative initiatives with businesses could be established to extend learning beyond the confines of the classroom. Such improvements will help students develop a well-rounded understanding of business and enhance their ability to face ethical challenges in the workplace.

4.7 Themes in business ethics research

Scholarly research on business ethics in the Macau region is extensive and diverse, with a primary focus on CSR, ESG studies, and responsible investment. Particularly, due to Macau's economic reliance on the gaming and tourism industries, research on business ethics related to these two sectors is comparatively abundant. In the realm of CSR, Jason Buhi from Barry University conducted a research delving into the development of CSR in Macau, with a particular emphasis on exploring trends within the new institutional environment (Buhi 2020). Scholars conducted comparative studies on CSR practices of casinos in Macau and the United States, revealing that Macau's gaming enterprises place greater emphasis on environmental matters and team-based employee focus (Lee et al. 2021). Wenjia Yan, affiliated with the Macau University of Science and Technology, dedicated discussions in 2021 to legal and regulatory issues surrounding CSR in Macau's gaming industry (Yan 2021). Furthermore, scholars from the Macao University of Tourism and the University of

Macau investigated the societal value created through CSR disclosure in the gaming tourism industry in Macau in 2022 (Guan et al. 2022). Collaborative research by scholars from the University of Macau and Macau University of Science and Technology in 2020 addressed responsible investing in Macau's gaming industry, exploring how various government initiatives regarding ESG issues affect institutional ownership of casino firms in Macau (Fu et al. 2020). Additionally, in 2023, scholars from the University of Saint Joseph published a conference paper on sustainable practices in hotel chains in Macau (Santos & Marques 2023). These studies, conducted from various perspectives, provide valuable insights into the business ethics issues within the Macau gaming and tourism industries, contributing to the academic progress in this field.

Several management scholars have delved into ethical issues within the casino and tourism industry's human resources management. For instance, scholars from the University of Macau discussed the work values and work engagement of post-80s generation employees in the hotel and tourism industry in Macau (Chan et al. 2019). Collaborative research involving scholars from the University of Hong Kong, the University of Macau, and the Macao University of Tourism explored job insecurity and job satisfaction among casino employees in Macau (Cheung et al. 2019). In another collaboration between scholars from the University of Macau and the United States, an observation was conducted on occupational crimes, particularly theft behaviors, among casino employees in Macau (Pontell et al. 2022).

4.8 Themes in training on business ethics

Most respondents in the public sector did not specify their training themes, with only one describing himself as an ethics officer. This may be attributed to the fact that the government has its own training programs without placing a strong emphasis on ethics. Rather, these programs

focus on serving the public and complying with bureaucratic rules and relevant laws/regulations. The values that public servants are taught typically include patriotism, austerity, fairness, and obedience to authorities.

In contrast, business respondents demonstrated a keen awareness that compliance necessitates aligning individual employees' behaviours with industry practices (e.g., banking) and government directives. Consequently, they focus on both voluntary programs and mandated rules that govern individual behaviours.

4.9 Major business ethical issues in the next five years

In the current highly uncertain environment, numerous issues related to business ethics warrant consideration. According to the survey conducted in the Macau region, scholars are particularly concerned about several significant business ethics issues over the next five years. These include climate change, biodiversity, green finance, the application of artificial intelligence, and sustainable consumption and production.

4.10 Conclusion

According to survey results in Macau, higher education institutions in Macau have demonstrated significant development in the teaching and research of business ethics. Despite the relatively limited number of higher education institutions in Macau, the majority of these institutions have designed courses related to business ethics as the foundational subjects for university students, especially those pursuing management disciplines. In terms of research, the prominence of Macau's gaming and tourism industries has contributed to a diverse range of studies addressing business ethics issues within these sectors. This includes research on CSR in gaming enterprises, ethical aspects of human resources management in tourism enterprises, and topics such as responsible investment.

Ethical awareness can be quite low in business and the public sector due to a lack of interest from the society and educational institutions. Businesses may not perceive the relevance or importance of events or decisions through ethical lenses, since corporate culture does not emphasise ethical dimensions. Legal compliance is often misconstrued as business ethics under businesses' legalistic view. Macau should not only emphasise the concept of business ethics, but also provide education/training opportunities to make it an integral part to the smooth functioning of the society.

4.11 Endnotes

(1) DSEC, <https://www.dsec.gov.mo/ts/#!/step2/KeyIndicator/zh-MO/12>

(2) DSEDТ, https://www.dsedt.gov.mo/zh_TW/web/public/pg_ei_aame?refresh

(3) DSEDТ, [https://www.dsedt.gov.mo/zh_TW web/public/pg_ei_aame?refresh](https://www.dsedt.gov.mo/zh_TW/web/public/pg_ei_aame?refresh)

(4) DSEDJ, <https://portal.dsedj.gov.mo/webdsejspace/site/studyinmacau/institutions.html>

4.12 Acknowledgements

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JAPAN

*Shinya Fujino, Associate Professor, Reitaku University,
sfujino@reitaku-u.ac.jp*

*Yuichi Otsuka, Associate Professor, Shujitsu University,
otsuka@shujitsu.ac.jp*

5.1 Introduction

Business ethics in Japan has various facets grounded in its historical characteristics. This report aims to capture the historical backgrounds of Japanese business ethics and compliance as well as corporate governance by organizing the societal background surrounding corporate activities in Japan. This is expected to be an important prerequisite for gaining a deeper understanding of the conclusions that will be reached in the questionnaire-based analysis in the second half of this report.

Business ethics in contemporary Japan is grounded in historical context. In particular, the modernization of Japan since the Meiji Restoration is an important foundation for shaping the business ethics of modern Japanese companies. Here, we will summarize the history of business ethics in Japan by dividing it into five historical periods, from the Meiji Restoration to the post-World War II period, and then into the 1990s, 2000s, 2010s, and the most recent trends.

Brief history after the Meiji Restoration

After the Meiji Restoration of 1868-1889, corporate governance regulations were developed in Japan, particularly the Commercial Law, influenced by German commercial law (Saigusa 2012). As a result of these regulations, corporate finance in Japan no longer relied on shareholder equity, but was dominated by loans from megabanks. As a result, cross-shareholdings were strengthened and investors' influence on corporate management became limited.

In a situation where cross-shareholdings exist, Japanese corporate society has historically been strongly influenced by zaibatsu. Zaibatsu is a Japanese term referring to large industrial and financial business conglomerates that played a significant role in the economic development of Japan during the late 19th and early 20th centuries. Zaibatsu typically consisted of a holding company and a group of affiliated companies operating in various industries, including finance, manufacturing, trading and other related industries.

After the end of World War II, under the guidance of the General Headquarters of the Allied Powers (GHQ), the dissolution of zaibatsu took place. Then, the establishment of holding companies was generally prohibited under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Antimonopoly Act) to prevent excessive concentration of business control by zaibatsu.

In response to the above circumstance, companies formed cross-shareholding structures. Cross-shareholdings refer to an investment structure among multiple companies where they invest in each other's stocks within the corporate group. This served as a defense mechanism against foreign acquisitions and played a role in stabilizing management from a long-term perspective (Arikawa & Kato 2004). However, this structure lead to a lack of transparency in corporate governance. Despite the economic progress, the concentration of power within these entities raised concerns about accountability and transparency. Although

corporate laws that are aimed to provide a legal foundation for businesses were established to address these structural issues, they fell short in adequately protecting shareholder rights and ensuring transparency. The regulatory framework did not effectively mitigate the challenges associated with corporate governance.

During the bubble economy era in 1980-1990s, the Japanese economy enjoyed rapid growth, creating high expectations for corporate performance. However, this prosperity was accompanied by insufficient internal controls and transparency within companies. This deficiency became evident through incidents of fraudulent accounting practices and problematic corporate behavior. The burst of the bubble economy in the early 1990s revealed weaknesses in the governance structure and prompted a reevaluation of corporate practices (Okabe 2010). This was an important turning point for the focus on business ethics in Japan in the 1990s and beyond.

1990s: Successive corporate scandals post bubble collapse

The significance of business ethics in Japan began to be highlighted in the 1990s, following the end of the bubble economy (Taka 1997). During this period, a series of corporate scandals came to light, such as compensating for losses by securities firms, providing benefits to Yakuza groups (antisocial forces), and collusion with government agencies. While there were movements before this era, urging companies to take responsibility for issues like pollution and consumer problems as part of their social responsibility, it did not compel the entire industry to adhere to ethics and compliance.

It is important to note that Japanese business professionals did not suddenly lose their ethical values or morals after the 1990s. Even after 2000, incidents of misconduct continued, but changes in labor practices can be identified as part of the background. Following the post-war period and the high economic growth era (mid-1950s to early 1970s), and

until the 1990s, Japanese companies adopted a system of lifetime employment. This system involved companies employing individuals until retirement unless the company went bankrupt due to poor performance or similar reasons. In this regard, Japanese companies have been recognized as entities possessing a *Gemeinschaft*-like nature, regarded as corporate communities or employees' communities (Otsuka 2017). In such a situation, even if misconduct occurred within a company, it was rare for such information to leak outside.

However, from the 1990s onward, these employment practices gradually eroded, and movements such as labor mobility and an increase in non-regular employees accelerated. As a result, internal misconduct within companies started to leak more easily to the public. Many of misdeeds revealed in the 1990s to 2000s were through internal whistleblowing. In this context, in 1991, the Japan Business Federation (Keidanren) formulated a "Corporate Conduct Charter" to encourage compliance among member companies. Additionally, in 1993, the Commercial Law was revised to mandate the appointment of external auditors for large companies.

Parallel to industry concerns, the academic recognition of business ethics as a discipline began in this era. In 1993, the Japan Society for Business Ethics (JABES), the first academic society specializing in business ethics in Japan, was established and celebrated its 30th anniversary in 2023. The section 7 of this chapter surveys the titles of articles submitted over the past 30 years to present the histories and trends of business ethics research in Japan.

The 1990s were not only a period of increased attention to compliance but also a time when global interest in environmental issues surged. In particular, the Rio Summit in 1992 and the enactment of ISO 14001 in 1996 influenced Japanese companies. Many companies established specialized departments to address environmental issues and focused on environmental management. Furthermore, there was an increase in

companies issuing environmental reports, which later evolved into CSR reports and integrated reports.

2000s: Corporate governance reforms

Following a series of scandals involving major Japanese companies after the burst of the bubble economy in 1990s, various regulatory reforms related to corporate governance have been advanced in Japan. Regulations similar to the U.S. model of corporate governance via the capital market were gradually established in Japan. Particularly around the 2000s, various legislative measures and revisions strengthened such regulations.

Under the prolonged recession following the burst of the bubble economy, Japanese companies experienced declining profitability. Consequently, there was a demand for corporate restructuring and entry into new businesses through Merger & Acquisition. However, as holding companies were prohibited by the Antimonopoly Act, organizational restructuring of Japanese companies lagged, hindering improvements in profitability. Therefore, in 1997, a bill amending the Antimonopoly Act, incorporating the lifting of the ban on holding companies, was approved, realizing the legalization of holding companies for the first time in half a century.

In 2006, the Securities and Exchange Act was revised to become the Financial Instruments and Exchange Act (FIEA), expanding its scope to cover a wider range of financial products. The FIEA stipulated measures such as the establishment of the investment services legal framework, enhancement of disclosure systems, strengthening of self-regulatory functions of exchanges, and rigorous responses to unfair trading practices. Subsequent amendment to the act, taking cues from the U.S. internal control regulations, led to the introduction of J-SOX, which mandates internal control reporting rules. Through these reforms, the foundation

for strengthening governance from the capital market to companies was established in Japan.

2010s: Globalization, Sustainable Development Goals (SDGs) and Environment, Social and Governance (ESG) standards

As previously mentioned, in Japan, legislation to promote business ethics and compliance was established in the 2000s. However, as we entered the 2010s, there was an increasing demand for an even more robust response to global compliance. This trend was not unique to Japan, as during this period, companies were increasingly required to adhere rigorously to anti-corruption laws such as the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA), the United Nations Guiding Principles on Business and Human Rights (UNGP), the General Data Protection Regulation (GDPR) in Europe, and similar regulations. Throughout this period, companies were strongly urged to align with and respond effectively to these global standards, emphasizing the importance of addressing issues related to corruption, business ethics, human rights, and data protection.

Apart from these trends, the year 2015 held special significance for the advancement of Business Ethics in Japan for three key reasons. Firstly, the adoption of the Paris Agreement and the Sustainable Development Goals (SDGs) marked a critical moment. These initiatives served as a catalyst, making companies realize that climate change and other societal issues could pose not only risks but also opportunities for businesses. Currently, many Japanese companies actively and strategically disclose their engagement with the SDGs through CSR reports and integrated reporting. It's worth noting that, starting from 2022, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the disclosure of information on climate change-related risks and opportunities became mandatory in the securities reports of Japanese companies.

Secondly, in 2015, the Tokyo Stock Exchange introduced the “Corporate Governance Code.” This was a set of guidelines aimed at enhancing governance and promoting increased corporate value for all companies listed on the Tokyo Stock Exchange. The code operates on a comply-or-explain basis, constituting a soft law approach. In Japan, issues related to corporate governance, such as cross-shareholdings, weaknesses in audit functions, the formalization of shareholder meetings, and the lack of diversity in the board of directors, had been frequently pointed out. However, with the introduction of the Corporate Governance Code, Japanese companies faced an increased expectation for strengthening governance practices.

Thirdly, in 2015, the Government Pension Investment Fund (GPIF), the world’s largest institutional investor, signed the Principles for Responsible Investment (PRI). With GPIF’s endorsement of PRI, there was an increased expectation for listed companies to address ESG (Environmental, Social, and Governance) issues more actively than before. This action also highlighted the importance of stewardship responsibility for other institutional investors in Japan.

Latest trend: The utilization of Artificial Intelligence (AI)

The latest trend involves the integration of AI into business operations by Japanese companies, aligning with global practices. Particularly in Japan, where a declining population poses a significant societal challenge, the utilization of AI is anticipated to play a crucial role in addressing labor shortages.

However, the implementation of AI in business raises various ethical concerns. Some prominent issues include ambiguous responsibilities associated with automation, discrimination stemming from algorithmic bias, and the potential displacement of labor by AI. Among these, one critical concern is the invasion of privacy. Globally, the introduction of the GDPR in the EU has prompted nations to strongly encourage

companies to establish robust systems for privacy protection. In Japan, the enactment of the Personal Information Protection Law regulates companies' responsibility to safeguard user privacy.

Japan has been granted sufficiency certification under the GDPR. The GDPR generally prohibits the transfer of personal data outside the EU. To move personal data out of the EU on an exceptional basis, companies must navigate the complex procedures outlined in the "Cross-Border Transfer Regulation." However, for countries with sufficiency certification, these procedures can be waived, enabling smoother data transfer.

Despite many Japanese companies falling under the scope of this regulation, they often lag behind their global counterparts, and their privacy protection systems are not yet firmly established. An illustrative case is the sharing of user data by JR East, a Japanese major railway company, with Hitachi, Ltd. The data, obtained from Suica IC tickets, was intended for future business purposes by JR East. This data had been anonymized to prevent personal identification. However, as the company failed to obtain user consent for data sharing, criticism from users escalated, ultimately leading to the cancellation of the project.

Given these circumstances, a comprehensive societal response is imperative to facilitate the establishment of robust systems within Japanese companies. The Japanese government is formulating regulations that balance both limiting and promoting data use. Essentially, this involves advancing consumer protection to restrict data use, while simultaneously ensuring fair competition to promote data use. While overseas digital platform businesses are rapidly advancing, developing laws and regulations from these two contrasting perspectives will require time before the Japanese market demands the implementation of internal controls aligned with GDPR standards. Consequently, Japanese companies are now required to proactively enhance consumer-oriented corporate governance (Fujino & Fujiwara 2021).

As explained in this section, business ethics in Japanese companies has gradually taken shape as a corporate practice, changing its subject over the course of historical transition. While this trend is generally in line with the trends in the international community, some aspects of business ethics in Japan differ from those in other countries, influenced by the structure and characteristics of Japanese corporate society. With these characteristics in mind, the following section will attempt to understand the characteristics of business ethics research in Japan based on a questionnaire survey.

5.2 Literature review

The study and practice of business ethics in Japan has developed rapidly since 1990, when the Japanese economy began to fade. In the early 1990s, debate over corporate ethics became a popular topic of discussion both in Japanese corporate practice and research. Amid the prolonged recession that followed the bursting of the bubble economy, the late 1990s and around 2000 saw a surge of corporate scandals and widespread interest in topics such as compliance and corporate social responsibility (CSR). These scandals triggered the spread of practical discussions and practices regarding ethics in the Japanese business community (Nakano et al. 2012). Since that time, topics related to business ethics and CSR have also become the focus of attention in the study of corporate management and governance.

In particular, in Japan in the late 1990s, the practice of business ethics by companies was promoted from two aspects: “proactive” and “passive.” During this period, rather than an attitude of proactively contributing to society, the passive trend attracted attention in the sense that it was under pressure from outside due to a surge in business scandals. In this vein, Japanese companies began to adopt a more serious approach to business ethics (Taka 1997). This period marked a pivotal shift in the

perception and treatment of ethical considerations in Japanese corporate culture.

More recently, business ethics in Japan has tended to move closer to global trends, both in practice and in research. Nevertheless, a comparative study of approaches to business ethics research in Japan and the United States shows that business ethics in the United States has two opposing perspectives, a normative approach and an empirical approach, whereas the methodology of business ethics research in Japan has developed from two perspectives, business ethics and applied ethics (Yamashita 2018). The differences in the methodology of business ethics espoused in Japan and the U.S. clearly demonstrate how complex the field is.

Under these circumstances, many issues remain in the recent practice of corporate ethics in Japanese companies. According to a survey on the dysfunction of business ethics systems in Japanese companies and the awareness of compliance officers, despite the introduction of multi-layered systems to prevent misconduct, there are still issues such as profit-oriented management attitudes and insufficient ethics education within companies (Sato, 2019). Therefore, it is necessary to review recent studies on business ethics education.

First, as noted earlier, corporate scandals have been widespread in Japan since the 1990s, and financial fraud and deception have been repeatedly perpetrated. In this situation, ethical standards do not seem to be functioning adequately in companies, mainly due to their obsession with short-term profits, shift in management paradigm, remaining hierarchical organization, inadequate monitoring mechanisms, and misappropriation of corporate social responsibility (CSR) principles (Kawaguchi 2017). In addition, there are two fundamental reasons why systems to prevent organizational fraud do not work in companies: profit-centered ethics prevalent in upper management and few ethics education efforts targeting employees (Yoshizawa 2019). Strong ethics management, a strengthened

corporate governance framework, consistent strategy formulation, and company-wide employee education are considered critical to solving these problems (Kawaguchi 2017).

In addition, an educational curriculum on business ethics at universities and other educational institutions is also extremely important to long-term and fundamental solutions to problems such as corporate scandals. In considering the institutionalization of business ethics education in Japan through curriculum, it is advisable to understand the purpose and structure of the UN Principles for Responsible Management Education (PRME). The basic principles of PRME play a pivotal role in promoting curriculum reform in a way that places emphasis on business ethics. This is because PRME can serve as a catalyst for change in order to instill a global ethics based on universal values to business practices (Takada 2014). More recently, the importance of using technology, based on findings from cognitive neuroscience and behavioral ethics, to adopt innovative approaches in the teaching of business ethics has also been noted (Tanaka 2020).

While these findings suggest that business ethics perspectives are deeply embedded in corporate practice and education in Japan, this trend in corporate practice has emerged only since the 1990s and only recently in education. There is no doubt that business ethics activities by companies are important in strengthening the practical aspects of business ethics. However, in order to promote its long-term and effective practice, it is essential that the importance of business ethics in university education be recognized and incorporated as a central part of the curriculum. These perspectives are examined in greater depth in the following sections.

5.3 Methodological considerations

In Japan, alongside the advancement of business practices, research in business ethics has also been developed. Particularly, the Japan Society for Business Ethics (JABES) boasts a significant presence of researchers, engaging in active studies across various domains related to business ethics.

In the following section, based on the survey outline provided by the Global Survey for Business Ethics (GSBE), a survey questionnaire was designed with some modifications to align with the context of Japanese business ethics research. Most business ethics research papers in Japan are written in Japanese. More to the point, the entire process of business ethics research in Japan is conducted mostly in Japanese. Therefore, in conducting this survey in Japan, we translated the given research outline into Japanese.

This questionnaire was then distributed to 186 authors of papers submitted to JABES from 1994 to 2022. The questionnaire was prepared in both Japanese and English, but was sent to all Japanese researchers, and all responses were in Japanese. A total of 42 responses were received, resulting in a response rate of 22.6%.

The results of the survey will be not only summarized but also compared with the results of the previous survey conducted in 2010 (see Nakano et al. 2012), which will enable us to observe changes over the past 13 years of the business ethics research in Japan. Additionally, a text analysis focusing on the titles of papers submitted to JABES's journal is also conducted to provide a more detailed analysis of recent research trends. These analyses aim to illuminate the trajectory of business ethics research in Japan.

5.4 Terminology and key recurring concepts

In the field of business ethics research in Japan, presentations and paper writing are mostly conducted in Japanese. In the inquiry of trends in business ethics research in Japan, the initial focus should be on clarifying how business ethics is perceived by individual researchers in Japanese. In order to understand the interpretation of business ethics in Japanese, a survey was conducted to ascertain the Japanese terms used for the translation of “business ethics.” The result in a comparative format with the previous 2010 survey is summarized in Table 1.

Table 1: Japanese translations of business ethics

	N		%	
	2010	2023	2010	2023
kigyō-rinri (corporate ethics)	32	29	52.5	38.2
keiei-rinri (managerial ethics)	24	23	39.3	30.3
keizai-rinri (economic ethics)	10	11	3.3	14.5
business-rinri (business ethics)	1	4	1.6	5.3
business ethics (business ethics)	1	6	1.6	7.9
shōgyō-rinri (commercial ethics)	0	1	0.0	1.3
shakaitēki-sekinin (social responsibility)	0	2	0.0	2.6
Jigyō-seisin (business spirit)	1	0	1.6	0.0
Total	61	76	100.0	100.0

Compared to the results in 2010, both “kigyō-rinri (corporate ethics)” and “keiei-rinri (managerial ethics)” have decreased, while “keizai-rinri (economic ethics)” has increased. As for other translated terms, there is generally no significant change. The term “keizai-rinri” is categorized

within the academic field of economics. Therefore, the emergence of the term “business ethics” in this field may indicate that discussions now extend beyond the field of management and encompass the realm of economics.

In addition to the responses mentioned earlier, there are fewer instances of responses such as “shougyou-rinri (commercial ethics),” “shakaiteki-sekinin (social responsibility),” “jigyouseisin (business spirit).” These responses reflect the unique interpretations of the term “business ethics” by each respondent, considering the distinctive features of their own research. In this regard, it is evident that the breadth of the field of study in business ethics is confirmed, as respondents interpret the term in diverse ways based on their research characteristics.

5.5 Focus areas of business ethics

In Japan, the scope of research on business ethics has expanded, and the impact of corporate activities on a wide range of social phenomena is being researched. Here, not only research but also various social activities are taken into consideration, revealing the specific roles that researchers in Japanese business ethics engage in. Table 2 illustrates the responses to the following question: “What activities do you undertake with respect to business and economic ethics?”

Table 2: Contributions of business ethics researchers in Japanese society

Activities	N
Research	39
Undergraduate teaching	27
Consulting/advisory services for organizations	13
Training programs (practical vocational training, non-degree seeking)	7
Post graduate education in business schools or MBA programs	7
Supervision of master’s studies	7
Supervision of doctoral studies	6

Post graduate teaching (but not business school or MBA programs)	4
Policy making	2
Advocacy/campaigning/activism	1

Business ethics researchers engage in a diverse range of academic and non-academic activities, as indicated by this result. The primary focus lies in “research,” with 39 respondents actively contributing to the academic understanding of business and economic ethics. “Undergraduate education” follows closely, with 27 respondents involved in integrating ethical considerations into foundational business education.

A notable aspect is the practical application of business ethics studies, demonstrated by 13 respondents engaging in “consulting for organizations” and 7 respondents contributing to “training programs.” Given that all respondents to the survey were business ethics researchers, it is understood that they are active not only in the world of research, but also in the world of practice, bringing academic knowledge back into practice.

In the realm of graduate education, 7 respondents each participate in “business schools or MBA programs,” research supervision for “master’s programs,” and “research supervision in doctoral programs.” While fewer respondents are involved in “graduate teaching outside of business schools or MBA programs,” “policy development,” and “advocacy/campaigning/activism,” these activities still underscore a broader impact beyond academic realms. In addition to these, the following other answers provide valuable insights into the diverse and impactful engagement of business ethics researchers.

- Academic exchange activities for students (Inter-seminar for CSR learning)
- Activities as outside director and audit committee member (outside, part-time)
- Guidance of training sessions for companies and organizations

These additional activities are important in that they complement the academic and non-academic activities described earlier. In particular, the practical activities in corporate governance and educational training imply that Japanese business ethics research is being applied in a practical setting.

Overall, the survey results demonstrate the diverse approaches of business ethics researchers, including academic research, education at various levels, practical consulting and training, and contributions to policy and advocacy efforts.

5.6 The curriculum for business ethics education in Japanese universities

When focusing on education at the university level both in undergraduate and graduate schools, how is business ethics typically incorporated into their curriculum? Table 3 illustrates the responses to the following question: “How would you place the lectures and training on business and economic ethics that you are responsible for at your institution within the educational curriculum of your institution?” It provides a breakdown of the number of business ethics courses integrated into university curricula, differentiating between undergraduate and postgraduate levels, and categorizing them as elective or compulsory.

Table 3: Positioning of business ethics in the university curriculum

Programme	N
Non-degree-earning training programmes	12
Undergraduate curricular modules/courses in degree earning programmes (elective)	23
Undergraduate curricular modules/courses in degree earning programmes (compulsory)	5
Postgraduate curricular modules/courses in degree earning programmes (elective)	11

Postgraduate curricular modules/courses in degree earning programmes (compulsory)	2
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The result indicates that there is an emphasis on offering business ethics as an elective at both the undergraduate and graduate levels. This suggests that the importance of ethical considerations in business practice is recognized and provides students with opportunities to explore these topics based on their interests.

On the other hand, the small number of required business ethics courses (five at the undergraduate level and two at the graduate level) indicates that while universities recognize the importance of ethics education, they generally do not mandate specific coursework in this area for all students.

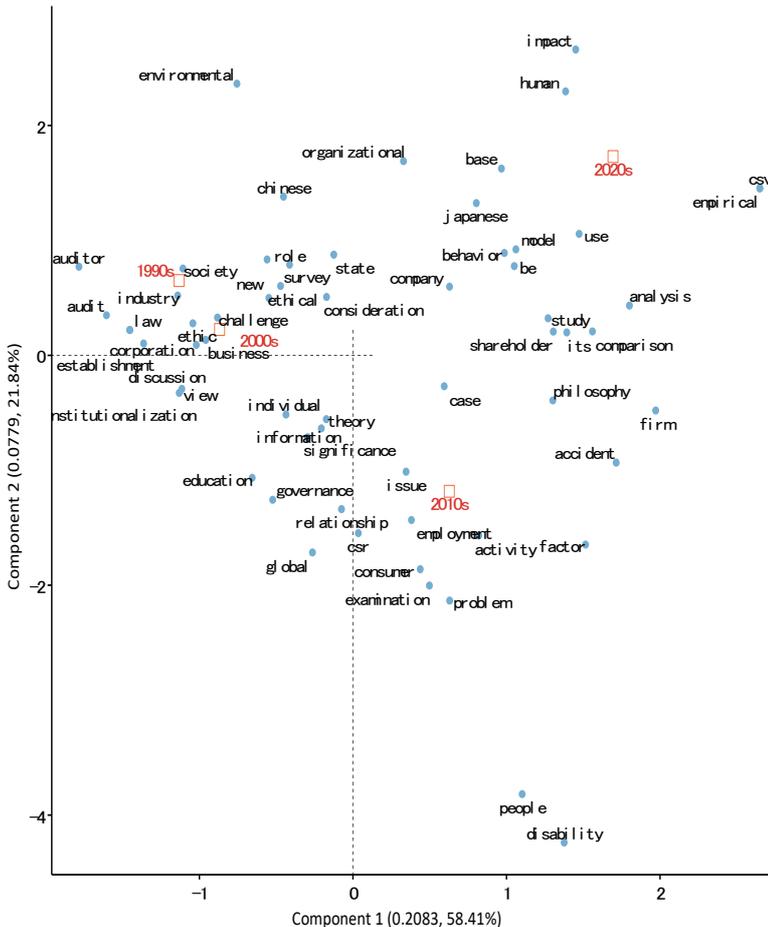
These results, while emphasizing the importance of ethical considerations in undergraduate and graduate business education, indicate a trend toward allowing students flexibility in selecting business ethics courses and tailoring their education to their individual interests.

5.7 Themes in business ethics research

In this section, we analyze the titles of papers published in JABES journals from 1997 to 2023 using KH Coder ¹. The number of papers published during this period is 581. The titles of these papers will be translated into English, and the characteristics of each period will be identified for the appropriate time period.

First, correspondence analysis is performed here to illustrate the characteristics of the data and to visually understand the relationships among the items. The correspondence analysis is characterized by three main features. (1) Words plotted close to each other have strong relationships. (2) Words plotted far from the origin have strong and unique characteristics. (3) The original word data are compiled into groups and entered into the analysis software. Then, words that are unique to each group are

plotted in the direction indicated by the square marks. In this study, words were entered in four groups: 1990s, 2000s, 2010s, and 2020s. As a result, words in the 1990s and 2000s tended to cluster in the upper left direction, those in the 2010s in the lower right direction, and those in the 2020s in the upper right direction.



In the 1990s, words such as “audit,” “industry,” and “society” are characteristic of this period. During this period, after the collapse of the bubble economy, the practices that had been considered Japanese-style management began to crumble, and corporate governance reforms were promoted. This led to discussions of business ethics issues at the industrial and societal levels. It is not surprising, then, that the audit function in corporations also attracted attention during this period.

Words characteristic of the 2000s include “establishment,” “institutionalization,” and “law.” This reflects the fact that business ethics, which had been positioned as a philosophy or norm in the former period, became institutionalized in the form of laws and regulations. Furthermore, with regard to “information” and “education,” it can be considered that after the interest in business ethics in the 1990s, more specific topics have been attracting attention.

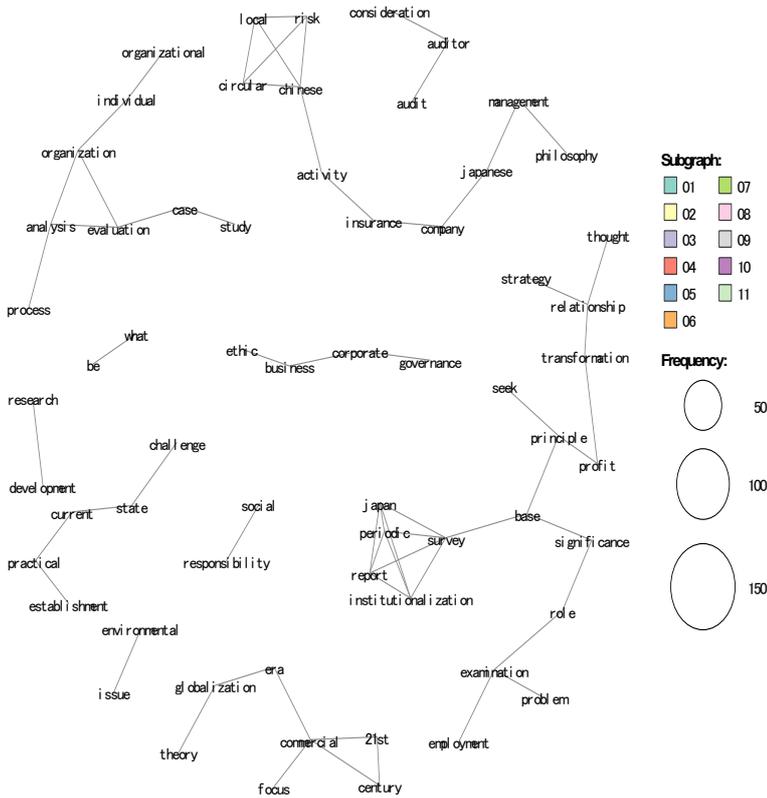
In the 2010s, the word “csr” appeared. In Japan, 2003 was called the “first year of CSR (CSR gan-nen),” and it is thought that several years after that, there was a focus on CSR in research as well. It is also characterized by words such as “global,” “employment,” “consumer,” and “philosophy.” During this period, Japanese companies were accelerating their overseas expansion. In addition, while the corporate scandals that came to light in 1990s, it can be said that CSR began to attract attention in the context of relationships with employees and consumers during this period.

In the 2020s, terms such as “csv” and “human” appeared. Michael Porter proposed the concept of CSV (“Creating Shared Values”) in 2006, but it has received some belated attention in Japanese business ethics research. More notably, words such as “empirical,” “impact,” “model,” and “analysis” are also prominent, indicating that empirical research has been flourishing in JABES research since this period.

Comparing these changes in research keywords with the history of business ethics in Japan described in the previous section, it is clear that

Japanese business ethics research tends to catch up a little later than its accompaniment in the business world.

Next, co-occurrence networks are created for two time periods, 1994-2010 and 2011-2023, to understand the relationship between strongly connected keywords in each time period².



Graph 2: Co-occurrence networks of 1994-2010

“shareholder.” In this period, the global financial crisis following the collapse of Lehman Brothers has focused attention on stakeholderism, and the need to disclose information to a wide range of stakeholders is thought to have influenced these results.

Third, from 1994 to 2010, “Japanese companies” and “management philosophy” were important keywords in the set. In addition, “21st century” and “globalization” are combined with “theory.” It is clear that management philosophies and theories in the new era are sought after and actively discussed. In contrast, keywords such as “earthquake” and “East Japan” appear from 2011 to 2023. Also, “human rights” and “principle” are used in sets during this period. It can be seen that important topics of the time are taken up in the research in accordance with the changes of the times.

5.8 Major business ethics research in the next five years

Finally, we would like to provide an overview of the major themes for future business ethics research in Japan. The table below shows the responses to the question about the themes that respondents plan to address in their business ethics research over the next five years.

	Words	N		Words	N
1	ethics	26	11	sustainability	3
2	issue	12	12	disclosure	3
3	business	11	13	compliance	3
4	management	10	14	capitalism	3
5	ai	9	15	chain	3
6	right	6	16	conflict	3
7	misconduct	5	17	supply	3
8	sdgs	3	18	investment	3
9	esg	3	19	culture	3
10	utilization	3	20	style	3

The responses regarding the keywords that Japanese business ethics researchers plan to focus on over the next five years reveal several

important themes. We would like to discuss them in the order in which they were mentioned most frequently by respondents.

The most prominent keyword was “ethics” 26 times, followed by “issues” 12 times, “business” 11 times, and “management” 10 times. These are universal keywords that are not easily influenced by region or time period in the study of business ethics.

In contrast, the nine appearances of “ai” reflect a particular interest in the ethical implications of artificial intelligence in the business context. As the AI technology advances, researchers will investigate the ethical challenges and opportunities associated with the introduction and use of artificial intelligence in various business functions.

Other noteworthy keywords of interest include “rights,” indicating a focus on human rights in the business context, which appeared six times, and “misconduct,” suggesting an interest in identifying and preventing unethical behavior within organizations, which appeared five times.

The appearance of “sdgs” three times and “esg” three times also shows the growing interest in sustainability and responsible business practices, consistent with global initiatives such as the Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG) standards.

The key words “compliance,” “disclosure,” “chain,” “conflict,” “supply,” “investment,” “culture,” and “style” each appear three times. These words are associated with important key terms such as supply chains, leadership styles, and corporate culture. They reflect diverse interests, including compliance with ethical standards, transparency through information disclosure of ESG management, supply chain management in relation to environment and human rights issues, conflict resolution in compliance, responsible investment practices, organizational culture, and leadership style.

5.9 Conclusion

Business ethics in Japan is deeply connected to its historical background, tracing its chronological evolution from the Meiji Restoration to the present day. At the same time, however, while following global trends in business ethics, Japan's unique corporate culture has influenced its approach, making some areas of focus and research subjects unique. Findings from the questionnaire-based analysis also underscore the breadth and diversity of business ethics research in Japan. This includes academic research, educational initiatives, consulting, and policy advocacy. Major future research themes in business ethics in Japan are highlighted by emerging areas such as the ethical implications of artificial intelligence, human rights in the business context, sustainability, and responsible business practices, which are common themes in the global community rather than unique to Japan. In this regard, it can be said that Japanese corporate ethics research is developing in a manner consistent with global trends. However, at first glance, themes related to compliance, transparency, supply chain management, and corporate culture may appear to be common issues at the global level as well, but if one examines the substance of these issues, one will find problems unique to Japan. A deeper understanding of the details of these research themes should provide a more concrete perspective on business ethics research in Japan.

5.10 Endnotes

(1) KH Coder is a software for quantitative content analysis or text data mining. It is designed to analyze Japanese text data, but it can also handle data in other languages. It was initially developed at the Graduate School of Advanced Sciences of Matter, Hiroshima University, Japan.

(2) A co-occurrence network allows to visualize frequently occurring expressions.

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INDONESIA

*Aluisius Hery Pratono, Universitas Surabaya,
hery_pra@staff.ubaya.ac.id*

Amelia Santoso, Universitas Surabaya, amelia@staff.ubaya.ac.id

*Ramon Eguia Nadres, Widya Mandala Catholic University Surabaya,
ramon@ukwms.ac.id*

*Herlina Yoka Roida, Widya Mandala Catholic University Surabaya,
yokaroida@ukwms.ac.id*

*Untara Simon, Widya Mandala Catholic University Surabaya,
untara@ukwms.ac.id*

*Miguel Angel Esquivias Padilla, Universitas Airlangga,
esquivias.miguel@gmail.com*

*Mahestu Noviandra Krisjanti, Universitas Atma Jaya Yogyakarta,
mahestu.krisjanti@uajy.ac.id*

Harsono, Universitas Atma Jaya Yogyakarta, harsono@uajy.ac.id

6.1 Introduction

The Indonesian archipelago has been inhabited for thousands of years. Various kingdoms and empires flourished in the region, including the Buddhist Srivijaya, the Hindu Majapahit, and the Islamic Mataram Empires, influential maritime and trading powers in Southeast Asia. European powers established trade relations with the Indonesian islands in the 16th century. The Dutch East India Company (VOC) gained control over much of the territory. Dutch colonial rule lasted for over three centuries when they exploited the region's resources and imposed their authority over the local population.

The early 20th century marks a significant turning point in this country's history. Leaders like Sukarno and Mohammad Hatta, driven by a deep sense of national pride, played pivotal roles in advocating independence from Dutch rule. During World War II, Japan occupied Indonesia, weakening Dutch control. On August 17, 1945, a momentous day in our nation's history, Indonesia declared independence, sparking a violent struggle against Dutch attempts to reassert colonial control. After four years of conflict and negotiations, the Dutch formally recognized Indonesian independence in 1949.

The Constitution of Indonesia, known as the Undang-Undang Dasar Negara Republik Indonesia (UUD 1945), serves as the supreme law of the land. The constitution establishes the government's structure, delineates citizens' rights and duties, and outlines governance principles. Laws in this country are primarily enacted by the People's Consultative Assembly (Majelis Permusyawaratan Rakyat or MPR), the People's Representative Council (Dewan Perwakilan Rakyat or DPR), and regional legislative bodies. Legislative acts cover various aspects of governance, including civil law, criminal law, commercial law, labor law, and environmental law.

Following independence, Indonesia faced challenges in nation-building, including internal conflicts and economic development. Sukarno, Indonesia's first president, pursued a policy of guided democracy and sought to establish a non-aligned foreign policy during the Cold War era. In 1965, Soeharto ruled this country and brought stability and economic growth, but strengthened authoritarianism, corruption, and human rights abuses. In 1998, he stepped down from power amid an economic crisis and widespread protests, which marked the beginning of the Reformasi era, characterized by political and social reforms, decentralization, and the strengthening of democratic institutions. Indonesia has since seen multiple democratic elections and transitions of power.

Today, Indonesia stands as a testament to the beauty of diversity, being the world's fourth most populous country and the largest Muslim-majority nation with hundreds of ethnic groups and languages. The country faces ongoing challenges, including economic inequality, corruption, environmental degradation, and separatist movements. The country recognizes Islamic law or Sharia. Islamic law influences personal matters such as marriage, inheritance, and religious affairs. However, the application is subject to interpretation and is only sometimes applied across the country.

The judiciary in Indonesia is independent and comprises a hierarchical system of courts. Indonesia adheres to a legal system, namely civil law. The Supreme Court (Mahkamah Agung) is the highest judicial authority and oversees the administration of justice nationwide. Beneath the Supreme Court are district courts (Pengadilan Negeri), which handle civil and criminal cases at the local level. Specialized courts, such as religious and administrative courts, address specific legal matters. Customary law, or adat, is prevalent in many regions of Indonesia, particularly in rural areas and among indigenous communities. Customary and Islamic laws often coexist alongside formal legal systems, and local leaders play a crucial role in its enforcement and administration.

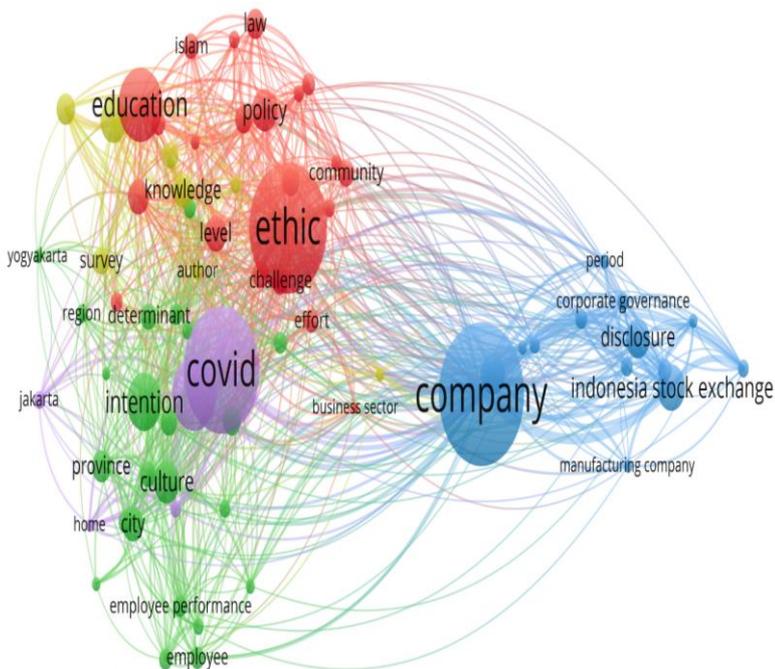
6.2 Existing literature

This study uses a bibliometric approach to examine the literature on business ethics in Indonesia. We adopt Harzing's Publish or Perish (PoP) application to explore the manuscripts discussing business ethics in Indonesia from Google Scholar between 2020 and 2024. The results provide 995 manuscripts with h-index ranks, which are essential for evaluating the impact of manuscripts. Hence, we use the VOS Viewer to

visualize bibliometric networks, which employs an algorithm approach to analyze and represent the relationships between main keywords.

The Harzing PoP shows the top 10 high-rank of 995 manuscripts are Mahaputra & Saputra (2021), Kusmiarti (2020), Ahyani et al. (2022), Buldan et al. (2022), Nasution & Rafiki (2020), Sholihin et al. (2020), Pertiwi & Ainsworth (2021), Karim et al. (2022), Kumala & Siregar (2021), Suryadi & Gebang (2022). The bibliometric results from VOS viewer indicate four literature clusters: (1) blue: ethics in Indonesia stock exchange, (2) red: ethics and education, (3) purple: ethics in the workplace, (4) green: ethics and Sharia principles (Figure 1).

Figure 1: Bibliometric results from business ethics in Indonesia



Source: VOSviewer and Harzing application from 995 manuscripts published between 2020 and 2024 with keywords of business ethics and Indonesia.

Ethics in Indonesia stock exchange: Mahaputra & Saputra (2021) indicate that businesses enhance their long-term viability, mitigate risks,

and contribute positively to society and the environment by operating ethically, complying with laws and regulations, and fostering economic democracy. Kusmiarti (2020) reveals the business ethical practices by exploring the roles of the Board of Directors to various committees to facilitate effective management and assist the Board in fulfilling its responsibilities. The implementation of sustainable activities is shown in the sustainability report of public companies, which has become an integral part of business ethics practice, especially for companies listed on the Indonesian Stock Exchange. Thus, sustainability reports have become essential for monitoring and measuring a company's positive impact on society and the surrounding environment and creating a more sustainable and ethical business in Indonesia (Gunarsih & Ismawati, 2018).

Ethics in Education: Sholihin et al. (2020) show that using virtual reality-based learning tools enhances individuals' ethical efficiency by boosting their self-efficacy, which implies that virtual reality is essential for undergraduate students seeking to develop skills in addressing ethical dilemmas. Pertiwi & Ainworth (2020) highlight that corruption literature evolves from translating international development agendas to more ambivalent constructions. The study demonstrates corruption's contingent and unstable nature, subject to contestation and power dynamics, hinting at alternative interpretations. Agustinus (2020) notices significant differences between students who have not and have taken business ethics courses. Someone who has received a business ethics education is considered and assumed to know good things so that he or she behaves more ethically than someone without a business ethics education.

Ethics and Sharia principles: Ahyani et al. (2022) discuss how companies in Indonesia apply Sharia ethics by adopting certified products and services from the Indonesian Halal Guarantee Council. Buldan et al. (2022) emphasize the positive impact of adhering to Islamic ethical principles on organizational performance, such as fairness, trustworthiness, kindness, truth, honesty, patience, and humility, which guide business

conduct and improve performance. Nasution and Rafiki (2020) identify that Islamic work ethics have a positive and significant relationship with organizational commitment and job satisfaction in Indonesian banking industries. Agustinus (2020) indicates a significant difference between students with a high level of religiosity and students with a low level of religiosity regarding their ethical perceptions in making ethical decisions.

Ethics in the workplace: Kumala & Siregar (2021) identify that companies that disclose more information regarding their social responsibility activities tend to engage in less earnings management practices. In addition, companies with a higher level of family ownership are more likely to engage in earnings management practices. Suryadi and Gebang (2022) show that an improved physical work environment increases employees' work ethic. Yusman et al. (2021) examine how workers' rights in cases of bankruptcy call for business ethics implementation in the event of bankruptcy.

Ethics in purchasing intention: Beatson (2020) highlights social practices related to unrestrained consumption in Indonesia. Some scholars also hope that green consumption in this country entails rational and behavioral processes (Carrington et al., 2015; Beatson, 2020). Hassan et al. (2016) discussed the gap between intention and behavior in the context of ethical consumption. Alsaad et al. (2021) notice that ethical consumption aligns with consumer behavior since the decision-making process involves moral obligation. Pratono et al. (2023) highlight how social enterprises support sustainable development goals by promoting stakeholders' engagement.

6.3 Methodological considerations

This study adopts an interpretative approach to understand the significant ethical topics in Indonesian business and economic ethics over the next five years. This approach addresses research questions based on

participants' experiences and perspectives. We conduct data collection by sending invitations via WhatsApp groups in five different cities in Indonesia: Jakarta, Medan, Surabaya, Makassar, and Denpasar. We gained support from 262 respondents, of whom 186 represent business organizations, 66 represent non-profit organizations, and 10 participants from local universities.

The next phase involved focus group discussions (FGDs), which commenced in two major cities: Jakarta and Surabaya. In Surabaya, a hybrid focus discussion was held on 10 October 2023 at Universitas Surabaya, involving the Department of Research and Development, the Indonesian Ministry of Education, and fifteen experts from universities and research institutions. The subsequent focus group discussion took place on 2 April 2024 in Jakarta, with the participation of 14 lecturers, 12 non-government organizations, and five, further enriching the diversity of perspectives.

The analysis entails quantitative and qualitative approaches. The quantitative method involves a bibliometric approach to identify the main clusters for literature in Indonesian business ethics. This study found 995 pieces of literature about business ethics in Indonesia published between 2020 and 2024. Hence, we selected ten pieces of literature based on the high impact levels. The qualitative method involves coding analysis upon the online survey and hybrid focus group discussions to identify the key concepts, focus areas, and future themes in business ethics.

6.4 Terminology and key recurring concepts

The Indonesian local wisdom plays a crucial role in shaping ethical business practices by promoting cultural sensitivity, sustainability, community engagement, ethical decision-making, and risk management. Businesses that recognize and respect local wisdom are better positioned

to operate ethically, foster positive relationships with stakeholders, and contribute positively to the societies in which they operate. Businesses can demonstrate cultural sensitivity in their operations by understanding and respecting local wisdom. This sensitivity is crucial for ethical behavior as it helps businesses avoid actions that may inadvertently disrespect or harm the cultural integrity of the community in which they operate.

The concept of KKN (Korupsi, Kolusi, Nepotisme) gained significant prominence in Indonesia as a rallying cry against the entrenched corruption, collusion, and nepotism within the Indonesian government and society during the political reform period 1998 in Indonesia. The political reform period, also known as Reformasi, was marked by widespread protests and demands for democratization, accountability, and transparency in governance. The concept of KKN will likely remain relevant during the political election in 2024. Corruption, collusion, and nepotism are deeply ingrained problems that have persisted despite efforts to address them. They often feature prominently in political discourse, especially during election campaigns, as candidates may seek to highlight their commitment to combating these issues or be accused of engaging in them themselves.

The intersection between political and business ethics in Indonesia is complex and multifaceted, influenced by historical, cultural, and socio-economic factors. Addressing this intersection requires comprehensive reforms to strengthen institutions, enhance transparency and accountability, promote a culture of integrity, and foster sustainable economic development that benefits all segments of society. This may involve legislative reforms, institutional capacity building, enforcement of anti-corruption measures, promotion of corporate social responsibility, and greater public participation in governance processes.

The concept of “gotong royong” embodies the idea of people coming together voluntarily to help one another, often for communal tasks such

as cleaning public areas, repairing infrastructure, or organizing events. During Independence Day celebrations in Indonesia, *gotong royong* plays a particularly prominent role. These activities can include neighborhood clean-up drives, tree-planting initiatives, community feasts, cultural performances, and other collective actions to foster national pride and togetherness.

"Tut Wuri Handayani" is a Javanese phrase that translates to "guiding with a caring hand." It is a term deeply rooted in Javanese culture and philosophy, often associated with education and leadership. This system explains the importance of ethical education at all levels of education when students are prepared to provide examples of correct business practices if they later become leaders, encourage them to continue carrying out ethical business practices if they are in the midst of those they lead, and continue to provide support. Therefore, the study of ethics is essential to develop and improve the profession's role, especially when it relates to its vulnerability to unethical business behavior.

"Pancasila" would mitigate any tendency to radicalism in the country's different religions and thus make them even more effective partners of formal education in the formation of ethically conscientious citizens. The founding fathers of the Indonesian nation deeply believed in the great benefit that religion conferred on the achievement of the national common good. For this reason, belief in the One God has been immortalized as the first *sila* of the Pancasila, which have been established as the five fundamental guiding principles of the country. A part of the common good of each nation is a well-functioning economy that can provide a means of living for all its citizens. Economic prosperity would be the happy result of the wise application of the fifth *sila*, which moves the country to yearn for social justice for the entire Indonesian society.

Table 1: Terminology for local wisdom and business ethics in Indonesia

	Indonesia term	English equivalent for business ethics and related concepts
1	Gotong royong	Gotong royong means mutual cooperation and assistance within communities. It involves people coming together to solve problems collectively and carrying out communal tasks like cleaning, building, or celebrating events without expecting anything in return.
2	Tut wuri handayani	"Tut Wuri Handayani" presents teachers' transformative role in shaping their students' lives through guidance, discipline, and mentorship.
3	Silaturahmi	Silaturahmi means maintaining the bond of friendship and kinship by staying connected with family members, relatives, friends, neighbors, colleagues, and even acquaintances.
4	Heka Leka	Heka Leka offers a philosophical perspective on the cyclical nature that invites individuals to embrace the challenges, ultimately leading to newborn and continued growth.
5	Dalihan natolu	"Dalihan Natolu" is a foundational concept in Batak culture, which entails three principles: (1) Tongtong, which means cooperation, assistance, and solidarity within the community; (2). Patik Palimahon revolves around reciprocity and mutual respect; (3) Parhatahutan means maintaining harmony and peace within the community.
6	Memayu hayuning bawana	"Memayu hayuning bawana" essentially conveys the idea of preserving the well-being and harmony of the universe or the world, emphasizing the importance of living in balance and harmony with nature, other living beings, and society.

7	Ngluruk tanpa bolo, menang tanpa ngasorake	"Ngluruk tanpa bolo" means seeking peaceful, constructive solutions to conflicts or differences. Hence, the phrase "Menang tanpa ngasorake" means achieving goals without causing harm, conflict, or defeat to others.
8	Suro diro joyo jayaningrat, lebur dening pangastuti	The concept reflects a deeply rooted belief in the triumph of good over evil, righteousness over wrongdoing, and divine intervention in the face of adversity.
9	Sak Madya	The concept of being enough. This concept relates to how human behavior must be able to exercise self-control and moderation in consuming.
10	Silih asih, silih asah, silih asuh"	"Silih asih, silih asah, silih asuh" encapsulates the values of mutual respect, support, and care integral to Sundanese culture. It promotes harmony, cooperation, and social cohesion within the community.

6.5 Focus areas of business ethics

The political economy becomes the most significant ethical topic when this study invites the research participants to discuss macroeconomic challenges, corporate responsibility, ethical management and leadership, and professional ethics. In the context of a general election, the main issue of leadership regarding business ethics revolves around integrity, transparency, and accountability. Upholding these principles is essential for fostering trust, promoting good governance, and maintaining the integrity of the electoral process and the business environment.

The general election in 2024 presents how family-based political parties play a pivotal role in shaping the Indonesian future. Many political parties demonstrate leadership structures predominantly concentrated within a single family or a few closely related individuals. In some cases,

family businesses have close ties to family-based political parties. This intersection can present both opportunities and ethical challenges. The relationship between family business, family-based political parties, and business ethics influences broader societal perceptions of ethical behavior in both the business and political spheres, especially since they have been involved in industries that require sustainability performance as a part of business ethics practices. Several family firms are involved in industries that are categorized as sensitive industries. The regulation is enforced to safeguard business activities' economic, social, and environmental impacts. These businesses tend to become politically involved to protect their business interests. Apart from that, from an ethical education perspective, society as consumers also has a role in maintaining business sustainability through ethical consumption. It is expected that active and reciprocal participation will encourage ethical business practices.

Both political and business ethics are concerned with promoting fairness, transparency, accountability, and responsible decision-making. When politicians conduct a family business, they face unique ethical considerations due to the intersection of personal and professional interests. Their involvement in a family business brings a conflict of interest with their public duties. Their decisions as public officials could directly benefit their family business or vice versa, which calls for transparency and disclosure of potential conflicts to maintain trust and integrity.

From the perspective of business ethics education, the presence of the religious milieu can be attributed to the first *sila of Pancasila*, which exhorts everyone to embrace religion in their lives. In principle, embracing religion would drive Indonesians to be more ethical, but this does not completely close the door to the possibility of corruption and unethical activity. Nevertheless, as one interviewee points out, at the very least, the theoretical seeds of ethical behavior have been planted, and these could start to grow if the person allows them to take root in the individual conscience. In addition, religiosity might be a decisive factor in building

ethical purchasing intention. The existence of religiosity and perceived customer effectiveness can be determinant variables in developing ethical behavior.

6.6 Themes in the teaching of business ethics

Teaching business ethics involves covering various topics to give students a comprehensive understanding of ethical issues in various business contexts. Here are some main topics typically included in teaching business ethics:

1. **Corporate Social Responsibility (CSR) and Sustainability Performance (ESG):** Explore the concept of CSR and ESG and its importance in modern business practices. Discuss how businesses can balance profitability with ethical responsibilities towards stakeholders, including employees, customers, communities, and the environment.
2. **Encourage students to apply these frameworks to analyze and resolve ethical dilemmas in business scenarios.**
3. **Corporate Governance:** Examine the principles and practices of corporate governance, including the roles and responsibilities of boards of directors, executive leadership, and shareholders in ensuring ethical conduct and accountability within organizations.
4. **Business and Human Rights:** Discuss the ethical implications of business activities on human rights, including labor rights, supply chain ethics, fair wages, workplace diversity and inclusion, and the avoidance of human rights abuses in global business operations.
5. **Ethics in Marketing and Advertising:** Explore ethical issues related to marketing and advertising practices, such as truth in

advertising, consumer privacy, manipulation techniques, targeting vulnerable populations, and using socially responsible marketing strategies.

6. **Ethics in Finance and Accounting:** Examine ethical considerations in financial decision-making, including transparency, integrity in financial reporting, conflicts of interest, insider trading, responsible lending practices, and the ethical responsibilities of financial professionals.
7. **Ethics in Technology and Data Privacy:** Address ethical challenges arising from using technology and data in business, including cybersecurity, data privacy, algorithmic bias, artificial intelligence ethics, and the ethical use of consumer data in digital marketing.
8. **Environmental Sustainability:** Discuss the ethical responsibilities of businesses towards environmental sustainability, including sustainable business practices, resource conservation, waste reduction, renewable energy, and corporate efforts to mitigate climate change.
9. **Ethics in Supply Chain Management:** Explore ethical issues in supply chain management, such as supplier relations, labor conditions in global supply chains, fair trade practices, responsible sourcing, and efforts to combat corruption and bribery in supply chain operations.
10. **Ethics in Leadership and Organizational Culture:** Analyse the role of ethical leadership in shaping organizational culture and fostering ethical behavior among employees. Discuss the importance of values-based leadership, ethical decision-making by managers, and creating an ethical corporate culture.

6.7 Themes in business ethics research

Future studies should explore ethical and responsible leadership within the nexus of ethics, economics, and religious traditions. Economic activities often clash with ethical principles, leading to evident consequences. Addressing this misalignment is vital, especially considering global challenges like poverty, climate change, and human suffering. Ethical leadership can significantly contribute to tackling these issues by prioritizing ethics and justice in decision-making processes. The proposed research agenda focuses on micro, meso, and macro levels to understand the complexities of leadership and management within ethical systems.

At the micro level, research can focus on ethical leaders' individual behaviors and traits, examining how their values and beliefs shape their decision-making. It aims to understand what drives them to prioritize ethics and justice in leadership roles. Shifting to the meso level, researchers could explore how organizations and institutions promote or impede ethical leadership. This involves investigating whether specific structures or cultures encourage ethical behavior among leaders and their teams. Conversely, it examines the factors that lead to unethical leadership within organizations.

At the macro level, there is an opportunity to explore ethical leadership's wider societal and global impacts. This involves understanding how ethical leadership fosters a fair and just world on a global scale. Conversely, it examines what qualifies as unethical leadership, especially concerning the failure to commit to a sustainable future for humanity. The urgency emphasized in the call for papers underscores the importance of these questions, especially in combating global poverty, mitigating the effects of climate change, and reducing human suffering. Ethical and responsible leadership is a powerful instrument for tackling these critical issues.

Last is the darkness of leadership management. This study encourages scholars to examine unethical leadership, which provides valuable insights into its characteristics, behaviours, and consequences. By understanding unethical leadership, we can grasp the detrimental effects of leadership devoid of ethical principles and sustainability commitments. This understanding helps uncover the underlying causes of economic and social injustices. By studying unethical leadership, scholars can elucidate how such leadership undermines ethical standards, exacerbates inequalities, and perpetuates harmful practices. This knowledge is essential for developing strategies to promote ethical leadership and address the systemic issues stemming from unethical leadership practices.

6.8 Themes in training on business ethics

Surviving business turbulence while adhering to ethical principles requires a combination of resilience, adaptability, and a solid commitment to doing what is right. Here are some strategies to navigate turbulent times while upholding business ethics:

1. **Transparent Communication:** Maintain open and honest communication with stakeholders, including employees, customers, suppliers, and investors. Transparency builds trust and helps manage expectations during uncertain times.
2. **Employee Well-being:** Prioritize your employees' well-being. Provide support, resources, and flexibility to help them cope with stress and uncertainty. Ethical businesses recognize that their employees are their most valuable asset and strive to create a supportive work environment.
3. **Customer Satisfaction:** Focus on delivering value to your customers and meeting their needs, even in challenging circumstances. Maintain the quality of your products or services and ensure fair pricing practices. Building solid relationships with

customers based on trust and integrity can help sustain your business through turbulent times.

4. **Integrity in Decision-Making:** Uphold ethical standards in all business decisions, even when facing pressure to compromise. Consider the long-term consequences of your actions and prioritize integrity over short-term gains. Encourage ethical behavior at all levels of your organization.
5. **Adaptability and Innovation:** Embrace change and seek opportunities for innovation and adaptation. Turbulent times often require businesses to pivot their strategies or explore new markets. Ethical businesses can find creative solutions to challenges while staying true to their values.
6. **Community Engagement:** Engage with your local community and contribute positively to society. Support charitable initiatives, volunteer programs, or community development projects. Building strong relationships with the community can enhance your reputation and create goodwill, which is invaluable during difficult times.
7. **Compliance and Risk Management:** Stay compliant with relevant laws and regulations while managing risks effectively. Conduct regular assessments of your business practices to identify and mitigate ethical risks. Implement robust compliance programs and internal controls to prevent misconduct.
8. **Long-Term Sustainability:** Adopt a long-term perspective and prioritize sustainability in your business practices. Consider the environmental, social, and governance (ESG) factors that impact your operations and strive to minimize negative impacts while maximizing positive contributions to society.
9. **Continuous Learning and Improvement:** Stay informed about emerging ethical issues and best practices in business ethics.

Invest in training and development programs to foster a culture of ethical leadership and decision-making within your organization. Continuously evaluate and refine your ethical standards and practices to adapt to changing circumstances.

6.9 Major business ethical issues in the next five years

Business ethics is an interdisciplinary field that draws from philosophy, psychology, sociology, law, and economics, among other disciplines. Designing teaching methods incorporating insights from various fields can provide participants with a comprehensive understanding of ethical issues and foster a more holistic approach to ethical decision-making. Businesses interact with various stakeholders, including employees, customers, suppliers, shareholders, and the broader community. Teaching methods should incorporate perspectives from different stakeholders to help participants understand the diverse interests and values in ethical decision-making processes.

Table 2: The central themes of business ethics

Context	Theme
Teaching	Corporate Social Responsibility (CSR) and Sustainability Performance (ESG) Corporate Governance Business and Human Rights Ethics in Marketing and Advertising Ethics in Finance and Accounting Ethics in Technology and Data Privacy Environmental Sustainability Ethics in Supply Chain Management Ethics in Leadership and Organizational Culture

Training	<p>Transparent Communication</p> <p>Employee Well-being</p> <p>Customer Satisfaction</p> <p>Integrity in Decision-Making</p> <p>Adaptability and Innovation</p> <p>Community Engagement</p> <p>Compliance and Risk Management</p> <p>Long-Term Sustainability</p> <p>Continuous Learning and Improvement</p> <p>Artificial Intelligent Ethics</p>
Research	<p>Responsible leadership within the nexus of ethics, politics, economics, and religious traditions.</p> <p>Ethical leaders' behaviors and traits examine how their values and beliefs shape their decision-making.</p> <p>At the macro level, there is an opportunity to explore ethical leadership's broader societal and global impacts.</p> <p>The darkness of leadership management.</p>

The perception of major business ethical issues can vary depending on one's perspective, including cultural, societal, organizational, and individual viewpoints. Effective teaching and training methods should consider the specific industry, organizational culture, and regional context in which they are applied. This may involve tailoring case studies, scenarios, and examples to resonate with the participants' backgrounds and experiences.

As AI and automation continue to advance, businesses will face ethical questions regarding these technologies, such as concerns about job displacement, algorithmic bias, privacy violations, and the ethical implications of autonomous decision-making systems. In addition, digitalization and data collection impose ethical issues related to data privacy, security, and consent, including data breaches, unauthorized data

usage, surveillance capitalism, and companies' ethical responsibilities in safeguarding customer information.

6.10 Conclusion

This report explores the main topics in business ethics in Indonesia by reviewing 995 manuscripts on business ethics in Indonesia, conducting surveys, and focus group discussions. It shows that the primary literature consists of four topics: (1) ethics in the stock exchange, (2) ethics in education, (3) ethics in the workplace, and (4) Sharia ethics. However, the rich diversity of ethnicities provides various terminology and key recurring concepts. The results present the central local wisdom that comes from the significant ethnicity in this country. In addition, this report also provides future topics by inviting research participants to share their experiences. It was conducted between December 2023 and April 2024, when Indonesia conducted the national general elections. Hence, most participants are interested in discussing the ethical topic related to the intersection between business and political ethics.

Although election results can indicate who was elected, several records related to elections (politics) and business are interesting to explore further. The principles of business ethics in the context of presidential elections need to be upheld. Businesses should adopt a transparent, neutral, and responsible stance in supporting candidates or political parties. Respect for the law, freedom of expression, and justice are essential to business participation in the democratic process. Additionally, focusing on social responsibility and engaging stakeholders can ensure that businesses support not only their benefits but also the sustainability of the well-being of society as a whole. Businesses must contribute positively to an ethical, democratic process. Civil society involvement provides a platform for community participation in the political process. Through ethical education and criticism of public policy, civil society

encourages inclusive participation from all levels of society. Through civil society involvement, ideal economic and political empowerment also builds bridges between government and society. Constructive collaboration will produce policies that are more inclusive and responsive to people's needs. The intersection of business and politics provides space for developing business ethics through more holistic teaching, training, and research of business ethics in the future.

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PHILIPPINES

*Benito L. Teehankee, De La Salle University,
benito.teehankee@dlsu.edu.ph*

*Aliza Racelis, University of the Philippines, Diliman,
adracelis@up.edu.ph*

*Oscar Bulaong Jr., Ateneo de Manila University,
obulaong@ateneo.edu*

7.1 Introduction

The Philippines is an archipelago in Southeast Asia with a rich history influenced by various cultures. It had historical links with the Hindu empires of Srivijaya and Majapahit (Hopkins 2021), before being colonized by Spain for over 300 years, leading to a blend of Asian and Western influences. In 1898, it fell under American control, and then was briefly invaded by the Japanese during the Second World War, until gaining independence from the United States in 1946.

The legal framework of the Philippines is rooted in a democratic system with a presidential form of government. The 1987 Constitution serves as its supreme law, prescribing the separation of powers among the executive, legislative, and judicial branches.

Diversity is a hallmark of the Philippines, with over 100 distinct ethnic groups and eight major languages (Gonzalez 1981). Filipino and English are the official languages, with English being widely spoken, making the country a hub for outsourcing and global communication.

Despite its vibrant history and cultural diversity, the Philippines faces numerous challenges. Poverty and income inequality persist, while corruption remains a significant issue, with systemically entrenched political dynasties and business oligarchs that perpetuate their economic and political interests (Bulaong Mendoza & Mendoza 2022). Natural disasters, such as typhoons and earthquakes, pose ongoing threats (Boquet 2017). Additionally, territorial disputes in the South China Sea and concerns about human rights violations have drawn international attention.

Amidst these challenges, the Filipino people continue to endeavor to achieve its constitutional vision of “a rising standard of living and an improved quality of life for all” for which an ethical business sector is essential.

7.2 Existing literature

Enterprises possess substantial societal influence, as collaborative efforts within organizational settings can significantly enhance the well-being of various stakeholders. This positive impact is realized through businesses focusing on providing beneficial products and services, creating wealth, offering fair job opportunities, and ensuring equitable wealth distribution, ultimately benefiting communities and society. In the 1980s, the Philippines witnessed a shift in corporate ethos, transitioning from a profit-centric approach to one aligned with societal well-being, as reflected in the Corporation Code and the 1987 Constitution. This change spurred a new, though small, breed of entrepreneurs in the Philippines who prioritize ethical treatment of employees and societal responsibility (Cruz & Teehanke 2021).

Despite persistent poverty issues amid consistent economic growth since 1999 due to profit-centric approaches, there is optimism that evolving norms will encourage Philippine business leaders to advocate for a fairer distribution of capitalism's gains. Notably, efforts are being made

to underscore social responsibility through reporting mandates imposed by the Philippine Securities and Exchange Commission (SEC) and the associated Code of Corporate Governance. The literature on business ethics by Filipino authors and educators, as well as literature on the Philippines, has burgeoned since the Sison & Palma-Angeles (1997) survey, focusing on highlighting businesses' societal roles and urging thought leaders and business managers to contribute to poverty alleviation and human development. This growing body of literature seeks to elucidate businesses' social roles and obligations, urging thought leaders and business managers to contribute to poverty alleviation and human development, structured around five key themes:

- Social Responsibility and Poverty Alleviation
- Corporate Governance and Ethics in the Professions
- Catholic Social Thought and Virtue Ethics
- Environmental Sustainability and Gender Diversity
- Humanistic Management and Virtue Ethics

Since the last survey (Sison & Palma-Angeles 1997), awareness on business ethics has grown. Teehankee (2018a) emphasized the role of corporate governance in promoting ethics and acknowledged the influence of government and governance failures, highlighting the significance of corporate culture. Overall, culture and education have been key factors shaping ethical awareness and actions in academia and the professional realm (Snyder & Tan 2020; Romero 2015; Flaming et al. 2010).

Poverty Alleviation and Social Responsibility: In 2021, the Philippines experienced a setback in its three-decade-long trend of poverty reduction, with the national poverty rate increasing to 18.1 percent from 16.7 percent in 2018 due to the COVID-19 crisis, pushing the number of poor individuals to 19.9 million—an increase of 2.3 million. Regions crucial to the economy witnessed varying degrees of poverty incidence rise. Conversely, the Bangsamoro Autonomous Region of

Muslim Mindanao (BARMM), the country's poorest region, saw a decrease in poverty from 61.2 percent to 37.2 percent. Post-pandemic recovery in the labor market is anticipated to positively impact household incomes and poverty reduction from 2023 onwards (World Bank 2023).

Addressing corruption and disparities in income, environmental negligence, and unjust labor practices is crucial, as emphasized in studies by Sison (1999) and other researchers. Teehankee (2017b) underscores responsible management and sustainable practices as crucial in addressing contemporary business challenges tied to poverty and environmental degradation. Tackling poverty and income inequality necessitates a multifaceted educational approach, integrating sustainability and responsible management into curricula, as emphasized by Racelis (2017a). Chmielewski, Dembek, and Beckett (2020) advocate for a collaborative, transformational approach to poverty alleviation in the Philippines by understanding its root causes.

The Social and Solidarity Economy (SSE) movement, particularly SSE initiatives like community-based enterprises (CBEs), plays a significant role in community-level development through active involvement and solidarity, according to Canares (2013). Racelis (2017a) stresses the integration of corporate social responsibility (CSR) within social enterprises and inclusive businesses to address poverty at the grassroots level. Agbola, Acupan and Mahmood (2017) document a mildly positive impact of microfinance on poverty in Mindanao.

De la Rama (2012) delves into the detrimental effects of corruption on economic progress through the lens of corporate governance principles, while Panganiban (2020) sheds light on a significant corruption case underscoring its multifaceted repercussions on the Philippines' economic and social fabric. In conclusion, these studies underscore the importance of educational, managerial, and policy-driven

initiatives to combat poverty and promote sustainable development in the Philippines.

Corporate Governance and Ethics in the Professions: In exploring corporate governance and ethics, scholars like Racelis (2019) emphasize the growing acceptance of stakeholder theory in the Philippines' Code of Corporate Governance, advocating for an enlightened shareholder value (ESV) paradigm. This approach emphasizes sustainable profits and growth while considering a broader range of stakeholders. In line with this, Briones (2020) investigates the CSR disclosures of Philippine publicly listed companies. Teehankee (2018a) delves into corporate governance and social responsibility, covering aspects such as government involvement, failures in corporate governance, regulatory responses, ethics, and social responsibility. Corporate culture's significance in fostering ethics and recent advancements in recognizing and regulating corporate governance are also highlighted. Shifting focus to ethical considerations in advertising, Mabaquiao (2012) argues against targeting children in advertising due to their vulnerability and lack of autonomy, emphasizing the need to incorporate ethical principles in advertising aimed at children. Additionally, in addressing ethical challenges tied to limited healthcare resources, Mabaquiao (2021) proposes a comprehensive approach that combines utilitarianism and the fair equality of opportunity principle to achieve a just allocation of resources within the healthcare system. Bradbury et al. (2019) advocate for action-oriented research to transform healthcare systems, centering on patients and involving all key stakeholders, thereby bridging the gap between theory and implementation. They stress the importance of redesigning healthcare systems for patient-centric care and inclusive involvement of various stakeholders to effectively tackle sustainability crises and foster a more equitable and efficient healthcare allocation system.

Catholic Social Thought: Due in part to an international gathering in Manila in 2014, entitled the "9th International Symposium on Catholic

Social Thought and Management Education Prosperity, Poverty and the Role of Business”, many Catholic higher education institutions incorporated Catholic Social Thought (CST) principles into their management curricula. Pope Francis' teachings since 2013 have been a significant influence, emphasizing the Gospel's advocacy for the rights of the poor, addressing unemployment injustices, and underlining environmental protection as integral. Love for the impoverished is underscored as central to the Gospel and fundamental within the Church's social doctrine (Cruz & Teehankee 2021). Teehankee and Sevilla (2019) and Teehankee and Que (2021) stress the imperative for businesses to adopt CST principles, promoting human dignity, the common good, and subsidiarity. These principles guide managers, urging a focus on workers' integral development alongside economic goals. The success of CST principles at The Leather Collection, a Philippine-based company, highlights the viability and benefits of this approach. Additionally, integrating workplace spirituality into business education is advocated, emphasizing the workplace as a center for both productivity and spiritual fulfilment (Teehankee 2014b). Racelis (2017b) emphasizes the vital role of faith-based organizations (FBOs) in sustainability and international development, leveraging their integration within local communities to bridge socio-economic gaps comprehensively. Within socially responsible business practices, CST emerges as a critical foundation, influencing conduct and promoting responsible and ethical business practices (Cleofas 2016). Aligning leadership with CST principles and the solidarity economy is encouraged for Christian business leaders, prioritizing participation, cooperation, and sustainability (Racelis 2022). Lastly, advocating for microfinance within a value-based Vincentian approach is promoted to empower communities for sustainable development, focusing on economic self-reliance through capacity building, social capital, and empowerment at various levels (Tavanti 2013). Abueg et al. (2014) attempt to incorporate the common

good into a formal model of the firm to present an alternative to the profit maximization model taught in standard economics texts.

Environmental Sustainability and Gender Diversity: In recent years, the Philippines has emerged as a significant player in addressing climate change accountability (Savaresi et al. 2018), exemplified by a petition against major corporations, termed "Carbon Majors," filed with the Philippine Human Rights Commission. This groundbreaking move highlights the critical need to hold corporations accountable for their suspected role in climate change and its infringement on human rights. Seck (2017) emphasizes the vital connection between climate change and human rights, advocating for a holistic approach beyond conventional sectoral boundaries to achieve climate justice. Gender disparities in climate impacts, particularly affecting women as underscored in the Philippines Climate Petition (Seck 2017), further emphasize the need for a comprehensive approach. Canare, Mendoza, and Lindon's research (2014) on the Marinduque mining disaster underscores the importance of responsible stakeholder relationships and effective consultative mechanisms in the mining sector to promote sustainable practices and economic growth while prioritizing both the environment and affected communities. Moreover, the conventional profit-centric business approach has proven detrimental to the environment, necessitating alternative strategies aligned with nature's workings (Cruz & Teehankee 2021). Insights from a marine and wildlife camp in the Philippines also showcase potential for sustainable business management inspired by nature's adaptability and organizational identity development (Cruz & Teehankee 2021). Pope Francis' environmental advocacy in the Philippines, rooted in Franciscan principles and St. Francis of Assisi's reverence for nature, emphasizes responsible stewardship of creation and collective action against the ecological crisis (Cruz & Teehankee 2021). These intertwined narratives underscore the imperative of environmental ethics, urging a paradigm shift towards sustainable practices that respect the environment

and prioritize human rights. Additionally, Madamba (2017) highlights the moral imperative of sustainable development, emphasizing the interconnectedness of moral renewal, social enterprises, and sustainability within the Philippines' Moral Recovery Program. Teehankee (2014a) highlights Elkington's Triple Bottom-Line (TBL) Paradigm, advocating for a holistic and ethical approach to leadership and sustainability in business by measuring organizational performance not only financially but also socially and environmentally.

Shifting to the global energy landscape, the rise of renewable energy sources presents abundant opportunities for sustainability, especially in regions like the Philippines. Pioneering Filipino power companies like First Gen and Energy Development Corporation (EDC) have laid the foundation for the Philippines to become a key beneficiary of the renewable energy surge under visionary leadership. EDC's leadership in geothermal technology positions the Philippines as a potential global developer and exporter of geothermal technology, signalling a transformative journey towards renewable energy. However, challenges like cyber-attacks on smart electric grids may arise. Water accessibility and management are critical issues in the Philippines, as highlighted by Cruz & Teehankee (2021), emphasizing the importance of clean water for all individuals and suggesting solutions to mitigate water demand and preserve freshwater sources threatened by pollution and environmental degradation. Lastly, the success of the 2030 Agenda on Sustainable Development (2030 ASD) relies on effective local and regional implementation, as demonstrated in the Philippine province of Bataan, emphasizing active stakeholder engagement involving various entities to achieve the Sustainable Development Goals (Valdecañas & Cuyegkeng 2023).

Women's rights have been given attention in the Philippine literature (Ezer et al. 2011). Some data has also been collected to account for the low number of women (12% in 2017, with a slight increase thereafter), who serve on the boards of directors of approximately 270 publicly listed

companies in the Philippines (Bautista De Leon & Nano 2021). Gender diversity (Roxas & Stoneback 2004), as both a research agenda and advocacy, is gaining ground in many Philippine universities and companies, as initiated in part by the Institute of Corporate Directors of the Philippines, in partnership with a university-based ethics center.

Humanistic Management and Virtue Ethics: Several researchers emphasize the importance of compassionate governance models like humanistic management and virtuous leadership for responsible firm governance. Teehankee (2017a, 2018b) extends this perspective to MBA programs, suggesting the integration of action research training to empower students as reflective and humanistic change agents. This approach engages students in action research projects, promoting critical reflection, collaboration, and scholarly skills. The goal is to equip graduates with the ability to apply critical thinking and scholarly expertise, driving positive changes in their professional domains, considering both the benefits for workplace efficacy and the challenges related to project orientation and faculty training. Additionally, various publications underscore the significance of virtue ethics in both teaching and practice. Racelis (2015, 2017a) and Aguilin and Racelis (2021) explore virtues and virtue ethics, emphasizing their relevance in daily life and the business domain. Racelis (2014) conducted a study identifying crucial workplace virtues from a virtue theory perspective amidst a financial crisis. Shifting focus to compassion, Guia (2021) investigated its influence on social entrepreneurial intentions, particularly during the Covid-19 pandemic, revealing compassion as a predictive factor for social intent, with perceived feasibility mediating its relationship with social entrepreneurial intentions. Kim et al. (2021) and Sison et al. (2023) argue for employing humanistic and virtue ethics in ensuring beneficial uses of artificial intelligence.

7.3 Methodological considerations

A multi-method and multi-stage data collection process was undertaken. Three researchers conducted a survey and interviews in the Philippines. The GSBE questionnaire was converted to an online Google Form for ease of administration. The Google Form was in English, as was the original. Concurrently, the researchers conducted a literature review of business ethics in the Philippines: they attempted to cover all published research in the Philippines on this topic since 2010. Since there is no Philippine database of Ethics/CSR professionals and faculty members in educational institutions do not explicitly mention business ethics in their faculty profiles on their website, the researchers snowballed to garner information and gain access to individuals and institutions. The snowballing was done mainly through the researchers' identification of personal contacts from different institutions who are known to teach and research business ethics and related topics. Efforts were also made to reach out to some participants of the conference of the Philippine Academy of Management. In the end, there were 15 survey respondents and three interviewees. All the respondents and interviewees are teachers of business ethics, with different corporate engagements (consultants, research collaborators, among others). The survey respondents were from several universities in Manila (University of the Philippines, Diliman, De La Salle University, Adamson University, and Ateneo de Manila University). The interviewees were from three universities; namely, University of the Philippines, Diliman, De La Salle University and Ateneo de Manila University. A major limitation in the conduct of the survey is the low response rate despite repeated requests.

7.4 Terminology and key recurring concepts

As far as the terminology for business ethics is concerned, the main terminology used by respondents was "Business Ethics" (most of

the respondents use English as medium of instruction). Other related terms are: virtues, virtuous behavior, morality, in business, moral business, moral compass, common good, justice, and care. The terms used in Filipino by respondents are as follows:

Terminology for Business Ethics in Filipino

Filipino term / English equivalent for business ethics and related concepts:

<i>Etika</i>	Ethics
<i>Etika sa negosyo</i>	Business ethics
<i>Etikang Pangnegosyo</i>	Business ethics
<i>Moralidad</i>	Morality
<i>Moralidad sa negosyo</i>	Morality in business
<i>Kabutihang asal</i>	Virtuous behavior
<i>Marangal na negosyo</i>	Moral business
<i>Karapatang Pantao</i>	Human Rights
<i>Kabutihan ng kalooban</i>	Virtue
<i>Katarungan</i>	Justice
<i>Kalinga</i>	Care
<i>Kapakanan ng Lipunan</i>	Common Good
<i>Masid-Danas</i>	See-Experience
<i>Suri-Nilay</i>	Analysis-Reflection
<i>Taya-Kilos</i>	Commitment-Action

7.5 Focus areas of business ethics

The focus areas have been largely discussed in the “Key Themes” section above; namely, Social Responsibility and Poverty Alleviation; Corporate Governance and Ethics in the Professions; Catholic Social Thought and Virtue Ethics; Environmental Sustainability and Gender Diversity; and Humanistic Management and Virtue Ethics.

7.6 Themes in the teaching of business ethics

The survey respondents have highlighted Corporate Social Responsibility (CSR), good governance, and Sustainable Development Goals (SDGs) as central themes in their teaching. These reflect the endeavors of both academics and businesses to align their practices with societal needs and sustainability objectives (Sahakian & Dunand 2015). They underscore the increasing importance of aligning projects and initiatives with social responsibility and governance that enhance corporate reputation and stakeholder relationships. Furthermore, ethical leadership has emerged as a pivotal factor in organizational success, emphasizing the influence of leaders in fostering ethical cultures and guiding business practices.

In addition to the typical application of *theoria* to *praxis* in teaching professional ethics (Davis 2014), some respondents have adopted a “third pillar” in their business ethics syllabi; namely, the “intervention” pillar. This comprises a variety of intervention strategies, such as whistleblowing and ethical leadership, the inclusion of ethics program tools in risk management, and systems thinking and its leverage points (Wright & Meadows 2008), among others.

Additionally, courses examining morality in the workplace highlight the significance of fostering fair treatment, diversity, and inclusivity within organizations. Nonetheless, academics continue to recognize the gaps that persist, as they emphasize the need to seek longer term solutions

to persistent poverty and economic inequality in the country. These focus areas in business ethics are listed below:

7.7 Focus areas in business ethics

Focus Areas in Business Ethics

Most cited themes	Other themes
Corporate Social Responsibility	Poverty and inequality
Corporate Governance	Stakeholder relationships
Sustainable Development Goals (SDGs)	Values
Ethical Leadership	Environmental ethics
Marketing and Advertising Ethics	Sustainability
Virtues / Virtue Ethics	Workplace diversity
Ethics / Moral Rights in the work-place	Business and wealth creation
	Spirituality in business
	Discrimination
	ESG
	Digital transformation
	Human flourishing in the work-place
	Service learning
	Employment security
	Doing good means good business
	Moral awareness as condition of ethical judgment

7.8 Themes in the training of business ethics

Insofar as the Securities and Exchange Commission of the Philippines requires the orientation and ongoing training of board members of publicly listed companies, a university-based ethics center has been offering both basic and advanced non-degree seminars on corporate governance through its center for continuing education. These courses orient prospective board members on governance theory and structure as well as on the impact of their strategy- and policy-formulation on sustainable business practices in the Philippines. These courses emphasize to seasoned board members the role of good governance in promoting ethics and moral behavior in business. This university-based ethics center, called the Gov. Jose B. Fernandez Jr Ethics Center, is also the home of the Good Governance Advocates and Practitioners of the Philippines, an association of compliance officers of publicly listed companies. As the name of the association indicates, these compliance officers engage regulatory agencies in the continuous development of good governance practices and policies of Philippine publicly listed corporations.

To deepen the engagement of academe with the business sector, an international conference was held in Manila in July 2017, entitled, “Managing and Teaching Business Ethics: Global Trends and Challenges” by the university-based ethics center. Over four days, keynote presentations were given by relevant industry and government leaders. Papers were presented in several breakout sessions with a variety of themes; for example, “Sharing Business Ethics Course Syllabi”, “Institutional Efforts to Integrate Business Ethics in Curricula”, and “Industry-specific Issues in Business Ethics: Marketing, Real Estate, Accountancy”, among others. Several professional associations made presentations, such as the Association of Bank Compliance Officers in the Philippines, Philippine Institute of Supply Chain Managers, Shareholders Association of the Philippines, Brotherhood of Christian Businessmen and Professionals, among others. This conference

continues to bear fruit, with the engagement of business ethics teachers with the business sector, in terms of seminars, keynotes in corporate events, projects, among others.

7.9 Major business ethics issues in the next five years

The major ethical issues identified by respondents are as follows:

1. **Artificial Intelligence, Digital Transformation and Automation:** Ensuring ethical use of AI in business operations, especially how algorithms can produce outcomes that lead to unintended consequences (such as discrimination), job displacement, privacy concerns, and other societal impacts of AI.
2. **Environmental Sustainability:** The need for businesses to operate in a way that is environmentally sustainable and not merely engaging in greenwashing.
3. **Income Inequality and Economic Justice:** Addressing the disparity between the rich and the poor and ensuring economic justice.
4. **Bribery and Corruption:** The need to reduce or eliminate corruption in business and government.
5. **Inclusiveness:** Ensuring inclusivity, especially of indigenous peoples.
6. **Virtue and Moral Integrity:** The need for business persons to model virtuous living.
7. **Compliance with Sustainable Development Goals (SDGs):** Aligning business operations with the United Nations' SDGs and not mere greenwashing.
8. **Honesty, Transparency, and Decency:** The need for businesses to prioritize people over profit.

9. Relativism, Misinformation & Disinformation: The challenge of addressing false information in the digital age.
10. Digitalization/Technology and Sustainability: Balancing technological advancement with sustainable practices.
11. Unjust Profit: The need to eradicate bribery and ensure fair business practices.
12. Oligopoly: Addressing the dominance of a few companies in certain markets.
13. Consumer Safety and Protection: Ensuring that products and services are safe for consumers.
14. Profit Motive: Balancing profit making with ethical considerations.
15. Conflict of Interest: Avoiding situations where personal interests conflict with professional duties.

7.10 Conclusion

The field of business ethics teaching and research has been progressing in the Philippines during the last decade. Instruction has been predominantly in English, however, which suggests the need to promote a more culturally grounded teaching practice through the local languages. Meanwhile, there has been noticeable increase in business ethics research in the Philippines and among Filipino scholars. This bodes well for the enriching the intellectual base for business ethics teaching and practice in the country. New challenges for business ethics teaching and research are on the horizon, led by technological advancements such as artificial intelligence (Sison et al. 2023), while the country's persistent grinding poverty among so many amidst impressive economic growth is a stark reminder that some long-standing challenges to business practice in the

country need to be more vigorously addressed by more effective business ethics pedagogy.

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INDIA

*Prabir Biswas, University of Kolkata,
prsbiswas@gmail.com*

*Davinder Kumar Madaan, Punjabi University,
dkmadaan24@gmail.com*

*Sudeshna Biswas, University of Kolkata,
sudeshna.biswas010100@gmail.com*

8.1 Introduction

India is located in South Asia, and bounded by Pakistan to the west; China, Nepal, and Bhutan to the north, Bangladesh and Myanmar to the east, and Sri Lanka on the south. It shares a maritime border with Thailand, Indonesia, and Maldives. The country is the world's largest in terms of population, totalling 1441.7 million in 2024.¹ It is the world's biggest democracy with 968.8 million eligible voters for General Elections to the House of People 2024 - more than 10 per cent of the world's population, 8119 million.² However, India has medium human development with its Human Development Index at 0.644 and global rank at 134 during 2022.³ The country is a lower middle-income economy of the world with its Gross Domestic Product (GDP) estimated at US\$ 3.6 (INR 295.4) trillion during 2023-24.⁴ India is 5th largest in terms of world's GDP after USA, China, Japan and Germany; and is poised to be a developed nation in 2047 with its vigorous economic growth,

which was 8.2 per cent during 2023-24. The rapid expansion of state-of-the-art proves that India is ready for take-off.

India is the seventh-largest country of the world in terms of area, extending from its snow-covered Himalayan heights to the tropical rain forests of the south. Surrounded by the Great Himalayas in the north, it stretches southwards and tapers off into the Indian Ocean between the Bay of Bengal on the east and the Arabian Sea on the west. The country has been divided into 28 States and 8 Union Territories (UTs). Different languages are spoken among States/UTs. The national language is Hindi and the official language is English. There are 22 different scheduled languages that have been recognised by the Constitution of India.⁵ Besides, there were 99 non-scheduled languages and 2843 mother tongues as per India's census 2011.⁶ India is a very spiritual country with no official religion. But the majority population represented Hindu (79.8%), followed by Muslim (14.2%), Christian (2.3%), Sikh (1.7%), Buddhist (0.7%), Jain (0.4%), and other religions according to India's census 2011.⁷ Freedom of religion in India is a fundamental right guaranteed by the Constitution of India.⁸ The country is rich in culture, tradition and heritage. But the oldest civilization in the world with a rich history spanning 5000 years, stands as a testament to the profound concept of 'Unity in Diversity'.⁹ The country is predominantly agrarian with significant presence of the manufacturing and services sectors (Srinivasan, 2011).

While traditionally India was agrarian, since mid-1980s, the contribution of industry and particularly services to the economy has increased. Yet, agriculture continues to play an important role in the economy. Since the early 1990s the country has embarked on the process of liberalization-privatization-globalization. However, after three decades of the economic reform process India is still home to the largest number of poor populations. A large gap between the rich and the poor persists. The country is struggling to manage the processes and benefits of

economic development with this huge population. The population is youthful but as the institutional structure and regulatory framework are weak, it has also become impossible to reap the benefits of demographic dividend as forecasted.

The higher education system in India has grown in a remarkable way, particularly in the post-independence period. It includes both private and public universities. Public universities are supported by the Government of India and the state governments, while private universities are mostly supported by various bodies and societies. The country has over 1161 universities and university level institutions, including 56 central universities, 487 state universities, 136 deemed universities and 482 private universities.¹⁰ Around 43,796 colleges as government degree colleges and private colleges, 11,296 standalone institutes and post-graduate research institutions are functioning under these universities. There are 165 Institutes of National Importance that include AIIMS, IIMs, IITs, IISERs, and NITs among others. Gross Enrolment Ratio (GER) for higher education is a crucial indicator to measure the level of participation by dividing the total enrolment in higher education institutions with the population in the age group of 18-23 years. A higher GER indicates better access to higher education. The GER in higher education of India was 28.4 per cent during 2021-22¹¹ as compared to 84.9 per cent of USA, 75.7 per cent of Germany, 72 per cent of China, and 62.1 per cent of Japan during 2022.¹² The National Education Policy (NEP) 2020 targets achieving a 50 per cent increase in higher education enrolment by 2035.¹³ The University Grants Commission (UGC) has been issuing regulations, guidelines and directives for higher education community. One such guideline is *Mulya Pravah* (2019, 2023)¹⁴, which seeks to inculcate human values and professional ethics in higher education institutions.

India is one of the youngest population countries in the world. The nation has 68 per cent population between the age group of 15-64 years of age.¹⁵ The median age of population is the age at which half the

population is older and half is younger. In case of India, it is estimated to be 28.6 years in July 2024 as compared to 49.5 years in Japan, 45 years in Germany, 39.5 years in China, and 38.3 years in USA.¹⁶ The dependency ratio is a measure of the number of dependents aged zero to 14 and over the age of 65, compared with the total population aged 15 to 64. India's dependency ratio in July 2024 is estimated to be 48.1 per cent as compared to 71.1 per cent of Japan, 53.7 per cent of USA, 56.4 per cent of Germany and 44.5 per cent of China.¹⁷ It means India is going to remain much younger even up to 2050 as compared to the other major economies in the world. Hence India has the potential to outperform every economy, and emerge as the biggest wealth producer in the world. With falling fertility, rising median age, and a falling dependency ratio, the country has the opportunity towards faster economic growth.

Presently, the main challenge of Indian government is to prepare the youth with the quality training. According to Periodic Labour Force Survey (PLFS) Annual Report 2022-23¹⁸ released by Government of India, 72.6 per cent of those aged between 15 and 59 years had not received any vocational or technical training. The remaining 27.4 per cent had received training through diverse formal and informal channels. However, only 3.8 per cent of those aged between 15 and 59 years in India had any formal vocational or technical training in contrast to 96 per cent in South Korea, 80 per cent in Japan, 75 per cent in Germany, 68 per cent in UK, and 52 per cent in USA.¹⁹ Therefore, the training specifically on business ethics is very significant for India in order to achieve higher economic growth.

One may ask whether the mere expansion of the educational infrastructure can produce good human beings without inculcating in them the basis of ethics, values and virtues as advocated by the saints, the *Sufis*, the *Gurus* of an ancient society. Can we produce effective managers, technocrats, politician and entrepreneurs without ethics, values and virtues?

Value education is a much debated and discussed topic in the plethora of educational institutions and initiatives in India. However, this is more emphasized at the primary and secondary level of the school education system, rather than in higher education. With the rapid development of civilizations and globalization, additional challenges have been imposed and the importance of inculcation of value education is realized. As the political infiltration in academic periphery and the adverse effects of the media are increasingly perceived in the youth generation and consumerism and blind-competition have distorted the outlook of humanity, we urgently feel the need of value education in Higher education institutions. A great demand of ethics has been growing in the field of education to inculcate and develop morality and values especially among the young students. Therefore, the present study is a humble attempt to persuade academicians, business professionals, consultants and researchers about the crucial role of ethics in general and business ethics in particular with regard to teaching, research and training – in the hope to shape a progressive society by incorporating ethics and business ethics as an integral part of the higher education system in India.

8.1.1 Legal framework

The legal frameworks comprise a set of documents that include the constitution, legislation, regulations and contracts. India's legal system is drawn from three primary sources: the common law, religious law, and civil ('Romanist') law. The country follows the common law and has a single court system to administer both Central and State laws. The court system is broadly three tiered, comprising the lower District courts, the High Courts and the apex court- the Supreme Court of India.

The States have considerable autonomy of their own while the Union Territories are governed by the President through appointed administrators. At the village level, there is the three tier *Panchayati Raj* system.

It is a pattern of self-government that oversees the planning and execution of projects on the district, block and village levels.

8.1.2 Constitutional and legislative framework

The law of education has been witnessing a large number of laws passed by the parliament and state legislatures on the one hand and the educational institutions issuing statutes, ordinances, regulations and rules from time to time on the other.

- The right to education under the Indian Constitution is embodied under Part-III, Part - IV and Part IV A.

(i) Fundamental Right

The citizens of India have a fundamental right to education. “The State shall provide free and compulsory education to all children of the age of six to fourteen years in such manner as the State may, by law, determine.”²⁰

(ii) Directive Principle of State Policy

“The State shall endeavour to provide early childhood care and education for all children until they complete the age of six years.”²¹

(iii) Fundamental Duty

“There is the duty of the parent or guardian to provide opportunities for education to his child or as the case may be ward between the age of 6 to 14.”²²

- The main legislation pertaining to education in India is the Right to Free and Compulsory
- Education Act, 2009.

Every child of the age of six to fourteen years shall have the right to free and compulsory education in a neighbourhood school until the completion of his or her elementary education.²³

8.2 Review of literature

People do not live their lives in moral or ethical isolation, but grow up within particular moral traditions (Reiss 1999). Morals refer to human behavior whereas morality is the practical activity, and ethics describes the theoretical, systematic, and rational reflection upon that human behavior (Churchill 1982).

Historically, philosophy and theology were the two primary areas where ethics education were imparted. However, the landscape of higher education has changed drastically. Student demographics, demands of globalization, technological development, changing nature of job market (Baker & Baldwin 2015; Kezar 2001; Zirkel & Cantor 2004), all these developments have deeply shaped the making of curricula.

Today, universities offer ethics education across a wide range of departments, through a diverse range of humanities courses, varied professional educations, and also within core curriculum requirements of general education programs.

There is much evidence in the literature about the importance of ethics curricula in discipline-specific studies, particularly in the context of specific professions (Konow 2017), such as business (et al. 2013; Nicholson et al. 2009), engineering (Herkert 2000; Hess & Fore 2018), medicine (Lehmann et al. 2004), and public relations (Austin & Toth 2011).

Prior to the nineteenth century, science practices were centered on moral and religious values along with an appreciation of philosophical and metaphysical aspects of science education. At that time, societal activities were both supportive of, as well as supported by science practices. The positive side was that it enabled the science to work in such a way that it influenced individual moral and spiritual evolution, besides fostering morals and higher values. However, compared to that system, the present system is not very supportive of science practices and is found to be significantly deteriorated. It was argued that the current ideology of

practicing science is strongly acting against the individual's inner moral and spiritual unfolding and fulfilment (Witz 1996). Such opposing ideology may restrict an individual from appreciating the goodness and beauty of life and truth. Thus, it cannot provide proper orientation and foundation for a sound mind in a sound body that upholds morals and values, which were, in fact, provided previously by society, religion, traditional cultural values and moralities.

A major obstacle to understanding collegiate and post-collegiate ethics education is that prior studies, which sought to determine common goals, approaches, and pedagogies, among ethics instructors, are now outdated (Hastings Center 1980)²⁴ or limited in scope (Colby et al. 2007; Colby et al. 2003; Watts & Becker 2008). There is currently no consensus on how to define ethics education or what counts as an ethics course (Felton & Sims 2005).

In this report the role of education is conceived as preparing human beings, first, for breadwinning work; second, for civic and political engagement; third, for creative self-expression and world-making; and, finally, for rewarding relationships in spaces of intimacy and leisure. The first of these capacities is needed for professional development, the second for civic development, and the third and fourth for personal development. Viewing ethics education in terms of development in these four domains can help illuminate potential gaps and lend coherence to clusters of skills and outcomes associated with each.

8.3 Methodological considerations

The investigation based on primary data and interviews has been conducted to carry on in-depth exploratory research of ethical perceptions among various stakeholders, such as university/college teachers (Assistant Professors, Associate Professors, Professors), Directors, Principals, Business Managers, Executives, Research Scholars and Students of India. Their minimum education level was post-graduation.

A detailed Survey Questionnaire, consisting of 23 questions, was framed (see appendix). A sample of 80 respondents has been taken for the survey. Around half respondents (41 Nos) were interviewed directly on the basis of Survey Questionnaire. Rest of the respondents (39 Nos) were mailed the same Survey Questionnaire. The sampling technique used was snowball sampling²⁵, which relies on the availability and willingness of initial or existing participants to refer or introduce others in the qualitative research. The total coverage area of the report includes 10 States²⁶ and 2 Union Territories²⁷ from eastern, western, southern, northern and north-eastern part of India. It turned out that the respondents were from almost all parts of India, and knew 12 different native languages.²⁸ However, being Indian, they mostly could speak and write the national language Hindi and the official language English. While some of them could also speak foreign languages like French, Spanish, Portuguese and Urdu, many of them were conversant in other Indian dialects like Malayalam, Sadri and Sanskrit.

The direct interviews were carried out during July 2022 to February 2023, whereas the mailed enquiries were conducted in two phases – one from February to May 2023 and the second from October 2023 to February 2024.

The following tables represent the details of the respondents.

Share of respondents according to their designation

Position/Designation	Number of Respondents	Percentage
Assistant Professor	24	30
Associate Professor	11	14
Professor	10	13
Director	4	5
Principal	3	4
Business Manager	7	9
Executive	11	14
Research Scholar	3	4
Student	7	9
Total	80	100

The state-wise share of respondents

State/UT (India)	Number of Respondents	Percentage
Assam	2	3
Chandigarh	4	5
Gujarat	3	4
Jammu and Kash- mir	1	1
Karnataka	2	3
Kerala	1	1
Maharashtra	1	1
Odisha	2	3

Punjab	3	4
Tamil Nadu	8	10
Uttar Pradesh	2	3
West Bengal	51	64
Total	80	100

Distribution according to the sex of the respondents

Gender	Number of Respondents	Percentage
Male	47	59
Female	33	41
Total	80	100

Distribution according to the age of the respondents

Age Group	Number of Respondents	Percentage
21-35 years	36	45
36-60 years	31	39
61 years and above	13	16
Total	80	100

The occupation-wise share of respondents

Activity	Number of Respondents	Per cent
Teaching	45	56
Research	17	21
Consulting/Training	18	23
Total	80	100

8.4 Terminology and key recurring concepts

This chapter deals with different words (may be the local terms) that the observers came across with while conducting the GSBE 2024. Throughout the survey the terms used in the context of business ethics are, ‘business ethics’, business and economic ethics’, ‘professional ethics’, ‘corporate social responsibility’, ‘governance’ and ‘sustainability’ (see Enderle 2010). Terms are words and compound words that in specific contexts are given specific meanings, that may deviate from the meaning the same words have in other contexts and in everyday language (Srinivasan, 2011). In this report what we received from our respondents are that the term ‘business ethics’ is associated with the personal virtues and values of teachers, research scholars, managers and corporations. It largely consisted of functional ethics, ethical theories in decision-making, code of conduct, and managerial systems and processes that enabled ethical behaviours²⁹ in academic and non-academic organizations. The corporate social responsibility is associated with the responsible behaviour of stakeholders within the society. Governance or corporate governance is used as the systems, procedures, legal issues etc., which allow organizations to be transparent to the society. Here, the word sustainability relates to climate change and global warming, ecology and environment, pollution, balance production and distribution.

In this study the medium of instruction was English and we received all responses in English too. However, in some cases when asked they referred business ethics in their native state languages as the followings:

In Begali ‘Business Ethics’ is stated as ‘Byabasayik Naitikata’; in Hindi it is ‘Vyapaar Naitikta’; in Gujarat it is told as ‘Vyapar Nitio’; whereas in Punjab and Chandigarh it is ‘Vyapar ka Naitikta’; in Marathi it is called ‘Vyavasaya Acarsanhita’; in Tamil, ‘Tolil Tarmam’; in Kannada, Vyapara Nitisastra and in Assamese ‘Byabohaik Noitikta’.

8.5 Role of ethics in education, research and training

Ethics is a systematic approach to moral judgments based on reason, analysis, synthesis, and reflection of one's environment. Ethical theory can be concisely defined as emphasizing the importance of responsibility, concern, and relationship over consequences.

Theoretical ethics is the systematic study of actions, facts and moral propositions that makes the difference between right and wrong, whereas applied ethics examines the particular ethical issues of private and public life. Professional ethics is one of the important branches of applied ethics. Professional ethics does not ask to adopt one set of values at the workplace and another set in our personal or civic life. Logically and ethically, the founding principles of our actions in business or profession must go deeper than circumstantial conditions. This means individual and professional ethics are not entirely divorced from one another. But, it does not mean that there is no difference between personal and professional ethics.

Business ethics on the other hand, by definition, is a set of moral principles derived from the Greek word "ethos" which means the characteristic spirit or attitudes of a community, people, or system that arise in the conduct of business activity (Christie 2003).

In education, the intention of ethics is not only of learning ethics but also to improve intellectual dimensions which will authorize people to identify ethical dimensions of issues and address ethical issues in the field as various as medicines, economics and policy, business and administration amid others.

The history of education begins with the human history itself. Education is also a way to become civilized human individuals and it maximizes human potential. Culture and cultural heritage can be transmitted by education, because the main occupation of human beings is to pass knowledge, skills and attitude from one generation to other.

Thus, it can be claimed that education is also an ethical effort. The aim of ethical education is to provide people to make decisions by

their free wills. You can teach norms easily, but you cannot teach easily to obey these rules unless you teach ethics. Therefore, teaching and learning ethics has an important and necessary place in education.

There are several reasons why it is important to adhere to ethical norms in research and training. First, norms promote the aims of research and training, such as knowledge, truth, and avoidance of error. Second, since research as well as training often involves a great deal of cooperation and coordination among many different people in different disciplines and institutions, ethical standards promote the values that are essential to collaborative work, such as trust, accountability, mutual respect, and fairness. Third, many of the ethical norms help to ensure that researchers can be held accountable to the public. Finally, many of the norms of research and training promote a variety of other important moral and social values, such as social responsibility, human rights, animal welfare, compliance with the law, and public health and safety. Ethical lapses in research and also in training can significantly harm human, animal subjects, students, and the public.

8.5.1 Ethical issues and the major macro-economic challenges in India

India is one of the fastest-growing economies in the world, with a population of over 1.4 billion and a GDP growth of 7.3percent. Despite India's impressive growth and development record, there are significant macro-economic challenges that need to be addressed. India has the potential to reach the highest goals of development if it can overcome its macroeconomic challenges and sustain its economic reforms.

What are the economic challenges in India?

Unemployment:

- Despite rapid economic growth, unemployment remains a serious issue in both rural and urban areas.

- The Covid-19 pandemic has worsened the situation, as many businesses have shut down or reduced their operations, leading to job losses.
- Over 1.8 core salaried jobs were lost between April and July 2020 and the unemployment rate was 7.4% in August 2020, compared to 5.4% in August 2019 (CMIE) ³⁰.
- Unemployment rate is still as high as 4.1% (PLFS, 2021-22).³¹

Inflation:

- Indian economy has been impacted by high inflation rate of 5.09% (MOSPI, February 2024)³², leading to a slowdown in economic activity.
- It is expected to face constraints in 2023-24, with weak global demand and monetary policy tightening to manage inflationary pressures.
- This inflation rate, will limit real GDP growth to 6%.
- Inflation, especially for energy and food, has reduced purchasing power and household consumption, particularly in urban areas.
- The situation is expected to improve in 2024-25, with the easing of inflation and monetary policy, along with improved global conditions.

Balance of Payments (BOP):

- India has been running a persistent current account deficit. See: <https://www.drishtiiias.com/daily-updates/daily-news-analysis/current-account-deficit-3#:~:text=What%20is%20the%20Current%20Account,is%20greater%20than%20its%20exports>.
- This reflects its dependence on foreign goods and services, and its low export competitiveness.
- However, in absolute terms, India's current account balance (trade balance plus net factor income such as interest and dividends from foreign investments or workers' remittances and

transfers from abroad) recorded a deficit of US\$ 8.3 billion (1.0 percent of GDP) in second quarter of 2023-24, lower than US\$ 9.2 billion (1.1 percent of GDP) in the first quarter of 2023-24 and US\$ 30.9 billion (3.8 percent of GDP) a year ago i.e., second quarter of 2022-23(RBI 2023).³³

- Services exports grew by 4.2 per cent on a y-o-y basis to \$83.4 billion (\$80 billion) on the back of rising exports of software, business and travel services. Net services receipts increased both sequentially and on a Y-o-Y basis (RBI 2023)³⁴

Weak Demand:

- The demand for goods and services in India has been stagnant or declining due to various factors, such as low income growth, high inflation, unemployment, and the impact of the Covid-19 pandemic.
- This has affected the consumption and investment levels in the economy, and reduced the tax revenue for the government.

Poor Infrastructure:

- India lacks adequate infrastructure, such as roads, railways, ports, power, water, and sanitation, which hampers its economic development and competitiveness.
- According to the World Bank, India's infrastructure gap is estimated to be around \$1.5 trillion. Poor infrastructure also affects the quality of life and health of the people, especially in rural areas.

Inequality:

- Contemporary income and wealth inequalities are very large (WIR, 2021) ³⁵.
- The average annual national income of an Indian adult is Rs 2,04,200 in 2021.

- The bottom 50 per cent earned Rs 53,610, while the top 10 per cent earned over 20 times more (Rs. 11,66,520)
- The top 10% of the population holds 57% of the total income while the bottom 50% share has gone down to 13%.
- The average household wealth in India is Rs 9 83,010, with the bottom 50 per cent owning almost nothing, with an average wealth of 6 per cent of the total Rs 66,280.
- WIR (2022)³⁶, also underscores high contemporary Gender inequality in India.
- It is observed that the female labour income share is equal to 18%, one of the lowest in the world, slightly higher than the Middle East (15%).
- Women's share of total incomes from work (labour income) was about 30 per cent in 1990 and is less than 35 per cent now.

Poverty

- Poverty is said to exist when people lack the means to satisfy their basic needs. There are several definitions of poverty, and scholars disagree as to which definition is appropriate for India.
- Each state in India has its own poverty threshold to determine how many people are below its poverty line and to reflect regional economic conditions.
- These differences in definitions yield a complex and conflicting picture about poverty in India, both internally and when compared to other developing countries of the world.
- A very large share of its population lives on less than \$3.2 a day, putting India's economy into the category of lower middle-income economies.
- Around 6.9 per cent of the population still lives below the national poverty line and 63% in extreme poverty (December 2018).
- The Major Reasons for Poverty in India are the rising population, slow economic development, unemployment, unequal distribution

of income and resources etc. In addition, being a social problem, poverty significantly impedes the progress of our nation.

Judging by its macroeconomic indicators, the Indian economy performed well during 2023. In January 2024, the country's National Statistical Office estimated that the growth in India's real GDP would be 7.3 percent during the 2023–24 financial year — the highest among the major economies. This estimate is higher than the IMF's December 2023 projected growth of 6.3 percent. Substantially higher levels of capital formation are driving India's growth during the 2023–24 Fiscal Year. However, the private sector's response to the government's investment push has been inadequate and disinvestment increased almost 29 percent. To sustain economic growth, the Indian government must tackle rising inflation, and other macroeconomic challenges like slowing growth of the agriculture and allied sectors, drop in foreign direct investment and lower trade account. Moreover, the demographic window of opportunity from which India could benefit in the next 20 years, requires that the country create sufficient jobs.

Economic development deals with the welfare of the people in terms of higher incomes and better standards of living. However, there is no automatic built-in mechanism in the development process that reduces inequalities, and enables equitable sharing of the fruits of development. A number of income transfers and social security measures, such as unemployment payments, free food, free housing, etc., which governments undertake on ethical grounds help in the reduction of income inequalities, poverty and hunger. Similarly, massive investments in conservation, and plantations of secondary forests, etc., take place to address problems of overexploitation of natural resources and environmental degradation. An economic system with ethical values at its core can better meet human needs and achieve goals such as full employment, sustainable development, and social justice.

Ethical dimensions of economic development deal with the promotion of morally desirable outcomes, such as equality of opportunity to individuals within the country and across the countries. It implies, in short, more equitable distribution of income, elimination of poverty, hunger, and discrimination of all sorts based on caste, class and gender.

In the next few sections, we will discuss some of these ethical dimensions of economic development.

8.5.2 Corporate social responsibility and economic development

In the section, we will focus on the concept of Corporate Social Responsibility (CSR) that can have significant economic benefits for countries. By attracting investment, improving the business environment, reducing business risks, enhancing brand reputation, promoting innovation, reducing costs, fostering social stability and creating a more sustainable economy, CSR can help to promote economic growth and development. As such, it is important for companies to consider their social and environmental impact and engage in responsible business practices. It describes a company's commitment to carry out its business in an ethical way. This means managing their business processes while taking account of their social, economic and environmental impact, and considering human rights. The CSR is also a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, companies can be conscious of the kind of impact they are having on all aspects of society including economic, social, and environmental. Engaging in CSR means that, in the ordinary course of business, a company is operating in ways that enhance society and the environment instead of contributing negatively to them.

In general, there are four main types of corporate social responsibility. A company may choose to engage in any of these separately, and lack of

involvement in one area does not necessarily exclude a company from being socially responsible.

- **Environmental Responsibility**- Environmental responsibility is the pillar of corporate social responsibility rooted in preserving mother nature. Through optimal operations and support of related causes, a company can ensure that it leaves natural resources better than before its operations.
- **Economic Responsibility** -Economic responsibility is the pillar of corporate social responsibility rooted in acting with a fair and ethical manner. Companies often set their own standards, although external forces or demands by clients may shape ethical goals.
- **Philanthropic Responsibility**- Philanthropic responsibility is the pillar of corporate social responsibility that challenges how a company acts and how it contributes to society. In its simplest form, philanthropic responsibility refers to how a company spends its resources to make the world a better place.
- **Financial Responsibility**- Financial responsibility is the pillar of corporate social responsibility that ties together the three areas above. A company might make plans to be more environmentally, ethically, and philanthropically focused; however, it must back these plans through financial investments of programs, donations, or product research.

8.5.3 Ethical management and leadership

Through trust and integrity in the workplace, ethical leaders need 360 degree training (overall development through training. Ethical leadership in management can provide value to businesses by inspiring employees to be motivated and live up to the company's values. Thus, ethical leadership is defined as "leadership demonstrating and promoting 'normatively appropriate conduct through personal actions and interpersonal relations'". That means both acting ethically and setting

the standard for others to do so as well. Leaders have an opportunity through managerial efficiency to inspire others, not only to do the right thing but also to consider the kind of people they want to be. Showing ethical leadership can be done in many different ways like leaders should, first of all, present themselves in conduct that is both good and acceptable. Companies that practice ethical leadership can protect themselves from lawsuits and ethical dilemmas in the long run. It is also important to practice ethical leadership because it attracts partnerships from like-minded companies and ascertains customer loyalty.

However, ethics is a discipline that aids in distinguishing right from wrong based on a set system of moral codes and obligations. Ethics shows the best way to relate to people, both individually and collectively. When an individual establishes a set of rules for themselves and their colleagues in an organization, then the practice of ethical leadership comes into play. The main goal of ethical leadership is to ensure that the future is an all-inclusive place that lets people be the best version of themselves and meet their potential. Organizations prefer ethical leaders since they get better reception from employees and other stakeholders involved with the organization, securing positive business outcomes. In fact, ethical leadership is a form of management that adopts principles and values, which are considered good moral markers. The following principles and values are important:

- **Fairness:** In the workplace, fairness translates into equitable treatment of employees, regardless of their background or status. This involves treating everyone equally by offering equal opportunities and protecting employees from potential harm. Fair treatment of all employees is fundamental. Leaders must ensure that promotions, rewards, and disciplinary actions are based on merit and not any reference or recommendation.
- **Accountability:** In ethics and governance, accountability is answerability, blameworthiness, liability, and the expectation of

account-giving. As an aspect of governance, it has been central to discussions related to problems in the public sector, non-profit and private (corporate) worlds. In leadership roles, accountability is the acknowledgment and assumption of responsibility for actions, products, decisions, and policies including the administration, governance, and implementation within the scope of the role or employment position and encompassing the obligation to report and explain and be answerable for resulting consequences.

- **Transparency:** This concept is used in science, engineering, business, the humanities and in a social context more generally and implies openness, communication, and accountability. Transparency is operating in such a way that it is easy for others to see what actions are performed. For example, a cashier making change at a point of sale by segregating a customer's large bills, counting up from the sale amount, and placing the change on the counter in such a way as to invite the customer to verify the amount of change demonstrates transparency.
- **Honesty:** Ethical leaders may be more likely to be honest in the workplace, which can earn the trust of their team. People are unable to trust those who frequently lie or omit facts. That is why an ethical leader must always be transparent and fair. "Honesty is the best policy" is a famous statement. Honesty refers to a facet of moral character and connotes positive and virtuous attributes such as integrity, truthfulness and straightforwardness, along with the absence of lying, cheating or theft. Honesty is revered in many cultures and religions.
- **Integrity:** This concept means consistency of actions, values, methods, measures, principles, expectations, and outcomes. In ethics, integrity is regarded as the honesty and truthfulness or accuracy of one's actions. Integrity can be regarded as the opposite of hypocrisy, in that integrity regards internal consistency as a

virtue, and suggests that parties holding apparently conflicting values should account for the discrepancy or alter their beliefs.

- **Respect:** It means listening carefully to others and confirming their inherent value. Leaders should also mentor others to become aware of their purpose, values etc. To show respect to your employees or followers, leaders should always attentively listen, value their contributions, and not dismiss their concerns or comments. An ethical leader demonstrates respect for all members of the team by listening compassionately and valuing diverse contributions respectfully.

8.5.4 Ethical issues in business

Ethical issues in business occur when a decision, activity or scenario conflicts with the organization's or society's ethical standards. Both organizations and individuals can become involved in ethical issues since others may question their actions from a moral viewpoint. Ethical conflicts may pose a risk for an organization, as they may imply non-compliance with relevant legislation. On the other hand, ethical issues may not have legal consequences, but may cause an adverse reaction from third parties. It may be challenging to effectively manage ethical issues when no guidelines exist. For this reason, as a human resources (HR) or management professional, one can help to develop policies to guide employees to make the right decision when faced with ethical issues.

HR professionals and managers in many positions may find it challenging to manage ethical issues effectively. Although there are laws to hold people accountable, unethical behaviour can still occur in the workplace, and an organization can also act unethically. As a HR professional or a manager, learning about the ethical issues a business can face can help you prepare to manage them effectively if they occur. Business ethics is a set of principles that determine what is right, wrong and

appropriate in the workplace (Chakraborty 1997). A company's business ethics influences the conduct of all employees. This includes interpersonal relationships in the company and external relationships with clients. Business ethics aims to ensure a consistent moral attitude within the company, from executive-level management to new hires. Following business ethics in the workplace ensures that everyone gets respectful and fair treatment. The most commonly experienced ethical issues in the workplace are the following:

- **Discrimination and harassment**

Two of the most significant ethical issues that HR professionals and managers face are discrimination and harassment. The consequences of discrimination and harassment in the workplace can negatively impact the finances and reputation of the organization. Many countries like India have anti-discrimination laws to protect employees from unfair treatment.

- **Health and safety in the workplace**

All employees have a right to a safe working environment and work conditions. Health and safety guidelines do not only cover physical harm to employees. It is also important to consider psychosocial risks, work-related stress and mental health issues. Factors such as high work demands, job insecurity, effort-reward imbalance and low levels of autonomy can contribute to health-related behavioral risks.

- **Whistle-blowing or social media rants**

Using social media has become widespread, making employees' online conduct a critical consideration in their employment status. The consequences of punishing employees for inappropriate social media posts remains an ethical issue, and the implications of a negative social media post may influence the treatment of the employees. When an employee's social media posts result in a loss of business or give the

organization a negative reputation, the company may decide to fire the employee.

- **Ethics in accounting practices**

Unethical accounting practices are a serious issue, especially for publicly traded companies. The legislation specifies financial report requirements aimed at protecting shareholders and consumers. All organizations have to keep accurate financial records and pay taxes to attract investment and business partners, regardless of the size of the company.

- **Corporate espionage and nondisclosure**

Many organizations are at risk that current and former employees may steal information, such as client data, for use by competitors. Stealing an organization's intellectual property or illegally distributing private client information constitutes corporate espionage. This is why it can be helpful to require mandatory nondisclosure agreements. As an HR professional or manager, he or she may also wish to set strict financial penalties for violations to discourage these types of ethical violations.

- **Technology and privacy practices**

Developments in an organization's technological security capabilities may pose privacy concerns for both employees and clients. Thus, it is necessary to monitor employees' activity on their work computers and devices provided by the company.

To ensure that employee surveillance does not become an ethical issue, it is helpful to encourage all levels of employees to consider the benefits of the surveillance system.

- **Nepotism or favoritism**

As a hiring manager or HR professional, one may want to employ an acquaintance or family member because of one's connection to them. Even if one adheres to recruitment policies to ensure a fair process, some employees may still consider this as nepotism or favoritism. Favoritism

occurs when managers treat some employees better than others for no professional reason. This can reduce productivity and job satisfaction in other employees, which may negatively impact the entire organization.

- **Environmental responsibility**

Many organizations are increasing corporate environmentally responsible activities. It can help to create policies that ensure that the organization is acting in a responsible way towards employees, the community and the environment. If one works for a large company in the oil or farming sectors, one has a more significant corporate environmental responsibility because of the organization's significant impact on the environment. If one works for a smaller organization, one may wish to reduce the company's impact on air and water quality.

8.5.5 Professional ethics

Ethics means a code of conduct that directs an individual in dealing with others and Business Ethics is a form of the skill that examines ethical problems that can arise in a business environment. But professional ethics are having principles that govern the behavior of a person or group in a business environment. Like values, professional ethics provide rules on how a person should act towards other people and institutions in such an environment. Now question is-why is professional ethics important in India?

In general, professional ethics form the ethical compass that guides people and businesses in their interactions, decision-making, and behavior in the professional sphere. This compass is not merely a theoretical frameworks rather it is a cornerstone upon which the integrity, credibility, and sustainability of offices are built. Professional ethics is a set of standards adopted by a professional community. But professional ethics are regulated by standards, which are often referred to as codes of ethics. The code of ethics is very important because it gives us boundaries that we have to stay within in our professional careers.

The mandatory Code of Professional Ethics defines the ethical relationship the public, the bench, and the bar have a right to expect from a member. The Code sets out the conduct of the Member when dealing with the user of reporting services and acquaints the user, as well as the Member, with guidelines established for professional behavior. The Guidelines for Professional Practice, on the other hand, are goals which every Member should strive to attain and maintain. Members are urged to comply with the Guidelines and must adhere to local, state and federal rules and statutes. It should be noted that these guidelines do not exhaust the moral and ethical considerations with which the Member should conform, but provide the framework for the practice of reporting. Not every situation a member may encounter can be foreseen, but a member should always adhere to fundamental ethical principles. By complying with the Code of Professional Ethics and Guidelines for Professional Practice, Members maintain their profession at the highest level. A code of ethics identifies important core values of a company. The document makes available benchmarks for members or employees to use for self-assessment. In addition, a professional code of ethics can provide a suitable structure for professional performance and responsibilities.

8.6 Teaching business ethics

In this chapter, we tried to focus on teaching/business ethics. During the survey, the respondents were asked about the different terms used for describing the concept of business and economic ethics, while teaching. While, to many of them the concept of business/economic ethics adheres to morality / truthfulness / good consciousness / honesty / transparency / inculcation of value / respect / responsibility / code of conduct / fair practice, others think it includes more broader concepts like democracy, inclusiveness, efficiency, environmental concerns, integrity,

leadership, loyalty, abiding law. Some were taking the concept as principles or norms, some as rules and regulations. To some of the respondents it is a system, while some explain it as behaviour. It was even expressed as worship of work or method of conflict resolution.

8.6.1 Themes of teaching ethics

The basic themes that make up the discipline of ethics in teaching are morality and quality. These themes help us to distinguish our opinions on what is right and wrong as well as what is good or bad. The results of the survey showed that the respondents well-understood the respect and reputation of the teaching profession, tasks of teacher, competence and professional ethics of the teacher with effective communication skills, human values and healthy relationships with society. Beyond the classroom, teacher often serves as a role model, mentor, and guide. Almost all of the respondents stated that the teaching profession must have unique ethical codes. They detailed the themes of business ethics in teaching, which included code of conduct, morality, fair practice with transparency, good consciousness, value system, well-cultured, etc. The basic foundation on which a business is built and sustained should be worshipped as we worship God with love and respect. Therefore, work should be done with utmost dedication and sincerity. No work should be disrespected. It is unethical to judge someone on the basis of perception. Ethical teacher behaviour can emerge from integrity, leadership, loyalty, law-abiding, respect and responsibility.

Most of the respondents stated that the teaching ethics comprised principles and values governing the production, distribution, and consumption of goods and services in the economy. Quality products with low price, environmental standards, inclusiveness, and efficiency are the important themes in teaching ethics. Therefore, the behaviour of individuals and organizations in the business world should be based on moral principles, rules and regulations, and social norms. The survey results suggested for improving teaching and business ethics in India.

8.6.2 Topics of business ethics in course curriculum

The responses were taken on the teaching of business ethics curricula in order to know about the areas of coverage in Indian education system. The terms included a great variety from basic behavioural issues like discipline, punctuality, honesty, transparency, security, sincerity, commitment, truthfulness, cooperation, coordination, decorum in meetings, respect, compassion, empathy, ignoring direct tiff etc. to broader areas of Corporate Social Responsibility (CSR), Professional Ethics, Cultural Ethics, Business and Economic Ethics, Ethics in Management etc. Some pinpointing issues like whistleblowing, employee rights, regulatory and legal framework, equity and efficiency, leadership goals, health and safety, data privacy, discrimination, harassment etc. were also reported as part of curricula that are taught in different higher education institutes of India. Even the Indian Ethos and Law of *Karma*³⁷ have found to be a part of the Indian ethical education system.

Business ethics are the application of the ethical behaviour in business practices by following laws, serving the society through core values, and considering the impact of business decisions and activities on the stakeholders. Therefore, the curriculum of business ethics covers a variety of ethical issues found in contemporary businesses. The respondents of the survey were agreed that business ethics should be the part of modules and courses in the higher education related to the disciplines of management, economics, finance, law, human rights, environment, corporate governance, corporate social responsibility, artificial intelligence, social media, education, health, etc.

The topics (themes or issues) related to business ethics should be its introduction, overview, history, and significance in the business world; code of ethics, concept of values and ethics, ethics and profession, ethical behaviour absolutism and ethical conduct; sources of ethics, discipline, punctuality and honesty in conduct; transparency and security; doping, race and gender discrimination; Indian ethos and business ethics; law of

karma, the legal and regulatory aspects of business ethics, etc. Besides, ethical theories and frame works comprising with utilitarianism, deontology, virtue ethics, Kohlberg's six stages of moral development, etc.

The respondents stated that the course curriculum of management discipline should include topics such as customer value creation; ethics of marketing practices, compromised product promotion vs. non-compromised product promotion; production, marketing after sales service and human resources; corporate governance, policies and principles regarding bribery and whistle blowing, conflict between business demands and professional ideals, sustainable development, rule of law, justice, Heinz dilemma, Kohlberg and Gilligan argument, accounting and social audit; addressing issues related to the structure and functioning of boards of directors, executive compensation, decorum in meetings, the responsibilities of corporate leaders, value judgements and forecasting, business communication, leadership goals, team management, running a business with ethics at its core from the top down for company-wide integrity; ethical decisions in real-world business situations and the ethical dilemmas; the challenges and ethical considerations in international business; addressing issues related to sourcing, labour conditions in the supply chain, and the ethical responsibilities of businesses to monitor and improve these conditions; integrity in business; examining the ethical obligations of businesses to society, social entrepreneurship, sustainability, environmental responsibility and philanthropy; analysing real-world cases and the frameworks to practical situations; examining the role of leaders in setting the ethical tone of an organization and creating an ethical culture; business decision-making; and issues such as truth in advertising, targeting vulnerable populations, etc.

Respondents during survey also suggested many topics in the other disciplines (excluding management) for teaching of business ethics. These topics included business and economic ethics; the impact of

cultural differences on business ethics; the codes of social responsibility; ethical treatment of employees, labour practices and human rights issues in the workplace; economics of education and health; ethical issues in a workplace: unethical accounting, harassment, health and safety, technology, privacy, social media, and discrimination; exploring ethical challenges in areas like artificial intelligence, data privacy, and technology development; ethical issues in the financial sector, including topics like insider trading and discrimination, fraud, and responsible lending and investment; ethics in research and publication; health and safety, data privacy, discrimination, and harassment, honesty, sincerity, commitment, truthfulness, cooperation, coordination, ethical social behaviour, respect to elders, compassion, empathy, ignoring direct tiff, reaching the unreached, equity and efficiency; etc.

8.6.3 Contribution of course curriculum in addressing challenges of business ethics

When the respondents were asked about their belief regarding the contribution of modules and courses taught by them towards addressing challenges of business ethics being faced by business and society, the most of them responded in affirmative. However, their opinions regarding the effectiveness of the courses taught varied widely in terms of motives. While some argued that the courses were successful in providing guidelines for leading a holistic, socially responsible and ethical work life, some were emphasizing on its effectiveness of promoting ethical decision making in production, business, organization and governance. Some responses focused on producing balanced leadership quality through ethical education. Some have also opined that the courses were so designed to make the workers aware of the potential negative consequences of poor managerial decision making so that they can safeguard individuals and groups. Very simple behavioural effects that can evolve during ethical teaching were also highlighted, which included

faith on stakeholders, loyalty of the employees, integrity, process of unlearning, clarity and simplicity over complexity etc.

Respondents during survey cited that the curriculum with business ethics empowers students with the knowledge, skills, and ethical consciousness needed for making responsible decisions. Business ethics helps in nurturing open-mindedness and understanding, essential for a more peaceful society. It can prepare students to engage more pleasantly in a multicultural and interconnected world, and introduces an idea that integrity and ethics are key to sustainable business success. Management ethics are a crucial component of safeguarding individuals and groups from the potential negative consequences of poor managerial decision-making. By providing a guideline and basic codes, the students can remember during their work life and contribute to their organization holistically and ethically. They can contribute to see the problems in local areas and then see, if it could be effectively addressed locally and socially too. The curriculum with business ethics promotes ethical decision-making and addressing the ethical challenges facing businesses and society. These programs can help to create a more responsible and sustainable business culture for the future.

While corporate ethical programs have become common, but the quality differs. Corporations establish business ethics to promote integrity among their employees, and gain trust from key stakeholders, such as investors and consumers. Employees tend to remain loyal to, and perform more effectively for a company with a high standard of ethics. Ethical leadership and governance are critical for ensuring that businesses operate in an ethical and responsible manner. Companies must ensure that they have strong ethical leadership and governance structures in place, and that they promote a culture of ethical behaviour throughout their organization. Working on ethical norms helps in creating an unbiased work environment. It makes employers to feel socially responsible.

The course curriculum makes the students to understand the importance of creating better relationships with the people through proper communication and manners. Society based ethics principles are taught to follow in business. The students can understand the origins of ethics whether they come from religion, philosophy, the laws of nature, scientific study, and the study of political theory. They have better understanding of the business environment and can develop honest business background. They can identify ethical dilemmas and apply different theoretical approaches. They can keep faith on the stakeholders.

While asking to elaborate the strengths of the curricula of business ethics in Indian higher education system, many respondents were quite emphatic and optimistic about its strength in creation of environment based on trust, respect, integrity, fairness, accountability and excellence. Some identified formation of transparent and trustworthy system, promotion of sustainability and social responsibility, diversity and inclusion, and contributing to the community through social initiatives and cultural mix, as the main strengths of the curricula. Some have also emphasized that the curricula may encourage the researchers to conduct research in this area and integration of ethical considerations in teaching.

The focus area highlighted during the survey regarding strength of teaching business ethics as per curricula is understanding the wide array of business ethics with cultural mix, and providing a foundation in ethics. The strength of teaching business ethics advances the laws by outlining acceptable behaviours beyond government control. The members of the community should adhere to the ethics policy for the institution that outlines the ethical standards and principles. Many curricula strike a balance between theoretical concepts and practical applications, enabling students to understand the underlying ethical theories, while also learning how to apply them in real-world scenarios. Integrating case studies into the curriculum allows students to analyse

real-life ethical dilemmas, encouraging critical thinking and problem-solving skills.

Teaching business ethics builds up the reputation of an institution that can help boost sales and profits. Further, the faculty members are encouraged to conduct research on business ethics topics and integrate ethical considerations into their teaching. In this way, there is a homogeneity in dealing with academic staff in the institution. Having a code of conduct promotes ethical decision-making, sustainability and social responsibility in the institutional operations. As such, it reduces environmental impact, promotes diversity and inclusion, and contributes towards the community through social initiatives. The values of respect, integrity, fairness and accountability are followed in the institution, which makes the system as transparent and trustworthy. Hence, the strong legacy of commitment towards education, philanthropic values, and democratic processes is tailed in the institution.

Most of the respondents accepted that the limitation / weakness of the curricula of ethics / business ethics teaching in India lies in the fact that there is a huge gap between the theoretical approach of teaching and its practical applications. As a consequence, this training has very little impact on society and plays a nominal role in combating corruption, dishonesty, disrespect, faithlessness, disintegration, injustice etc. and in broader way consequent upon creating hindrances in the path of socially improved sustainable economic development.

On the other hand, some respondents were also of the opinion that so much importance on the ethical practices may affect the business profitability, its sales and freedom. In fact, business ethics is a conservative approach, which reduces a company's ability to maximize profit. It focuses on theory only and not on practical skills, and hence it is missing the perfect application knowledge. There is a lack of comprehensive code of conduct or ethics policy for the institution. The development, implementation and maintenance of ethical practices limit freedom of

an institution. As such, the effective implementation is weak, and thereby it has very little impact on society. Inadequate emphasis on sustainability and social responsibility in the institution's operations leads to negative environmental or social impacts. There is a less importance on ethics education in the post-Graduate study in India. So, students have a lack of awareness and understanding of ethical issues. Therefore, the curriculum needs to be updated to meet changing needs of business ethics.

8.7 Research in ethics / business ethics

According to The Committee on Publication Ethics (COPE)³⁸, research is the pillar of knowledge and constitutes an integral part of progress. Good research should be well adjusted, well-planned, appropriately designed and ethically approved. To achieve these goals, there should be some codes, norms and research protocols. Ethics on the other hand, refer to codes of conduct, norms and standards, which guide people's behaviour in society and their interpersonal relationships.

The survey found that 21 per cent of the respondents were involved in research activities of business ethics. Regarding the importance of addressing normative ethical issues in research, their views are as under:

Most of the researchers think that business ethics enhances the law by outlining acceptable behaviours beyond government control, while research ethics governs the standards of conduct for scientific researchers. To them it is important to adhere to ethical principles in order to protect the dignity, rights and welfare of the participants in research. All of them agreed that research should be useful to the society. Some respondents give more importance to secularism and non-discrimination. Researchers were of the opinion that loyalty, respect, professionalism, secrecy, data privacy, choice, safety, accuracy and confidentiality were the main ethical considerations in any business research. Business ethics involves a guiding standard for values, behaviours and

decision-making. They are the norms and moral values of human behaviour described by the contemporary society. In fact, they are important for ensuring the sustainable peace and development in the world.

Ethical norms in research are very important as they promote transparency, truthfulness, morality, and value in different disciplines. For instance, ethical norms in research and publication such as copyright, patent, data sharing and privacy rules in peer review are envisioned to provide credit to researcher and encourage research collaboration. Researcher is also accountable to public for their research. The quality and integrity in research promote funding for the research projects. On the other hand, a researcher who does a fabricated study and fails to follow ethics may be very much harmful to the society. Therefore, research should follow ethical principles like integrity, honesty, transparency, accountability, unbiasedness, privacy, social responsibility.

When the respondents were asked about their research interests in business ethics, they stated about research and publication, bribery, intellectual property, management, business environment, corporate governance, ethical leadership, etc.

8.8 Training in ethics / business ethics

In the era of globalization, the role of business has become extended to include social responsibility and economic development. Hence only ethical business can become the engine of growth. A company having ethical business manager can flourish very well. Therefore, professional training on Business Ethics is imperative in order to provide proper inputs and guidance to the Board of Management.

In India, the demand for training on business ethics has been growing over the time. There are number of Business Schools and Institutions for providing training on Business Ethics like IIMs, Knowledge Academy, Centre for Business Ethics and Corporate Governance, etc. The main

objective of their training is to provide avenues to become ethically and environmentally sensitive and responsive. In fact, the Business Ethics are the standards that guide behaviour within business operations, and cover moral principles for conducting business activities ethically, transparently, and responsibly with fair treatment to the stakeholders.

Business ethics In India are based on the principles of honesty, integrity, privacy, loyalty, accountability and commitment in order to establish trust between business and key stakeholders. The purpose of Training on ethics is to enable employees to identify and deal with ethical problems developing in their intuitions. The issues regarding Training on Ethics / Business Ethics that have evolved from the study in India are as under:

The survey found that 23 per cent of the respondents were involved in the training / consultancy activity of business ethics. According to them, the training in ethics / business ethics in India mainly emphasizes on customer value creation; code of ethics; corporate social responsibility; data privacy; discipline, punctuality and honesty in conduct; environment sustainability; ethical decision-making; ethical leadership; ethical behaviour within an organization; formal, intra and interpersonal communication; health and safety; gender discrimination and harassment; Indian ethos; and setting ethical standards.

In sum, the training on ethics / business ethics teaches honest communication with customers, fair treatment of employees, practices of environmental sustainability, keeping privacy, and evading conflicts of interest or corruption. In this way, the corporates improve employee retention, make stronger partnership and effective leadership, and boost up professional values in India.

8.9 Major business ethical issues in the next five years

In the Global Business Ethics Survey in 2012, 40 percent of employees believed that their organization has a weak ethical culture and little

efforts have been made to mitigate misconduct. In our GSBE survey 2024 in India, unethical accounting, harassment, health and safety, technology / privacy, bribery and discrimination have emerged as major ethical issues. Complex ethical issues include diversity, compliance, governance and empathetic decision-making. Most of the respondents are of the opinion that in the future, the challenges of taking ethical considerations in business seriously will be faced in the areas of social media ethics, human resource management, corporate governance, and environmental, social & governance (ESG).

The views of the respondents can be summarized in the following ways:

1.Sustainability and climate change: The global climate crisis is becoming increasingly urgent, and businesses have a significant role to play in addressing it. The ethical challenge is to balance economic growth with environmental sustainability and social responsibility, while also ensuring long-term viability of business.

2.Social responsibility and stakeholder capitalism: The concept of stakeholder capitalism, which prioritizes the interests of all stakeholders, including employees, customers, shareholders, and communities, is gaining traction. The ethical challenge is to balance the interests of the stakeholders and to ensure that businesses are socially responsible and accountable.

3.Corporate governance and accountability: Corporate governance failures, such as unethical behaviour and corruption, can have significant negative impacts on society and the economy. The ethical challenge is to ensure that businesses are accountable and transparent, and that corporate governance structures promote ethical behaviour.

4.In India, there are so many rules and regulations enacted by the Government time to time for organizing business and other activities smoothly. Unfortunately, major ethical issues in workplace are still

prevalent. “Most businesses in India act ethically most of the times” is a fact that most people do not realise most of the times! It is a common perception that a business cannot be run ethically under current conditions as profit making is the main target and so most businessmen would be essentially unethical. A major reason for such misperception by the common human about ethics in business is the vagueness regarding the meaning of the word ethics itself.

Specifically, the most important ethical challenges for the next five years are:

5. Political Ethics: As politicians are directly related with public, their activities are surrounded within the society. The political ethics includes favouritism, Nepotism, Electoral Bonds, commitment etc. As per the respondents, interference of politicians is increasing day by day in formal and informal sectors. This interference of politicians is sometimes controlling employees-employers’ relations. Thus, Political ethics (also known as political morality or public ethics) is the practice of making moral judgments about political action and political agents. But the prevailing political nature that ignores morality and ethics. An activity that involved by politicians in relating to governance or political system, with honest and altruism for the welfare of the people is political morality and ethics. Politics gone through positive approach for greater happiness in the larger interest is political ethics. It is wrong if a politician committed with unjust act, but even if he committed with sever and drastic unjust is justifiable if it is for the betterment of the people and society as well. Ultimately it is suggesting remedial measures to enhance Indian polity in a more democratic manner. The political ethicists also involved in Electoral Bonds which is to be major challenge in the next five years.

6. Societal Ethics: The most commonly experienced societal ethical issues are i) Socially Vulnerable Populations where India is the most

populated (around 140 million) country in the world, ii) Since institutional structures and enabling regulatory frameworks are partly weak, the process of globalization has resulted in ecological imbalance, environmental degradation and high incidence of corruption along with irresponsible behaviours of large organizations. Mainly discriminations in employment, harassment, unethical accounting, technological abuse, data privacy, health and safety, environmentalism, etc. are experienced in workplaces not only in unorganized sectors but also in organized sectors. Thus, running a business comes with many responsibilities which are essential to be concentrated with maintaining the major ethical issue is to create a conscience within the society. This requires sensitization of the various stakeholders and also creating enabling structures that allow for reduction in corruption levels. The India's rank in 2022 was 85. But that rank reached 93 out of 180 countries on the Corruption Perceptions Index for 2023 as its overall score remained largely unchanged, according to the Transparency International Report (2024).

7.Organisational Ethics: The respondents are in the opinion that organizations needed to create an ethical corporate culture and promotes ethical conduct because ethical issues in business occur when a decision, activity or scenario conflict with the organisation's or society's ethical standards. Both organisations and individuals can become involved in ethical issues since others may question their actions from a moral viewpoint. Complex ethical issues include diversity, compliance, governance and empathetic decision-making that align with the organisation's core values. Ethical conflicts may pose a risk for an organisation, as they may imply non-compliance with relevant legislation. But most of the organizations introduce performance management systems and work behaviours that derive unethical practices in organizations which are seen as necessary to compete in the market place. This situation prevailed after the globalization.

8.Academic Ethics: A major academic concern is that of faculty availability and capability. The respondents mentioned the requirements to develop the course contents that will reflect the reality. The perception was that many of the teaching members who specialized in functional areas rarely got opportunities to reflect on ethics, morality or responsibility while teaching their courses. Lack of motivation on choosing ethics and corporate social responsibility mentioned by the respondents as the great demand for functional courses, several business school students feel that in a competitive world, emphasis on placement-oriented subjects. In fact, the subject of ethics was included in different courses not as main subject in university, management, and professional organisations. It is true that students come to university or business school to learn management for getting job and therefore, there is a great demand for functional courses. Naturally, concentration for choosing ethics as main subject is to be included in our course curriculum so that students can choose easily and progress research work actively. Any innovative research work is possible only in an ethical atmosphere of confidence and fairness. The academic range of ethical research subjects and methods, along with systems of analysis and data presentation that guide each field, give rise to situations of great ethical and moral complexity. Likewise, relationships between teachers and students, along with academic opportunity, carry important responsibilities and obligations. Students will strengthen the foundation of ethical trust within the University by gaining knowledge of their fields and committing themselves to cultivating academic and professional relationships. As ethical trust is the foundation of scholarship at the university where intellectual discovery and collaboration comes new responsibilities and challenges, the major academic integrity is essential not only for progress within the academy, but also for maintaining the trust granted by the country men and women.

In India, there are so many rules and regulations enacted by the Government time to time for organizing business and other activities smoothly. Unfortunately, major ethical issues in workplace are still prevalent. 'Most businesses in India act ethically most of the times' is a fact that most people do not realise most of the times! It is a common perception that a business cannot be run ethically under current conditions as profit making is the main target and so most businessmen would be essentially unethical.

8.10 Limitations

The Global Survey of Business Ethics (GSBE) – India, 2024 was carried out on the basis of a small-scale survey with a very small sample consisting of 80 respondents, whereas the population size is very large with huge population from its 28 states and 8 union territories. Around 121 languages and 2843 mother tongues are spoken in India with each state has its own unique linguistic landscape. However, the Indian Constitution recognizes 22 languages as “scheduled languages”. We have tried to make the sample as exhaustive as possible, taking respondents / interviewees from 10 states and 2 union territories covering eastern, western, southern, northern and north-eastern part of India. It is found that being representatives of almost all the parts of India, the respondents covered 12 languages as their mother tongues. Further, the method/technique of sampling was Snow Ball Sampling, which is a non-probability sampling and relies on the availability and willingness of the initial or existing participants. Due to this limitation, we could not go through any statistical testing of the sample. Another limitation was the problem of non-response from the part of the respondents, which created a major difficulty in conducting the survey. All these limitations have originated from the fact that we had constraints of time and fund and depended on very few interviewers / investigators for the report.

8.11 Conclusion

The major emphasis of this GSBE report is to study the perception of different ethical contexts applicable in present Indian education and business scenario and also to focus on the future challenges that these systems will face. The views are taken from experts of business ethics in academia (teaching and research) and in business practice (training and consultancy).

Throughout the study, the understanding of ethics and more particularly business ethics has evolved in a wide variety of ways. To the academicians, the concept of ethics mostly relates to morality / truthfulness / good consciousness / honesty / transparency / inculcation of value / respect / responsibility / code of conduct / fair practices. Some of the respondents included broader concepts like democracy, inclusiveness, efficiency, environmental concerns, integrity, leadership, loyalty, and law abiding. Business ethics, more specifically, refers to applying appropriate business policies and practices in arguably controversial subjects. Other issues include corporate governance, insider trading, bribery, discrimination, social responsibility, and fiduciary responsibility. While many laws exist to set basic ethical standards within the business community, it is largely dependent upon the leadership within business to develop codes of ethics that go beyond the strict implementation of the law. As for research, respondents emphasize the themes of loyalty, respect, professionalism, secrecy, data privacy, choice, safety, accuracy and confidentiality as the main ethical considerations in any business research. Experts in training and consultancy emphasize a shift of the popular management philosophy from pure authoritarianism towards more collaboration and working on equal footing.

However, all respondents in academia and business agreed that a remaining problem in India is the lack of inculcating ethical values or establishing ethical norms in any type of organization, whether it is an educational institution, a consultancy firm or a business corporation.⁷

How to build and sustain organizations whose employees are happy, motivated and ethical is one of the most complex, elusive questions confronting business leaders today. Organizational culture is determined by complex interactions between systems, norms and values. As this report shows, serious challenges in the years to come are particularly in the areas of social media ethics, humanpower management, corporate governance, environmental, social & governance (ESG) issues, artificial intelligence and automation, stakeholder capitalism and diversity, equity & inclusion and a dynamic value system.

8.12 Endnotes

(1) United Nations Population Fund-UNFPA. 2024. State of World Population report 2024; p. 148.

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(2) <https://pib.gov.in/PressReleasePage.aspx?PRID=2005189>

(3) United Nations Development Programme. 2024. Human Development Report 2023-24; p. 276.

<https://hdr.undp.org/system/files/documents/global-report-document/hdr2023-24reporten.pdf>

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(19) Government of India. National Skill Development Mission: A Framework for Implementation; p. 2. <https://msde.gov.in/sites/default/files/2019-09/National%20Skill%20Development%20Mission.pdf>

(20) Constitution of India. 1950. Article 21A. This article was inserted to the Constitution by the 86th Amendment Act, 2002.

(21) *Id*, Article 45. Substituted in 2002 for State shall make provision for education beyond the age of fourteen years within the limits of its economic capacity and stage of development.

(22) *Id*, Article 51 A (k). 86th Amendment Act, 2002 added this clause. Article 51 A was inserted to the Constitution by 42nd Amendment Act, 1976.

(23) Right to Free and Compulsory Education Act, 2009 (No. 35 of 2009); Section 3. Section 2(f) defines elementary education means the education from first class to eighth class.

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(26) Assam, Gujarat, Karnataka, Kerala, Maharashtra, Odisha, Punjab, Tamil Nadu, Uttar Pradesh and West Bengal.

(27) Chandigarh and Jammu & Kashmir.

(28) Assamese, Bengali, Gujarati, Hindi, Kannada, Kashmiri, Marathi, Odia, Punjabi, Rajasthani, Tamil and Telegu.

(29) Ethical behavior is characterized by honesty, fairness and equity in interpersonal, professional and academic relationships and in research and scholarly activities. Ethical behavior respects the dignity, diversity and rights of individuals and groups of people.

(30) Centre for Monitoring Indian Economy.

(31) NSSO (National Sample Survey Organization) Periodic Labour Force Survey (PLFS) Report, 2021-22.

(32) Ministry of Statistics and Programme Implementation

(33) Reserve Bank of India (2023). *Developments in India's Balance of Payments during the Second Quarter (July-September) of 2023-24*. Press Release December 26, 2023.

(34) Same as above.

(35) World Inequality Report. 2022. World Inequality Database (WID). World Inequality Lab. Paris. Retrieved from <https://wid.world/#:~:text=In%20contrast%2C%20WID.world%20combines,span%20over%20much%20longer%20periods>.

(36) Same as Endnote 13.

(37) *Karma* is a concept of action, work, or deed, and its effect or consequences. In Indian religions, the term more specifically refers to a principle of cause and effect, often descriptively called the principle of karma, wherein individuals' intent and actions (cause) influence their future (effect): Good intent and good deeds contribute to good *karma* and happier rebirths, while bad intent and bad deeds contribute to bad *karma* and bad rebirths.

(38) The Committee on Publication Ethics (COPE) is a non-profit organization, established in 1997, whose stated mission is to define best practice in the ethics of scholarly publishing and to assist editors and publishers to achieve this.

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8.14 Acknowledgements

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AUSTRALIA

*Janine Pierce, University of South Australia, Adelaide SA,
Janine.Pierce@unisa.edu.au*

*Howard Harris, University of South Australia, Adelaide SA,
Howard.Harris@unisa.edu.au*

9.1 Introduction

Australia, being an island nation with a population of over 25 million people is a discrete economy, and a discrete culture. We use local media to help us confirm that business ethics is a topic of conversation in Australia, and identify the themes of business ethics in Australia. We then compare that list of themes with the Global Survey of Business Ethics 2022-2024. It also provides the framework to assess themes taught and perceived as important from educators and researchers in Australia.

The authors have sought support for their assessment in the media (Part A) and in the subsequent survey (Part B) with tertiary level educators and researchers. That said, the report does not claim to be either complete or universal, as the survey was only able to capture data from a limited sample from South Australia and Western Australia due to short timelines. There may be other views of the current state of business ethics in Australia, and we include one of these (Sirimanne 2023).

Of one thing we are sure – that business ethics is alive as a topic of consideration in Australia. We found strong evidence that ethics and ethical concerns are appearing in a wide range of media in Australia, and

that this ethics talk has brought pressure onto business, as it has been frequently asked to explain its actions in ethical terms or to explain its response to ethical questions. In the terminology of the ethics classroom, stakeholder pressure has been applied and business is learning how to respond. The issues and concerns may not have changed, but the scrutiny is harsher and more persistent. Already the 2012 survey listed the following issues: Corporate environmental sustainability, corporate governance, corporate (social) responsibility, professional ethics and society/stakeholders (Gustavson 2012, 367).

9.2 Existing literature

Ethics in the Australian media (Part A)

Both the Australian and the international teams developed a list of expected topics. For Australia, this list included sport, governance and government, inequality, climate change and sustainability, Indigenous affairs, and national sovereignty. The international list of the framework of the GSBE 2022-2024 includes also sustainability, business and wealth creation, digital transformation, corruption, whistleblowing, and conflict and terrorism, among others. Table 1 shows the two lists and the extent of agreement between them. As Table 3 shows, we found evidence of discussion related to each and every one of the topics in the items we reviewed.

Table 1: Themes likely to be found in business ethics

Australian authors' list	Global team's list
Sport	Corruption, whistleblowing
Governance and government	Conflict
Inequality	Conflict and terrorism
Climate change and sustainability	Sustainability, wealth creation

Indigenous affairs	Digital transformation
National sovereignty	

Ethical issues have been widely covered in contemporary Australian media, as our surveys of various media databases show (more of that below). This “ethics talk” is in many fields including both the topics on the national and international lists prepared as the study began. While these lists might not seem business-oriented, business becomes involved and sometimes responsive in two ways. First, the stories reported in the media may have raised ethical concerns, which at the first pass might have seemed unrelated to or distant from business, yet the ethical concerns exposed by those stories may have had business implications. Second, the very discussion of ethical questions in the media heightens the capability or capacity of the community or at the very least of those reporting on business. Business has to pay attention. Indeed, the first and overwhelming finding is that the Australian media is talking about business ethics. Before presenting our findings, we provide a description of each of the main topic areas on the Australian list.

Sport

Australia is a sporting nation with over 60% of the population participating in sport and physical activity at least three times a week in 2022 according to AusPlay survey data (Australia 2023). Australia is one of only five nations to have competed at every summer Olympic Games since the modern games began in 1896. Sport gets extensive coverage in the Australian media, it is “part of the Australian national identity” (Leng 2013). Two recent examples of sports stories with ethical content are the sacking of a player in the National Rugby League (NRL) after he made comments, based in his Christian faith, on the future prospects of practising homosexuals. This raised questions of the role of religion and faith in society and questions of free speech. The matter was, for a time, treated by the sports media, then as an employment issue, with the NRL

using a clause in the player's employment contract as a basis for termination. Here the business ethics implications are clear. The second example involved a netball player refusing to have her uniform carry a sponsor's logo. The sponsorship was withdrawn. The matter raised questions about the extent of cancel culture and of racial and Indigenous comment or activity by forebears (Aston 2022). Whether it is a matter of free speech, employment contracts or differences in values, the Australian society is well aware of the ethical issues involved and sees sportspeople as stakeholders. Business is likely to find itself facing informed and practised questioners not only in the media, but also among shareholders and job applicants. This is captured by the phrase, "it's not cricket" often used in Australia in relation to conduct in business and life generally. It "refers to having something that is unjust or just plain wrong done to someone or something" (Kolt 2012), thereby using sport to capture the concept of unethical behaviour. A ball tampering incident (in cricket) generated much press in reflecting on the double moral code dilemma of loyalty to the team to win versus following ethical guidelines for sport. Since the media study was undertaken, further business ethics questions have arisen in sport as the Spanish team at the FIFA Women's World Cup has become embroiled in controversy after being crowned champions.

Governance and government

Issues of governance and government in Australia have been addressed in the media and public debate especially in relation to matters considered by the very public focus on governance in the finance sector in the Royal Commission on Banking and Finance (Australia 2019, Atkins & Charlton 2019, Hayne 2018) and in the discussion of the response of companies to money received during the Covid pandemic under the JobKeeper program (Corral de Zubielqui & Harris 2023). These show the importance of culture and values within the organisation, and of considering the efficacy of the various internal (regulatory) and

external (culture) approaches to change. Corporate governance had been identified as a focus area for business ethics discussion throughout Oceania in the 2012 survey.

Inequality

Many seemingly economic or non-ethical issues have been shown to have unequal impact, often to the disadvantage of the poor, and this can be considered to be a matter of human rights. It is also recognition of the importance of the underprivileged as stakeholders. Some elements of inequality can be considered under other topics, thereby indicating the breadth and comprehensiveness of the business concern for ethics (and the difficulty of any analysis based on categorisation). For instance, the Banking Royal Commission revealed sales to unsuspecting and uneducated customers who were thereby made more unequal and disadvantaged to the detriment of their human rights, while the governance failures of the financial institutions were also exposed. In the 1995 study of business ethics in Australia, Milton-Smith had included employment issues among the top five in its list of systemic business ethics concerns (1997).

Climate change and sustainability

Australia has large reserves of fossil fuels and is a large exporter of both coal and natural gas. It is also a world leader in the production of electricity from wind and solar power. Australia also recognises a particularly close relationship with the island nations of the Western Pacific, where climate-induced ocean rises may be existentially threatening. Thus, environmental issues are frequently discussed in Australia, whether as matters of sustainability, human rights, inequality or government intention. Corporate environmental sustainability was the first of the focus areas identified in the 2012 Oceania study (Gustavson 2012, 364, 367) and remains so as governments, employees and other stakeholders seek a way forward, which is equitable for all stakeholders. Matters relating to

“Just Energy Transition” can also be considered here as business, and the public consider the impact that the closure of coal mines and an end to energy exports might have on employment and on local communities.

Indigenous affairs

In Australia, the issues relating to Indigenous people can be considered a separate category, one where ethical questions are frequently raised. In 2023, a constitutional referendum took place regarding an Indigenous Voice to Parliament. The Australian Constitution considers race a special category of stakeholder. This is the first referendum in over twenty years, and there has been extensive discussion of the Indigenous Voice in the media and elsewhere (and hence widespread discussion of Indigenous affairs). Although this may not be an issue in other countries, it is in Australia. The official “campaign” period for the referendum falls outside our study limits. The public has harshly judged the apparent prioritising of economic benefits over sustaining Indigenous sacred space and cultural heritage sites. In May 2020, the international miner, Rio Tinto, destroyed rock shelters of exceptional significance at Juukan Gorge, near its Brockman iron ore mine in the Pilbara, Western Australia (Pierce 2021).

National sovereignty

The relationship between Australia and other nations has been raised by government action in relation to the purchase, maintenance, and operation of new submarines for the Australian Navy, by the war in Ukraine, and by actions of island nations in the Pacific. Often these have been considered to have an ethical aspect, especially in relation to climate change, inequality, or human rights. Furthermore, Australia, as a large exporter of food and resources has been called on to participate in international sanctions or be subject to the unilateral imposition of tariffs on its exports. Both have raised ethical issues in relation to the rights and responsibilities of Australia as a nation, which has spoken out against

human rights violations. This issue is not new as Milton-Smith included “conflicts between the company’s ethics and foreign business practices” in his 1997 study.

9.3 Methodology

Scope

For the analysis of the topics we have applied a stakeholder framework (Freeman 2010), given the importance the role of Australians as stakeholders discussed in the paragraphs describing sport, inequality, climate change and Indigenous affairs.

Initial assessment

Our initial assessment of contemporary ethical issues for business in Australia was undertaken using content analysis for two reasons. First, it had been used before (James & Wooten 2006, 1108), and second, because the use of pre-existing material avoids the potential for self-reporting bias, especially given the reluctance of people “to speak about ethical issues in public” (Enderle 1999, 6). Treurniet (2023, 941) notes that being interviewed can affect estimates of subsequent interest in a topic while Centite and his Singapore colleagues note the need for care and confidentiality “when asking about sensitive topics such as ethics” (Centite et al. 2009, 580). Gustavson begins the 2012 survey with a survey of existing literature (2012, 365). More recently, Mehmet Yildiz (Yildiz et al. 2023) collected data from newspapers to identify the challenges facing Australian tourism businesses as they responded to the Covid crisis. They called this “corpus linguistics” rather than content analysis, and an *Introduction to Corpus Linguistics* (Bennett 2010) confirms that the method can tell us what is or is not present in the corpus. What is important, according to the Introduction, is that the corpus “contains authentic language used for real-life communication” (2010, 19). While content analysis may be broader, encompassing, on occasion,

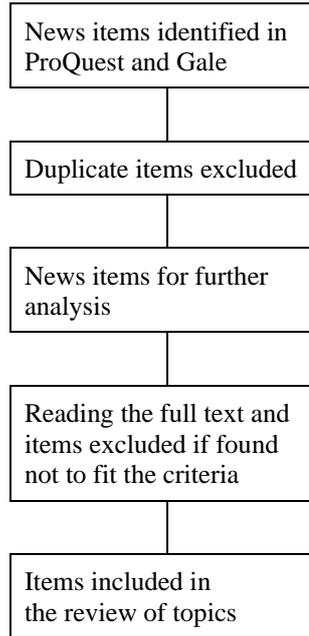
other “symbolic phenomena” (Krippendorf 2004, xvii), in our use it too is restricted to language. Our study is restricted to Australia, to items written in English, and to the years from 2019 to 2022 – that is not only as Australia emerged from the Covid-19 pandemic, but also about ten years after the 2012 survey. This study avoids discussion of the Covid-19 pandemic as the topic did not appear amongst those raised in the items selected by the business + ethic* selection criteria.

Content analysis method

For a start, we used a collection of Australian newspaper articles to provide an understanding of the business ethics topics attracting attention in Australia in the period 2019 to 2022. News media provides “first-hand information from business leaders”, which was both up to date and influenced by recent events (Yildiz 2023, 5). In a range of newspapers, we searched for items where the words business and ethic* were found in a single item. Our initial search was limited to the major newspapers in each state using the ProQuest and Gale databases for Australian newspapers. Newspapers from both the major newspaper stables – Murdoch and Fairfax – were included. That meant that the one paper with national circulation, *The Australian*, was included as were the Fairfax mastheads – *Sydney Morning Herald*, *The Age* and the one business daily, the AFR (*Australian Financial Review*). To compare between Australian States (as Australia has both Commonwealth and State governments), newspapers from all State capitals were included. However, it became apparent that many stories were syndicated, so that if they appeared in one State, they also appeared in the linked paper from the same stable in other States. Our method ruled out duplicates; so the State is that of the paper in which the story is first encountered. Thus, our approach could be seen as national rather than State-based. The approach to this phase of the content analysis activity is set out diagrammatically in Table 2. Items in which both the words “business” and “ethic*” occurred, were

found readily in the daily newspapers. Business ethics is a frequent topic of discussion and comment.

Table 2: Process of content analysis



To this initial survey, we added a number of items from online news sources to increase the breadth of coverage, the reason being that online news media are widely accessed in the “new world of blogs and citizen journalism” (Friend & Singer 2015, xxv), justified as “now networked” (Trygg 2012) and “sometimes surpassing the traditional news media” (Centite et al. 2009, 577); moreover, because online material has been used before as a source of comments on business ethics topics (Yildiz et al. 2023, 5) and on “ethical implications” (Centite et al. 2009, 576). Whilst The Guardian is historically seen as a UK-based paper, it is widely available online in Australia and for many Australians, it is a respected daily source of news (GNM 2020, ACCC 2018). We once again followed the procedure set out in Table 2, searching for items including the terms

business and ethic* and then removing duplicates, reading to ensure that the items were relevant and adding a further 19 item.

Validity and Reliability

Our aim is to give readers some assurance that the research findings can be taken seriously and “provide evidence that systematic and spurious errors occur infrequently” (Janis 1965, 81). We do not intend to rank topics in any particular order, but, as in past studies, to contribute to the painting of “a rich and fascinating picture of international business ethics” (Enderle 1999, 1). Thus validity - the truth of what is found - is more important in this case than reliability or reproducibility. In accord with Krippendorff’s scheme, the results provide “assurances that the claims emerging from the research are borne out” (2004, 212). In the initial study, involving the 33 texts arising from the newspaper data bases, each item was read, and the topic assessed by two readers. The agreement achieved exceeded the statistical requirement for a situation involving two coders and multiple categories. The presence of both pragmatic and face validity – that the method works – is based in part by including the full titles of all items in newspaper and online as well.

9.4 Results of the content analysis

In the period after the end of the pandemic restrictions, our media study shows that the “ethics” talk occurs in many fields, including climate change and sustainability more generally, governance and government, culture, treatment of workers, fairness and inequality, rules and codes, sport, Indigenous affairs, and in such international topics as national sovereignty. While this list might not seem business-oriented, business is caught up in two ways. First, all the stories reported in the media include “business” in the item and, second, the discussion of ethical questions in the media heightens awareness and increases not only the capability of the community to discuss or raise the topic, but also increases the need

for business to pay attention. Notwithstanding our findings, Sirimanne notes that “ethics is outdated ... in almost every part of the ‘free’ world” (2023, 8). We do not agree as Table 3 shows how frequently ethical topics were discussed in Australian newspapers and online over the relatively short 2019-2022 period of our study.

Table 3: Themes in Australia from combined study

Theme	Number of times mentioned*		
	newspapers	online	com- bined
Climate change & sustainability	3	21	24
Governance, government, transparency	7	6	13
Culture	7	5	12
Fairness & equity	4	6	10
Workplaces and treatment of workers	4	2	6
Rules & codes	4	2	6
Sport	3	1	4
National sovereignty	-	2	2
Indigenous affairs	1	-	1

* For final column N=51. *Some* items referred to multiple themes, and each item was assessed by two people. So numbers may add to more than 51.

9.5 Methodology of Part B: Survey questionnaire

A survey was conducted in Australia utilising the same questionnaire as was used in other regions and nations. This was done under the

auspices and with the explicit approval of the two main business ethics organisations in Australia, the Australian Association for Professional and Applied Ethics (AAPAE) and the Australasian Business Ethics Network (ABEN). Both of these organisations agreed to distribute the survey through their online distribution lists. For a short history of business ethics activity in Australia, see Harris (2017).

The statements of purpose for these two organisations are set out below and show the scope and coverage they have in the Australian ethics scene. The broad purpose of the AAPAE is to encourage awareness of applied ethics as a significant area of concern, and to foster discussion of issues in applied ethics. It provides a meeting point for practitioners from various fields together with academics with specialist expertise. It welcomes everyone who wants or needs to think and talk about applied or professional ethics. The AAPAE also attempts to foster connections with special interest groups. The AAPAE does not endorse or support any particular viewpoint, but rather aims to promote a climate in which different and differing views, concerns, and approaches can be expressed and discussed.

The Australasian Business Ethics Network was founded in Melbourne, Australia, in 2010. ABEN is a community of scholars and practitioners from a range of institutions across Australia, New Zealand, and Oceania. They share a passion for developing and extending the Australasian business ethics agenda and recognise the uniqueness of the Australasian approach, experience, and contribution to the field of business ethics.

Scope

This survey covers universities and higher education organisations in South Australia and West Australia that deliver ethics related courses at undergraduate and post graduate levels.

The sampling approach was a convenience sample from within the researcher networks and supplemented by targeting key people listed

under ethics courses at selected universities and higher education institutions in business related schools. Initial emails were sent to potential participants with an explanation of the study, an Information and Consent sheet and the survey form. The overall response rate was 80%; the completed survey forms were returned by email, without identifying names and organizations, only coded by numbers. The respondents were from four educational institutions and two States of Australia.

Background information about respondents

(a) Basic demographics

Country of birth: 70% were born in Australia.

Language: 80% identified English as their first language. One indigenous participant also highlighted that although English is her first language Aboriginal English is a way of defining her even if mostly not spoken.

Gender: 36% are male, 64% female.

(b) Organizational information

Undergraduate courses:

- 81% of the respondents were teaching undergraduate degree courses with business ethics components. 36% were involved in compulsory courses, 18% in elective courses, and the rest did not answer the question.
- 45% were involved in research.

Postgraduate courses:

- 71% of respondents were teaching postgraduate courses with business ethics components. Of these responses, 9 % were involved in teaching both compulsory and elective courses related to business ethics. 27% were involved in teaching compulsory courses with business ethics components. 27% were involved in teaching elective courses with business ethics components.

- 18% did not specify the requirement of courses.

Research:

45% of respondents were involved in research, a lot of which appeared to be ethics related. Most of those involved in research had been in their position for 11+ years.

Publications:

Those respondents who were committed to teaching with a considerable workload had fewer publications than those whose positions provided more opportunity for research.

No publications: 55% / 1-5 publications: 0% / 6-10 publications: 27% / 11 or more publication: 18%

Consulting/advisory services for organisations:

36% of respondents provided these services to organisations, leaving open whether through the university/higher education organisation or through private contracts.

Advocacy/campaigning/activism

18% of respondents were involved in this kind of activity.

Policymaking

No respondent was involved in this activity.

9.6 Terminology and key recurrent concepts

40% of the respondents identified “business ethics” as a key term for ethics, with one answering that this term slightly differs from “organisational ethics”. The remaining answers varied to some extent, depending on the specific ethics focus areas taught at their institution; the ethical approaches may be deontological, utilitarian, virtue-based, normative, descriptive, etc. “Trust” was also included by one respondent.

The terms “compliance” and “responsibility” were stated by one respondent who is mainly involved in the accounting area. An indigenous respondent provided a different perspective in talking of “working

together”, important with Indigenous people, considering the country and doing things in accordance with “proppa ways” (an Aboriginal English term).

One respondent with a Middle Eastern language background associated “ethics” “moral science” and “wisdom”.

9.7 Prioritization of business ethics issues (whether included in teaching or not)

Very important topics:

Leadership and Ethics Management: 63% of respondents identified this as very important. Searching through university business schools from Harvard in United States of America to all business schools in Australia, ethics is involved in leadership courses in business schools, as well as stand-alone ethics courses within the business disciplines. It is to be expected that leadership and ethics would get a high priority of importance. There is increasing literature around this area from what and how leadership character should be developed (Crossan et al. 2015) or in considering approaches to teaching leadership in a reflective way for educators.

Sustainability: 54% of respondents. This is not a surprising result in view of the fact that university curriculum often integrates sustainability as part of ethics courses as it is often viewed as an essential component to acting ethically with practical real-world application across economic, social and environmental components, with relevance at both undergraduate and post graduate level courses (Steiner & Skoruponski 2012).

Corporate Governance: 54% of respondents. This is not a surprising figure as corporate governance is embedded in most business school courses in Australia around ethics, particularly in areas such as accounting and law, which are required components in MBA programs

and undergraduate business studies. They are also essential components for accounting, and law. With increasing company transparency required for shareholders, and with the expanding focus needed in corporate governance to issues around environmental and social concerns relevant to governance, there is definitely both a justification and need for corporate governance understanding and knowledge (Wiersema et al. 2022). Therefore, university business schools should respond to external forces (shareholders and investors) to embed corporate governance into their teaching and research.

Human Rights: 55% of respondents. This response rate reflects the increasing trend of including human rights across many disciplines (including business) from the undergraduate to the postgraduate level across many countries including Australia (Cargas & Mitoma 2019). However, the survey did not provide the scope to assess how education in human rights is being taught, whether from the knowledge base such as the Universal Declaration of Human Rights and the Sustainable Development Goals. This is definitely an area for future research.

Poverty and Inequality: 45%. This response rate presumably relates to human rights and reflects a concern of those who hold human rights very important. This actually proved to be the case for 80% of those who identified both human rights and poverty and inequality as very important.

10% of respondents ranked them as important, 27% as neutral, and 18% “excluded” them.

Important topics:

Digital Transformation: 54% reflects a strong interest in digital transformation and artificial intelligence (AI) among higher educators and researchers. This new uncharted ethical territory for educators is a rising area of concern (Crompton & Burke 2023), with ethical implications and the need for more research around ethical implications and

consideration relating to many areas. They include biased algorithms in AI and decision-making as well as human displacement through new AI systems (see Slimi & Carballido 2023). Other areas are academic integrity and the use of AI by educators in course content writing and research. There is need for more research and setting of ethical boundaries in this area.

Religion and Spirituality in the Economy and Business: 36% of respondents held this topic important, 18% very important, 9% were neutral, 27% ranked it not important, and 10% excluded it.

Business and Wealth Creation: 45% of respondents identified this topic as important. It is to be expected that wealth creation and business are important outcomes for a business operator in organisations whether as CEOs, managers, entrepreneurs, bankers, economists, financial planners or accountants. Hence, these topics are of interest to business higher education educators (Heubeck 2024). A good percentage of respondents view business and wealth creation through a business ethics lens. 18% of respondents held this topic very important, 27% were neutral, and 10% held it not important.

Corruption: 36% of respondents held the topic very important, 36% important, 9% were neutral, and 9% did not answer this question. Corruption can be viewed as a central theme in ethical business; thus, not surprisingly, the ranking was fairly even important to very important with similar respondent numbers. As a country, Australia ranks 75/100 in perceptions of corruption (ranking scale 100 is very clean with zero extremely corrupt) according to Transparency International (2023). The results of this survey do not identify if corruption is an issue in Australia that is being managed quite well or is scored quite high as it is a serious concern. Regardless of Australia's high ranking, corruption is considered an issue of importance.

Other topics with lower ranks are: Just Energy Transition, Whistle-blowing, Conflict and Terrorism, Diversity, and Micro, Small & Medium Enterprises.

9.8 Major ethical issues in the next five years

While no pattern might be determined from the responses, certain subtopics are gaining increasing prominence such as climate change and artificial intelligence. They are mentioned as they are starting to be considered as university courses in their own right and have generated much research. Stakeholders, SDGs, inequality, and corporate social responsibility are topics that are expressed as issues in most university business and ethics courses.

In sum, very important topics in Australia are: Leadership and Ethics Management, Human Rights, Sustainability, Corporate Governance, and Poverty and Inequality. Important topics are: Digital Transformation, Wealth Creation, Corruption, Religion and Spirituality in Business and the Economy. Not included topics are: Conflict and Terrorism, Whistle-blowing, Diversity, Micro-, Small- and Medium-Enterprises.

9.9 Conclusion

Ethical issues are important for business in Australia as our study of Australian media has shown. Business is engaged. Matters relating to climate change and sustainability, governance, government and transparency, and to organisational culture head the list of issues in business ethics. This represents not only international influences on Australian business, but also expresses the local circumstances in Australia, where sport remains important, discussion of corporate misconduct has been fostered by public inquiries into financial institutions (Australia 2019), and a 2023 Referendum has brought Indigenous issues to the fore.

9.10 Postscript

The referendum on the Indigenous Voice was lost since every State in the Commonwealth voted against the proposal. Subsequently, there has been much analysis and discussion.

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RUSSIA

*Svetlana Snezhko, M.V. Lomonosov Moscow State University,
svet_la_na@hotmail.com
Maxim Storcheyov, HSE University,
mstorcheyov@hse.ru
Olga Bobrova, St. Petersburg State University of Economics,
bobrova.o@unecon.ru*

10.1 Introduction

Russia participated in "A Worldwide Survey of Business Ethics in the 1990s" (Enderle 1997) but, unfortunately, was not presented as a separate topic in the next global survey (Rossouw & Stükelberger 2012). Now we are happy to present a chapter on Russia in the new Global Survey of Business Ethics and share some observations about the contemporary situation with business ethics in Russia. Our report is focused mainly on training organizations and businesses, which provide business ethics training to employees, but will also provide some insights about recent academic research in business ethics conducted by Russian academics.

Business ethics trainings are actively supported and conducted by large corporations and commercial organizations in Russia. They accept Codes of Business Conduct and Ethics as best practices, integrate ethical culture supported by compliance functions, or, at least, comply with anti-corruption legislation, which, however, is more a voluntary measure.

Legal obligation to implement anti-corruption measures is more applicable to state and public organizations where ethics is a component of this program. There is a mature ethics and compliance community in Russia that has been formed during the last ten years by professional compliance officers aiming to promote and share business ethics practices within companies and society.

10.2 Existing literature

In this section, we will review the academic literature in business ethics and CSR published in Russia from 2011 to 2023. Some Russian scholars also publish their research in international journals on business ethics (Blagov & Petrova-Savchenko 2012, 2021; Belyaeva 2013, 2019; Belyaeva & Kazakov 2015; Storchevoy 2015; Parshakov 2023; Deviatko & Bykov 2022; Bykov et al. 2021; Villo et al. 2020; Villo & Turkina 2023; Belyaeva & Kazakov 2015; Semenova, Semenov, & Storchevoy 2023), book chapters (Blagov & Aray 2021a, 2021b; Grekova & Storchevoy 2021; Storchevoy & Belousov 2020) or books (Storchevoy 2017a, 2017b). Some of these publications are even focused on business ethics education (Belyaeva et al. 2018, Storchevoy 2015, Rimanoczy & Ivanova 2022). We will not overview this literature because it is available to international readers, and will focus only on the publications written, edited and published in Russian sources.

There are numerous papers devoted to business ethics and CSR published annually in Russian academic journals, but, in general, the articles on business ethics have a rather modest level of theoretical or empirical quality, compared to international standards. These papers are published in various Russian journals administered by second-tier and third-tier universities or colleges, which have governmental funding and therefore have to conduct some research regularly to meet the formal requirements. Although sometimes the papers may contain interesting theoretical

insights or valuable empirical observation worth mentioning, we are not going to refer to them further in our report.

There are few reputable journals in Russian language, which publish good papers on business ethics, CSR and ESG, and we provide an overview of these publications. Among the leaders are the two journals on business ethics and CSR: the *Russian Journal of Management* issued by Graduate School of Management of St. Petersburg State University and the *Bulletin of St. Petersburg State University, Management Series*. They published 12 papers on business ethics and CSR 2011. Four of these papers are devoted to a rather popular topic of relationships between ESG and financial performance of the companies (Nazarova et al. 2023; Verenikin et al. 2023; Egorova & Chigireva 2021; Makeeva et al. 2023). Two papers deal with SMEs: Cheglakova et al. (2018) (Russian References) provides a survey of various ethics and CSR practices in small and medium enterprises, and Aray et al. (2023) (Russian References) conducted quantitative empirical research of entrepreneurial orientations for sustainable development. Cherenkov et al. (2020) discusses a problem in marketing ethics – the issue of local imitation of global brands. Partsvania (2020) provides a case study of implementation of sustainable development into business practices by Scania, a large truck producer company (www.scania.com). There is only one paper dealing with managing ethics in the company, written by Ivanova (2014), that provides a deep study of codes of ethics of Russian companies using the comparative content analysis of ethical codes drafted by Russian and multinational companies operating in Russia, as well as a series of interviews with leading experts on business ethics. Her research aims to examine the level of penetration of ethical practices in Russia, finding out its feasibility as a management tool and defining the special characteristics of corporate codes of ethics.

The first Russian national university – M.V. Lomonosov Moscow State University – also publishes its own journal in management; but we

find only three papers about ethics and CSR published since 2011. Dementieva (2012) (Russian references) provides an introduction to the concept of CSR which was not very common in Russian academia at that time. She describes organizational, normative and managerial aspects of CSR and presents some analysis of foreign and Russian CSR practices. The paper by Petrovskaya and Bychkova (2014) (Russian References) is devoted to ethical leadership. They focused on the concept of “servant leadership” and conducted a survey in Russian companies to reveal the characteristics of such leaders. A paper by Soboleva (2014) (Russian References) is devoted to MBA students’ attitude towards business ethics. The author conducted a survey of 222 students of business education programs in three Moscow Universities (that served as empirical base), and distinguished six types of students with different practical orientations and compared their views about the importance of business ethics in education and in business. All of them have named business ethics competences as important skills which should be practiced during MBA programs, although these skills had slightly lower priority than other competences like marketing or strategic management. It should be mentioned that all types of MBA students claimed that they would not agree to work in a company which violates some ethical or legal norms, although there is a slight variation in their tolerance to various ethical violations (ecological harm, dangerous products, labor standards, etc.) in the eyes of various types of MBA students.

There are several research centers of CSR and ESG that conduct regular research of various business practices and publish their reports. One of the first research centers was founded by the Russian Union of Industrialists and Entrepreneurs in early 2000s and has been led by Elena Feoktistova, a well-known activist and proponent of social responsibility in Russian business. The center conducts various researches in CSR and publishes two series of materials: (1) biannual surveys on non-financial reporting practices of Russian companies since 2006 (Shokhin et al. 2012

(Russian references), Alenicheva et al. 2015 (Russian references), Feoktistova et al. 2017, 2019 (Russian references), (2) annual surveys of corporate practices in various CSR areas e.g., Feoktistova 2018, 2020, 2021 (Russian references). All publications rely on primary information collected from large Russian companies through questionnaires and interviews.

Another pioneer in CSR research in Russia is The Center for Corporate Social Responsibility of the Graduate School of Management of St. Petersburg State University, which was founded in 2008 with support of PwC Russia¹. The director of the center — Yuri Blagov — is a leading Russian specialist of CSR who made many efforts to increase business awareness of CSR concepts and introduced many Russian companies to the world of CSR. The center publishes two annual reports: “Report about Social Investments in Russia” (since 2008) and “Leaders of Corporate Philanthropy” (since 2009), which are prepared on the basis of questionnaires filled by the largest Russian companies. These annual reports are prepared in collaboration with the Russian Association of Managers – one of the leading business associations in Russia.

There are several new research centers, which started their activity in the last few years.

In 2021, MGIMO University² launched the Center for Sustainable Development that created and regularly updates *The MGIMO Digital Library in SDG/ESG* — an online database of Russian and foreign sources and international documents necessary for a comprehensive understanding of key trends in sustainable development and ESG-transformation.

In 2022, Moscow State University established the Scientific Laboratory for Sustainable Development Management and ESG-transformation in cooperation with the National Rating Agency (NRA). The laboratory develops ESG rankings of Russian regions (e.g., Konstantinidi 2022

(Russian references)) and publishes ESG Digest — a quarterly review of current developments in sustainability, climate agenda, global energy transition and ESG transformation.

In 2021-2023, HSE (Higher School of Economics) University conducted a large research project in business ethics, focusing on examining self-regulation of ethics in the market by Russian industrial and professional associations and on developing tools for measuring ethical conduct of Russian companies. One part of this project was devoted to the elaboration of a new ethics training for employees and managers of Russian companies.

10.3 Methodological considerations

The authors of this study are members of the Russian Business Ethics Network (RBEN) and constantly engage with the professional community related to business ethics training and CSR starting from 2017 (if not earlier).

The survey was conducted in Russian language. The translation of the questionnaire into Russian is provided in the Introduction to the Global Survey of Business Ethics 2022-2024 in Volume 1. This questionnaire in Russian was distributed among RBEN members, Ethics & Compliance Officers and other managers and employees of Russian organizations. Our poll represents Moscow and St. Petersburg experts mostly; as for the regions, they are provided with training content from companies' headquarter offices.

We have conducted the survey among the professional community in Russia and people working in different industries, mostly in ethics and compliance functions. To get the maximum feedback, we requested respondents directly using personal contacts. Doing this way, we managed to collect 104 respondents.

Demographic data

- The majority of the respondents are women (64%), compared to men (36%).
- Over 70% of the participants belong to the age group between 36 and 60 years. 26% are below 35 years old and 3% are over 60.
- 90% of the respondents have a higher education, 9% hold a degree equal to Ph.D. (in Russia we call this degree a “candidate of science”), 1% have secondary special education.
- 84% of respondents work in private companies, 10% belong to state organizations, 3% are from non-for-profit organizations, the rest of 6% belongs to other types of organizations such as law firms, higher education institutions, public authority, professional societies.
- Answering the question about their role in ethics training, almost half of the respondents (46%) indicated that their work relates to ethics officer or a similar role, 35% are managers and 5% are trainers. The rest are lecturers, students, and employees.
- 44% of the respondents are over 5 years in their current role, 19 % are between 6 and 10 years, 21 % are over 11 years, and 15% are less than a year.
- At least 40% work as Ethics & Compliance managers or in the compliance field while around 48% occupy managerial roles as heads of functions or departments, including directors and even CEOs. There are a couple of entrepreneurs as well.

In summary, approximately 50% of the respondents are Ethics & Compliance experts, with no less than 5 years in the profession and a solid working experience (age after 35) including managerial roles. The rest of the respondents are employees of the commercial and other organizations who are covered by ethics and compliance functions, including training on business ethics. So, we find our sample valid for the purpose of the survey to get relevant and professional opinions

of the practitioners who are involved in training business ethics as trainers or trainees.

All 104 respondents relate to training practice either as developing and providing training or participating in training business ethics.

Table 1: Demographic description of the respondents

Gender	64% female / 36% male
Age	70% in 36-60 group age, 26% in below 35 group age, 3% in over 60 years
Education	90% in higher education; 9% with Ph.D., 1% in secondary
Type of organization	84% in private companies, 10% in state, 9% in other types
Affiliation to organization	46% relate to Ethics Officers or similar role, 35% are managers, 5% are trainers.
Occupation	min. 40% are compliance professionals, 48% occupy managerial roles
Duration in current position	44% are min. 5 years in the role; 19%: up to 10 years; 21%: over 11 years, 15%: less than a year

10.4 Terminology and key recurring concepts

Terms in the country’s language(s) and in English.

We have received a diversity of concepts, phrases, interpretations and associations for “business ethics” in Russian.

Table 2: The term “business ethics” in Russian language

Бизнес-этика, деловая этика	Business ethics
Корпоративная этика	Corporate ethics

Корпоративная культура	Corporate culture
Культура делового поведения	Culture of business conduct
Корпоративное поведение	Corporate conduct
Культура поведения и общения	Culture of behavior and communication
Профессиональная этика	Professional ethics
Нормы этического поведения на работе	Norms of ethical conduct at work
Культура деловых отношений	Culture of business relations
Добросовестное и честное ведение бизнеса	Diligent and honest business conduct
Добросовестность	Integrity
Прозрачность	Transparency
Трудовая этика	Work ethics
Порядочность	Decency
Аккуратность	Accuracy
Нулевая терпимость	Zero-tolerance
Этика бизнес-процессов	Ethics of business processes
Этичный бизнес	Ethical business
Этические принципы или этические проблемы, которые могут возникнуть в деловой среде	Ethical principles/standards or ethical issues that may arise in business environment
Социальная ответственность	Social responsibility
Корпоративная ответственность	Corporate responsibility

Персональная ответственность	Personal responsibility
Набор правил поведения для бизнеса	Set of rules for business conduct
Справедливость	Fairness, justice
Забота и уважение	Careness and respect
Надежность	Reliability
Понятия	Concepts
Комплаенс	Compliance
Соблюдение законодательства	Compliance with laws
Выполнение обязательств	Execution of obligations
Чистота бизнеса	Business clarity
Нормы (Кодекс) этического поведения	Norms (Code) of ethical conduct
Клиентоориентированность	Customer-orientation
Внутренние установки сотрудников компании при принятии бизнес решений	Internal attitudes of employees when taking business decisions
Набор правил, стандартов, принципов, ценностей, норм поведения сотрудника в организации	A set of rules, standards, principles, values, norms of behavior for an employee in organization
Совокупность общих принципов профессиональной служебной этики и основных правил служебного поведения	A set of general principles of professional work ethics and basic rules of official conduct
Устав моральных ценностей и норм в бизнесе	Charter of moral values and norms in business

Баланс интересов всех сторон, способность прислушаться к иному мнению, не пересечение красных линий и личного пространства	Balance of interests of all parties, ability to listen to different opinions not crossing red lines and personal space
Умение выражать свою точку зрения, не ущемляя и не принижая достоинств другой стороны	Ability to express one's point of view without belittling the merits of the other party

Involvement of the respondents in activities relevant to business ethics:

- 57% of the respondents are involved in compliance management,
- 49% involved in training programs (where 40% are engaged in trainings facilitation and development) and policymaking; 24% participate in training programs development by institutions offered to business; 8 % involved in training programs for government departments, state or other organizations;
- 36% are involved in ethics management;
- 25% participate in corporate governance;
- 18% relate to consulting or advisory services for organizations;
- 15% participate in research;
- 11% perform the role of compliance ambassadors.

10.5 Focus areas of business ethics

The respondents specified the following areas of compliance and business ethics they are dealing with:

Anticorruption, sanctions law and compliance, teaching in universities, public services, contract management, promotion of ethics among the society, ethics rating (measuring ethics in the organizations), expert of compliance award committee, administration of a compliance

committee, monitoring of risky transactions, approval of business transactions, consulting, performing overall compliance functionality.

10.6 Themes in the teaching of business ethics

Almost all Russian government universities include some courses by using ethics, corporate social responsibility or sustainable development in the curriculums of the bachelor and master programs in management. The government educational standard of bachelor program for management assumes that there should be such a course; but it does not provide any details about its content. Some Russian universities include courses in business ethics and sustainability in their bachelor or master programs because they need to receive international accreditation like EQUIS or AACSB.

Private business schools provide their MBA students with courses in business ethics or ESG transformation when they feel the demand for such courses (which is not always the case). A good initiative was taken by the Moscow School of Management SKOLKOVO supported by Rusal company that organized Business Ethics Days in 2019 and 2020 (as a part of international Global Ethics Day movement) with hundreds of participants from Russian companies to promote the idea of the need for responsible and ethical business.

10.7 Themes in business ethics research

As most of the participants were involved in training and not academia, few were involved in research. However, some respondents were involved and shared details of their publications on business ethics with the following titles:

- Ethics in real estate: Oxymoron or reality;
- A drop in the ocean (published by ACFE);

- Sourcing compliance, Compliance Center of Competence;
- Ethics management in companies, importance of moral examples, anti-corruption;
- How to enhance compliance through informal relations.

10.8 Themes in training on business ethics

Many large Russian companies have ethics and compliance officers who organize some internal trainings for their employees. These trainings are usually devoted to code of conduct or anticorruption policy. The learning materials can be developed by some external provider(s) as well as internally by the corporate university.

A driving initiative in the development of professional business ethics education was taken by the Russian Business Ethics Network (RBEN) – a national association of specialists in ethics, compliance and sustainable development from business and academia (founded in 2015 by Maxim Storchevoy as a Russian chapter of the European Business Ethics Network EBEN). In 2018, RBEN developed the first professional course *Managing Ethics in Companies*, designed for practicing managers in ethics and compliance who needed theoretical knowledge in moral philosophy and business ethics as well as practical skills in organizing a compliance system in the organization. The course was initiated by Ilur Akhmetshin – a practicing leader in promoting business ethics and compliance in Russia who also contributed a lot to the growth of RBEN community. About 100 of ethics & compliance managers in Russia have completed this course between 2018 to 2023. Another important contribution of RBEN to the professional development of managers in ethics and compliance consists in regular offline and online round tables and workshops devoted to recent practical dilemmas, changes in regulation, best practices, etc. Now RBEN is preparing to launch a national certification of professionals in ethics and compliance, which will require taking a

professional exam and regular participation in professional workshops and conferences.

In 2020, HSE University established the *Institute of Compliance and Business Ethics* – the first specialized department of a university dedicated to professional education of managers in compliance and ethics – led by Irina Grekova, one of the initiators of compliance professional development in Russia. The Institute offers general professional training programs for managers and directors in compliance as well as some specialized courses in data privacy, anticorruption, etc. The Institute also delivers the master program *International Compliance and Business Ethics* – a two-year course with defending a thesis and receiving a master's degree. The course is conducted by the leading practical experts in ethics and compliance from various Russian companies.

Before this program, the first professional certification in compliance in Russia was provided by ICS (International Compliance Services), an exclusive provider of ICA (International Compliance Association) training programs.

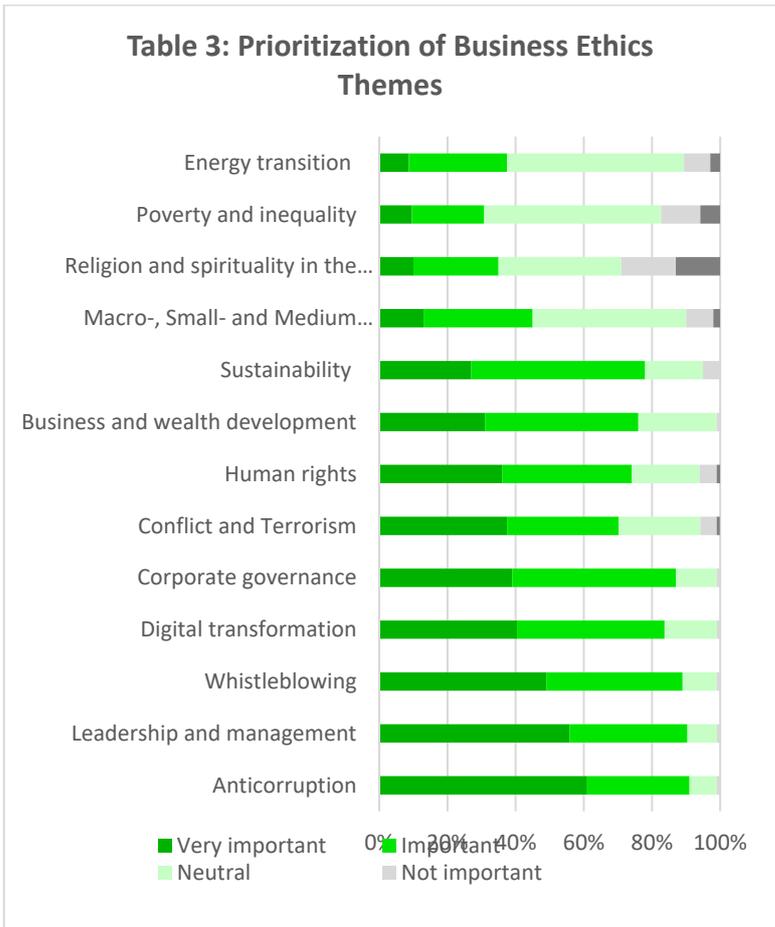
The participants believe that a range of topics related to ethics is currently important, irrespective of the type of the organization that addresses them. Key topics are:

Anticorruption, managing conflict of interest, sanctions, data privacy, code of conduct, risk-management, risk-assessment, including ethical risks, giving gifts, ethics in negotiations, ethics in conflict, hotline.

The respondents prioritised the topics in business ethics education in the following way. The top three themes are

- **anticorruption** (67% of respondents rated as of high importance and 32% as important);
- **leadership and ethical management** (60% rated as high importance and 37% as important);
- **whistleblowing** (53% rated as high importance and 44% as important).

The next three are digital transformation (44% and 47%), corporate governance (43% and 52%), conflict and terrorism (41% and 35%), followed by human rights (38% and 42%), sustainability (29% and 55%) and business and wealth creation (33% and 49%). Regarding poverty and inequality, energy transition, religion and spirituality in the economy and business, and micro, small and medium enterprises, a majority of the respondents find these topics not important for the time being. See the prioritization of business ethics themes in Table 3.



Some additional topics are relevant as well:

- Business and authority – Interactions and responsibilities of all participants in the company's ethics management process – Protection of insider information – Interfaith relations – Government relations – Conscious consumption – Political apathy – Maintaining and developing business skills in conditions of global uncertainty – Ethics in sales – Development of educational programs on business ethics for universities – Responsibility of top-managers – Rumours and gossips – Business reputation – Ethical dilemmas.

Other important training topics for different types of organizations are relevant as well:

In non-degree training programs:

- Ethical competencies of employees: content, methods of development and assessment – Emotional stability in negotiations – Influence of ethics on business processes – Business ethics from scratch: all the basic points – Review of worldwide compliance practices (non-ISO) used by companies – Development of compliance managers – Business ethics in horizontal relations, vertical relations, outside the organization – Ethical aspects in using a polygraph – Ethical dilemmas in business, code of ethics as the key to a company's corporate culture – Cultural characteristics of management and communications – Managing ethics in the organization – Modern business etiquette – Ethics in Russian industrial companies – Ethical leadership – Ethical values.

In training programs (practical and vocational training) for businesses:

- Legal nihilism – The Open Group Architecture Framework (TOGAF), information security, big data, financial technology, artificial intelligence, leadership – Values of business, ethical

principles, combating unethical behavior – Communications between company departments – Team involvement, motivation – The role of managerial personnel in the corporate culture – Features of doing business with high-risk countries: Turkey, China, UAE, Cyprus, Offshore jurisdictions – Business ethics in regions – Harassment – Training in methods/tools that can be used to engage staff in creating an ethical culture – Antitrust practices.

In training programs for governmental departments or institutions:

- Compliance appeal in public procurement – Managing emotions, effective communication – Ethics and responsibility of a government official – Nepotism as the root of evil in state and public organizations – Compliance risk management in public procurement – Compliance risks in books and records and other types of reporting of state and public organizations – Problems of excessive compliance control and the lack of an effective mechanism for compliance investigations in the public educational system (e.g. healthcare system) – Giving gifts, providing business hospitality to government officials. Declaration of income/expenses – Implementation of anticorruption standard ISO 37001 in public service – The influence of ethics on the level of well-being of citizens and regions – Ethics in interaction with consumers of public services – An approach to the provision of state and municipal services based on the principle of “human-centricity” – Personal qualities, empathy and tolerance – Commission on ethics.

In training programs for other types of organisations:

- Compliance in procurement – Automation of compliance processes: need, development, implementation – Providing sponsorship – Ethics as a guide to decision making

- Compliance basics for executives – Ethical standards in relations with consumers.

10.9 Major business ethical issues in the next five years

Some participants believe that fighting corruption and managing conflicts of interest will still remain important in the next five years. Other topics on the rise are:

-Ethics of artificial intelligence: corruption in AI; ethics in digitalization; digital currencies; norms of behavior on the Internet; privacy of employee and customer data; responsibilities of companies for data protection;

-Sustainability and ESG: ethical obligations of companies to the environment; ecological principles; global warming; climate, space, population growth;

-Politics: geopolitics; political instability and doing business under sanctions; maintaining partnerships; ethics in procurement;

-Equality and diversity: fairness and equality in the workplace; effective strategies to combat discrimination; equality in expressing an honest opinion, regardless of position, respectful attitude towards all categories of employees; ethics towards minorities; democracy, respect and dignity; tolerance to other religions; cultural issues and values;

-Ethics of a leader, ethical management: the role of managers in observing the principles of business ethics, moral leadership, creating a healthy atmosphere in the team; search for a local (Russian) approach to the definition and content of generally accepted ethical standards for Russian business; development of corporate thinking; ethics in relations between employer and employee.

10.10 Conclusion

To conclude, business ethics has now become a regular and well-developed area in Russian academia and business. Russian universities introduce courses in business ethics or CSR as well as educational programs. Few of the institutions conduct some research in these fields. Some Russian business ethics scholars publish their papers in the leading international journals and several management journals promote research in business ethics, CSR and ESG. Large Russian companies provide ethical training for their employees. Usually, the programs are conducted by compliance officers or organized by professional external providers. To a large extent, all these practices have been borrowed from Western business practices. Similarly, they have been implemented under the pressure of foreign regulators (for example, on anti-corruption) and expectations of international stakeholders (including social and ecological responsibility). Unfortunately, the political events after February 2022 interrupted the majority of partnerships and cooperation between Russian large businesses and universities and Western countries. Nevertheless, we attest a genuine interest to business ethics among managers and people working in Russian companies and the intention to deal with many diverse and specific issues they raised in answering the questionnaire. We can also observe the emergence of professional training courses on business ethics. And we may assume that businesses, which already accepted ideas and practices of professional ethics and conduct, will request Russian academia to increase the research field in ethics and CSR.

10.11 Endnotes

- (1) After March 2022, the Russian division was transformed into “Technologies of Trust”.

(2) MGIMO is the Russian acronym of the Moscow State Institute of International Relations, an institute responsible for professional education of diplomats and run by the Russian Ministry of Foreign Affairs.

(3) At that time, he occupied a role of a Vice-president and Ethics & Compliance Director in VimpelCom, a large telecom company.

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LATIN AMERICA (CONSOLIDATED REPORT)

*Andrés Suárez, President of ALENE
(Asociación Latino-Americana de Ética, Negocios y Economía),
jasuarezg@gmail.com*

Two reports were compiled for Latin America. One was the Latin American report where data was collected from Argentina, Columbia, Chile, Costa Rica, Peru, Bolivia, Brazil and Mexico. There were separate reports compiled for Brazil, the second report under the South American region, and one for Mexico that is included in the North American region.

11.1 Introduction

In this report we cover the responses of 61 individuals, 32 from the academic sector and 29 from the training sector, covering mainly people from Argentina, Colombia and Chile, but also from Mexico, Costa Rica, Peru, Bolivia and Brazil. In the Latin American case, two countries have separate country-reports, namely Brazil and Mexico. However, this chapter has also included the responses of participants from these countries to enrich the debate. A review of the literature, the main focuses of business ethics for academics and trainers, and future issues are first presented, followed by GSBE Sections (3) – (12).

This book also considers the researches led by the scholars in Mexico and Brazil. It has been considered appropriate to mention in this

introduction some of the key finding of the reports on Latin America, Brazil and Mexico.

The three sections from the entire Latin American region considered 145 questionnaires fully completed, where 61 were from Latin America section, 49 from Brazil, and 35 from Mexico. The respondents were mainly people from Argentina, Colombia and Chile in the case of the Latin American section, but there were also participants from Mexico, Costa Rica, Peru, Bolivia and Brazil.

Participant profiles of Latin America, Brazil and Mexico

Region/Country	Questionnaires fully completed	Teaching and Research in academia	Training in and for business enterprises
Latin America	61	32	29
Brazil	49	39	10
Mexico	35	13	22

The Latin American region as a whole is a scenario of disparities, with different types of democracies that business development face, and so, business ethics. The Economist Intelligence Unit (2024) mentions that in their *The Democracy Index 2023* score for Latin America and the Caribbean underwent its eighth consecutive decline. We can find stronger democracies, which is the case of Uruguay, Costa Rica and Chile, but at the same time, several countries face authoritarian regimes and strong levels of perception of corruption. According to Transparency International (2024), “the lack of independence of the judiciary in the region is one of the main problems. It undermines the rule of law and promotes impunity for the powerful and criminals to the detriment of the people and the common good”. The same disparities can be found in the Rule of Law Index (World Justice Project 2014), or the Global Peace Index (Institute for Economics and Peace 2014), which mentions in their Report 2024 that the fall in peacefulness in the region was driven by deteriorations on the categories “Safety and Security and Ongoing Conflict

domains, with the largest changes occurring on the homicide rate, Political Terror Scale, and intensity of internal conflict indicators”. We do not want to be dramatic, but this is part of the context to be considered when promoting Business Ethics and Sustainability.

The fundamental themes mentioned below for the next five years seem to evolve with global challenges facing local contexts. Part of the themes are not that different from the ones that have been traditionally developed, studied and spread along the area business ethics from both academia and business people: ethics in the workplace, ethical frameworks with stakeholders and suppliers, and/or environmental sustainability. The emergence of legal compliance appears to be related to the codes of ethics that avoid potential crimes and its impact on corporate reputation. Artificial Intelligence (AI) and its lack of moral and/or legal framework seems to be “the” new theme. Anti-Corruption rules would reflect a characteristic of the region: diverse type of democracies and different levels for the rule of law. The three chapters highlight the rise of “diversity” as part of the human resource management, being gender equality and the inclusion of ethnic and sexual minorities part of the challenges. Environmental sustainability would express the nature of several countries of Latin America: territories where extractive activities from enterprises, multinationals and or SMEs face a better understanding of nature–society relations from managers.

Key subjects of the Latin American report in the literature are: (1) Regional approaches, (2) Teaching ethics and ethical dilemmas in business, (3) CSR and sustainable management, (4) Codes of ethics and corporate integrity, (5) Culture, organizational and professional competencies, (6) Compliance and crime prevention, (7) Responsible consumption, (8) Family and sustainability, (9) Spirituality and business, and (10) Peacebuilding and CSR in Colombia. Perhaps this last subject is the most particular mentioned for this country in the entire region. Specifically, the “Final Agreement for the Termination of the Conflict

and the Construction of a Stable and Lasting Peace in Colombia with the FARC (Revolutionary Armed Forces of Colombia)” have implied an active role for companies, such as the generation of employment and support for enterprises of actors in the process, and how CSR practices of SMEs contribute to peace-building. Pro-Peace practices face several ethical dilemmas, such as society accepting those who belong to the FARC.

For Brazil the main themes with priority are: (1) Human Rights, (2) Sustainability, (3) Leadership and Ethical Management, (4) Poverty and inequality, (5) Corporate Governance, and (6) Digital Transformation. However, although the country has a democratic system and a rule of law with solid democratic and human rights institutions, according to the Inter-American Court of Human Rights, Brazil continues to present a scenario of extreme social inequality based on structural discriminations. These discriminations concern Afro-descendants and traditional quilombola communities, indigenous peoples, peasant people and rural workers, people living in poverty or homelessness, women and LGBTI people.

In the case of Mexico, among the major emerging themes of business ethics are: (1) Represent of Minorities, (2) Ethics of Care, (3) Professional Ethics, (4) Cultural Differences in Ethics, (5) Ethical Accounting Partners, and (6) Ethics Committees. According to the authors of the report on Mexico, the following quote captures the situation quite well: “It is interesting that the ethical frameworks that are recently being developed in Mexico help face some of the challenges presented in Mexico like the lack of security measures, domestic violence, inequality in the labor market, deficient performance, poor attention to the customer, among others” (Alexander 2017; Manrique 2020).

According to the respondents of the questionnaire (see above), there are four focus areas of business ethics in Latin America: (1) Values, Moral Philosophy and Organizations, (2) CSR and Management Studies,

(3) Professional Ethics, and (4) Sustainable Development, ESG factors, Corporate Governance. Similarities and differences of the major business ethical issues in the next five years are the following according to the regional Latin American report and the country reports from Brazil and Mexico:

Regarding the Latin America region, the focus areas will be: (1) Ethics, management and workplace, (2) Information Technology and Artificial Intelligence (AI), (3) Ethics, norms and culture, (4) Environment and Sustainability, and (5) Other issues, which refer to Ethics in health systems, Competition, Education of children from school onwards, Populism and/or manipulation, Brand reputation, Civil society, public-private corruption, Human resources ethics, Marketing ethics and Regenerative development.

Regarding Brazil, the focus areas will be: (1) Compliance, (2) Corporate governance, (3) Social responsibility, (4) Sustainability, (5) Codes of professional ethics, (6) Legality and seriousness of purpose, (7) Misleading advertisements and anti-corruption and anti-fake news measures.

Regarding Mexico, the focus areas will be: (1) Artificial Intelligence, (2) The role of the business organization in both producing and alleviating issues such as increasing migration, climate change, rising inequality, corruption and precarious jobs, (3) Promoting transparency in dealings with stakeholders, (4) Upholding ethical standards through consistent communication and alignment of personnel with ethical codes, (5) Navigating the complex interplay between government regulations, taxes, and corporate responsibilities, (6) A pressing need for companies to foster a culture of responsibility and accountability among employees, ensuring ethical standards, and (7) A lack of fair play and transparency when companies deal with both suppliers and clients. It has to be mentioned that business ethics development in the Latin American region should go hand in hand with the development of a stronger institutional

framework. Ensuring a stronger rule of law and institutional framework may affect positively local business environments. And this could lead to an environment of trust which could affect not only the development of businesses and organizations, but also the dissemination of business ethics and sustainability.

11.2 Existing literature

A review of the literature does not allow us to distinguish a strong division of the issues addressed between those coming from the academic and those coming from the training area. Some of those working in training come from academia and therefore provide a general framework for analysis. And some of those working in training are also academics. The difference is in who the publishers are, i.e., academic or not academic publishers (including think tanks or professional publishers). Local networks for citizen and business study and business reflections, such as Poder Ciudadano (Argentina) or Fundación Generación Empresarial (Chile), stimulate ethical reflection in organizations and echo local leadership in their own social context. The emphasis among those coming from training would be on issues such as the resolution of ethical dilemmas, training in moral competences in the organization, the influence of the values of the home environment on teleworking, crime prevention within organizations, the implementation of the principle of transparency and corporate integrity programmes. Those working in academia publish in university or academic publishing houses, and while the topics are more or less similar, academics are able to give a broader scope to the examination of business ethics from a regional perspective. In addition to the above topics, scholars also delve into moral philosophy and the role of business and economics in social discussion, business ethics teaching and ethical discernment, culture, responsible consumption, professional competencies, corporate compliance, product

sustainability, stakeholders or organizational ethics and aesthetics, among others. It should be noted that in the literature of those coming from Colombia, there is a clearly differentiated theme: CSR in post-conflict Colombia.

The existing literature can be organised in ten key subjects (see Table 1).

Table 1: Key subjects in the existing literature on business ethics

- | |
|---|
| <ol style="list-style-type: none"> 1.1. Regional approaches 1.2. Teaching ethics and ethical dilemmas in business 1.3. CSR and sustainable management 1.4. Codes of ethics and corporate integrity 1.5. Culture, organizational and professional competencies 1.6. Compliance and crime prevention 1.7. Responsible consumption 1.8. Family and sustainability 1.9. Spirituality and business 1.10. Peacebuilding and CSR in Colombia |
|---|

Regional Approaches

Regional studies on business ethics were promoted several years ago by UN regional organizations such as the Economic Commission for Latin American and the Caribbean (ECLAC) and the Inter-American Development Bank (IADB), addressing issues such as CSR and corporate governance. The OECD has published in 2022 the "Responsible Business Conduct in the Garment and Footwear Sector in Latin America and the Caribbean", focusing on the challenges for companies and governments in the region in two areas: a) labor and human rights, b) environmental impacts and risks. The achievement of responsible business conduct requires, in addition to companies and governments, the involvement of different stakeholders.

Business ethics, CSR and corporate sustainability from a Latin American perspective are related disciplines that have been explored by authors from various countries in the region. One of the latest compilations was prepared by Brazilian academic and consultant Maria Cecilia

Coutinho de Arruda (2022) in the work *Somos Humanos: Uma Reflexão Ética, Filosófica e Social*. We also find Vives (2023b), Pezoa (2018), Martins de Oliveira et al. (2021), Gorrochategui et al. (2023), Lechuga Cardoso et al. (2019). Previously, Kliksberg (2013) had already made proposals of CSR for Latin America.

In Latin America, Antonio Vives and Estrella Peinado edited in 2011 one of the first volumes on Corporate Social Responsibility (CSR) in the region, with authors from Argentina, Chile, Colombia, Costa Rica, Spain and Peru. The edition, promoted by the Inter-American Development Bank (IADB), explores in five sections theory and case studies. The first section analyzes the relationship between the company and its environment in order to determine what its actions should be, from economic, ethical, legal and philanthropic perspectives, with different geographical perspectives (North-South). It explores the responsibilities for different stakeholders and the weight of corporate governance. It then describes various instruments for CSR management, both from the perspective of private companies as well as of public sector organizations, and compiles case studies for application in the same perspective. Among the maxims for the future, it states that "for a company to be responsible, its management must be convinced of its capacity to create value" (Vives & Peinado 2011, 463).

Bernardo Kliksberg, who had promoted reflection on the practice of CSR in the region from the Inter-American Development Bank (IDB), published in 2013 in Argentina a volume entitled *Ethics for Entrepreneurs*, explaining why companies and countries gain through the introduction and development of CSR. The author sets out what he considers to be the CSR agenda: 1) caring for the workforce, 2) gender balance, 3) good corporate governance, 4) conscious consumers, 5) CSR and the environment, 6) the supply chain, 7) family-friendly companies, 8) corporate volunteering. In the section on Latin America, he highlights some points, based on various surveys carried out at that time in different

countries, such as low trust in companies in the region, the promotion of decent work, the creation of social value by companies, the lack of equity as a situational context, and the potential of small and medium-sized enterprises (SMEs).

Raquel Sastre (2011) publishes in Argentina the book *La Dirección de Organizaciones*, in which the author devotes a chapter to the 'value framework' as a forgotten dimension in organizational analysis. In this section she also compiles what business managers and leaders in Argentina and Brazil thought at that time about ethics in business, which offer definitions such as: 1) acting in accordance with certain values, 2) keeping one's word, 3) having good reasons and agreeing, 4) correcting values to act with others, 5) acting in accordance with one's principles, even against social coexistence, among many of the responses of the businessmen. Most of the interviewed group managed family businesses directly or indirectly. Among the ethical principles and values surveyed by this group, the most frequently mentioned was transparency. The author also collected information on the teaching of ethics in business schools, and interviewed university professors on the subject. The need for ethics teaching, the expansion of research on ethics and its scope was established, and she recommends that perhaps the way forward is to do it from the perspective of each institution and each discipline.

Two authors with a regional perspective who work as consultants also come from academia, Maria Cecilia Coutinho de Arruda and Antonio Vives. Arruda coordinated the publication in 2022 of the work *Somos Humanos: una Reflexión Ética, Filosófica y Social* from the Latin American network of Business, Economics and Ethics (ALENE) in which authors from Argentina, Bolivia, Brazil, Chile, Colombia, and Portugal participated. The essential premise of the book is that we are human, as presented in the prologue. This premise is broken down into eight maxims based on our human condition: (1) ethics is important, it is not detached from life; (2) for us freedom is a great value; (3) we need

ethics as a science that seeks to know in order to act; (4) we live in society, and can be considered partners; (5) we depend on each other for our life in society; the society in which we live counts on our work; (6) we see organizations as an extension of our homes; (7) we see organizations as an extension of our work; (8) we see the human condition as a human condition; we see organizations as extensions of households and governments that host, employ, or offer wages that will be transformed into goods and services; we know that stakeholders within and of an organization expect ethical governance from that organization; ethics brings hope, to paraphrase M. Preziosa. Insisting that we are human is opposed to other theories such as those of post-humans and transhumans, because if humanity is disrupted for the sake of some who consider themselves superior, we would lose everything we have conquered up to modern times: history, values, connections, among other elements. The book covers various topics: solidarity, fraternity and efficiency, Covid and the digital universe, work and digital transformation, globalisation, the ethics of international relations, moral competencies in organizations, corporate governance and compliance, the ethical role of universities in training, behavior and cognitive dissonance in decision-making, the aesthetic dimension of organizations, reporting and responsible management in South America, scientific production and moral philosophy. Some of its contents are presented in this report, in the literature on ethical training as well as of academia.

The second author with a regional perspective, Vives, through the Cumpetere initiative, has been publishing many volumes on CSR in Ibero-America. The latest volume, volume VII, published in 2023, analyzes emerging CSR issues: CSR versus ESG factors, the role of the sustainability officer, sustainability training of corporate governance members, the profitability of responsibility, responsibility-related remuneration, the materiality of corporate sustainability information management and reporting, sustainability ratings and criticism of

standards from the ESG (Environment, Social, Governance) matrix, such as sustainable financing and responsible investment. This volume highlights the shortcomings of corporate sustainability ratings in representing corporate sustainability, and the shortcomings in the use of ESG criteria to shape responsible investment funds. Regarding the materiality of the rating criteria, it states that "the most important thing in assessing these ratings is the correspondence between the criteria used and the material aspects for the company. There is a divorce between the two. For example, S&P Global uses 24 indicators that it believes are relevant for all banks, but they do not reflect what is material for a particular bank, and by claiming to be universal they may not be representative" (Vives 2023, 193). Regarding "responsible" investment, he discusses the divergence between the returns of funds labelled as responsible and conventional, and states that "it is not a sustainability, but one of the composition of the funds being compared". The task, therefore, is to separate the analysis of E, S and G.

Alvaro Pezoa (2018) analyzes media exposure of business ethics cases in six countries: Argentina, Brazil, Chile, Colombia, Mexico and Peru between 2011 and 2015. The study concludes that, "as a whole, the misconduct associated with collusion, cartels and unfair competition are the first to stand out, followed by tax fraud, and, third, consumer scams and fraud. Public corruption, and its various effects on and links with the private sector, seems predominant in many nations - Argentina, Brazil and Mexico, in particular" (p. 649). Furthermore, it mentions that academic studies are scarce and generally lack rigour, and there is little publication in indexed journals. Governments do little to promote business ethics, concentrating instead on legal issues. In this respect, the author mentions that "since the very persons who draft and enact these laws are the same persons who are the focus of these laws, they have little incentive to make or to enforce a law which might, so to speak, put them 'out of business'" (p. 650).

Linked to CSR is the Organizational Social Responsibility (OSR, or RSO in Spanish). Nora Gorrochategui et al. (2023) compile the proceedings of the International Symposium on Organizational Social Responsibility (SIRSO in Spanish), a regional network meeting held in Argentina. Although the text lacks an introduction on the subject, it is structured in four sections: CSR, social responsibility (SR), university social responsibility (USR), social and the Sustainable Development Goals (SDGs), and OSR. The document provides experiences from Argentina, Brazil, Chile, Colombia and Ecuador, and compiles regional studies on CSR, environmental management by company management, circular economy, CSR in SMEs, organizational culture, Covid and environmental sustainability, Smart cities, circular cities, cooperativism and social responsibility, digital responsibility, civil society, gender perspective in organizations, the social progress index, and mobbing.

For their part, Mexican authors Cristian Rivas Castillo Jorge Lechuga Cardoso (2019) address the international and Latin American legal framework of corporate environmental responsibility (RAE) and analyze the regulatory framework of Argentina, Bolivia, Chile, Colombia, Costa Rica, Guatemala, Honduras, El Salvador, Uruguay, Mexico and Nicaragua. The researchers propose going beyond the voluntary nature of the RAE and conclude that "it is necessary for states to develop regulatory frameworks that regulate the environmental responsibility that companies should have, although it is true that economic sanctions are proposed for corporations that cause damage to the environment, but they do not make clear the responsibility that they have" (p. 31).

One of the most recent regional publications on sustainability is published by Springer and edited by Walter Leal Filho, Noé Aguilar-Rivera, Bruno Borsari, Paulo R. B. de Brito and Baltazar Andrade Guerra (2023), this time in line with the United Nations SDGs. It includes texts by authors on key sustainability issues in the Americas and the Caribbean. The first volume is divided into two themes: a) Research Perspectives

and b) Educational and Communication Perspectives. The second volume contains two themes: c) Business-Related Perspectives and d) Linking Theory and Practice. Some of the key issues highlighted by the authors are: climate change, forest loss, water scarcity, pollution and waste management, among others. The editors mention that "achieving sustainability in the region requires addressing social disparities and promoting inclusive development" and that "these sustainability challenges require a multifaceted approach involving government policies, international cooperation, technological innovation, public awareness and stakeholder engagement" (p. vii).

Teaching ethics and ethical dilemmas in business

The teaching of business ethics and the resolution of ethical dilemmas in organizations is also addressed by several authors from Argentina, Chile, Bolivia and Brazil.

Preziosa (2013), through a survey of students, analyzes the teaching of ethics in the university environment from a Christian ethos perspective. She understands the university space as a community of people, the search for truth, leadership and human dignity, among others. In this same direction, the teaching of ethics and human rights is explored by Suárez & Lira (2012), highlighting the Ignatian ethical discernment in the decision-making process: 1) the definition of the fact that expresses an ethical dilemma, 2) the understanding of the fact and the actors involved, 3) the ethical judgment, with the distinction of values and principles at stake and their hierarchization, and 4) the deliberation of the ethical option. This methodology is inspired by the ethics of discernment systematized by the Maltese-born moralist Tony Mifsud, SJ (1949-2022), who settled in Latin America. Preziosa (2022) also analyzes business ethics literature on ethical judgment and explores (1) whether mimesis enables executive self-deception and (2) whether mimesis socially influences such moral evaluation. The author identifies that the subject may

decide not to exercise his capacity for discernment and remain in the blindness caused by the mimesis that hides from him both the impulse that originates his choice and the intermediation of the other - the example or model.

Preziosa (2023) theoretically addresses the teaching of business and professional ethics and, specifically, integrity and compliance. She takes as the point of analysis the complexity of the use of the concepts of integrity and compliance in Latin America, understanding that they are based on Anglo-Saxon laws and codes. For its understanding, the author examines the available literature from an etymological and phenomenological perspective, from the professional codes of ethics for public accountants and administrators, and from the academic literature on business ethics. She also includes stories taken from fables, Greek myths and a television series, and argues that "behaviors that manifest 'professional integrity'" gives moral robustness both "to the person and to their professional and social dealings and exchanges due to the fulfillment of their promises". Vives (2023a) also highlights the teaching, this time, of sustainability in the university training of accountants. The author analyzes whether accounting education is prepared for accountants in the market for sustainability reporting, until recently considered as non-financial reporting. The author establishes a framework for the analysis of accounting information and sustainability information, and states that "the object of the report is more vague, fluid, variable, undefined, with many difficulties in measuring impact, which requires very different skills. It is largely a matter of identifying and quantifying risks, to be managed". Vives concludes that it is not enough for the accountant to be well-trained in sustainability reporting standards, but also to understand the role of sustainability in the company's business.

On the teaching of business ethics, Arruda et al. (2017) publish from Brazil the fifth edition of the book *Fundamentals of Business and Economic Ethics*, which constitutes a manual structured in four parts:

1) Concepts of ethics, 2) Ethics in business, 3) Ethics in economic activity, 4) Challenges. In this last part they analyze issues such as the link between communications, economics, politics and ethics, international relations in globalization, and the relationship between ethics, CSR and sustainability.

Pinto & Scalzo (2022), from university centers in Chile and Mexico, published in Spain (Editorial EUNSA) the work *Ethics and Business*, aiming at managers and academics for their work with students. The text has been prepared as a manual and is structured in six areas: 1) practical intelligence, 2) management ethics, 3) work ethics, 4) business ethics, corporate ethics, and 6) organizational ethics. The text proposes to unify the language of business ethics and relate it to sustainability, a concept understood as the institutional responsibility that protects the company over time.

Piedra (2022) from Peru, meanwhile, analyzes the issues of integrity and corruption in business from the perspective of pedagogy to be taught at universities. He first discusses the work of the teacher of ethics and the student's commitment to society, and introduces the topic of corruption. Then, the author discusses ethics as a rational decision, addressing ethical reflection and the absence of practical frameworks. The text describes ethical transgressions in business megaprojects carried out in Peru, and continues with innovative pedagogies in the international context. The book ends with the ethical sense of the person, and the sense of transcendence that every act of the human being has. For their part, Parra Torres et al. (2023) address the teaching of ethics in business schools in the international context, revealing that "the subprime crisis encouraged the linking of business schools with the Principles for Responsible Management Education (PRME) [...] as a mechanism to show an institutional commitment to a more comprehensive training, where the topics of Ethics, Corporate Social Responsibility and Sustainability or ERS [i. e., E standing for Ethics, R for CSR, and S for

Sustainability] were central as part of the training". However, the curricular modifications carried out by the business schools are not significant, the topics taught are basically the same, and the courses that address business ethics issues are still scarce and elective. The authors point out that it is important to identify institutional barriers and that SRE training should consider practices and realities such as those in Latin America.

In Chile, organizations such as Fundación Generación Empresarial (2014, 2019) stimulate the resolution of ethical conflicts in the company from the culture of corporate integrity, in which "collaborators feel moved by a sense of transcendent mission linked to the work they must perform; by universal values applied to their areas of action; by a strong sense of probity and honesty; an awareness of the value of the person, their dignity and rights; and an emphasis on acting ethically, manifested in the ability to discern between self-benefit and the common good" (2014, 15). In the book *Towards a culture of integrity* the same organization states, from the perspective of entrepreneurs, directors and executives, that among the main shortcomings that put corporate integrity at risk are: 1) not weighing what is happening at the social level, 2) regulation stifles the ability of directors to see in their sessions issues other than the normative ones, 3) formality, i.e., only for the sake of compliance, 4) homogeneity of directors, 5) incentives for performance. The ethical dilemma expressed in the aforementioned document is expressed as follows: "in our organizations two souls coexist: one in which the end justifies the means, whose goal is the profitability of shareholders; in another, in which the company is recognized as a relevant social actor that contributes to improving the quality of life, well-being and integral development of people" (Fundación Generación Empresarial 2019, 11). Likewise, the organization proposes sets of good practices on the key issues of corporate integrity: corporate governance, management of conflicts of interest, free competition, relationship with collaborators

[employees], gender equity, diversity and inclusion, clients and consumers, suppliers.

In Argentina, ethical leadership in times of telework is proposed (Di Prinzio & Artale 2021). Once the situation of teleworking forced by the pandemic has been overcome, the authors ask themselves the following questions from the point of view of work ethics: “How much can our work decisions be influenced by our environment (partner, parents, siblings or anyone with whom we live), and what if they have a different value system than ours? And if I live alone, can my behavior be more lax because I know I am not being watched?”

CSR and sustainability management

CSR management is addressed by Arroyo & Suárez (2011) through an edition in which various academics and consultants compile good CSR practices in Chilean industry sectors such as forestry, fruit and aquaculture, mining and energy, SMEs, inclusive business, telecommunications, innovation and productive development, banking and retail. More specific topics such as good corporate governance are developed by Aguiñaga Gallegos et al. (2017), compiling good practices of Mexican companies, with the support of banking -Citibanamex-, consulting - Deloitte - and academia - Tecnológico de Monterrey -, emphasizing the SME sector. Suárez (2012) questions aspects that at the time were part of the socially responsible work of companies in a globalized context: the voluntary nature of CSR practices, cultural change in organizations, the independence of CSR from politics, that CSR is only for private companies, that philanthropy - so prevalent in Latin America - is not CSR, and that the framework is clearly defined. For their part, Niño Muñoz et al. (2019) also analyze a framework for the implementation of CSR by companies from a territorial perspective, contrasting the sustainability goals of the United Nations and Strategic Areas of the National Development Plan of Colombia. Through a matrix analysis,

they "recommend the company to: (1) strengthen and measure its internal practices; (2) develop awareness of the importance of CSR; and (3) be enthusiastic about contributing to the country's development" (p. 25). At this point, the extrapolation of CSR management to the organizational sphere is already beginning to be identified. An example is given by León Correa (2011) when he adapts the language of business management ethics to healthcare institutions, and of social responsibility to this segment. In the same year, Perdomo & Escobar (2011) compiled the research on CSR that was being developed at that time from the discipline of management.

Also regarding the SDGs, Global Compact Argentina (Global Compact Argentina 2020) analyzes the implementation of Principle 16 by companies (Peace, Justice and Sound Institutions). The proposal focuses on the development of a sustainable integrity program, as a model of ethical management of organizations, taking as a framework a scenario of corruption. As always, it is recommended to develop risk matrices and codes of conduct, among other management tools.

The integration of stakeholder theory to social marketing is a topic addressed by Lechuga Cardoso (2017) as a global strategy to create value from outside to inside organizations. In this same sense, Lechuga Cardoso et al. (2018) analyze the ethical foundations of stakeholder analysis in companies and conclude that in the study carried out "it is noted that most organizations do not have a formal method to identify stakeholders, it is more of an informal and mental process that is not put down on paper or devised in a meeting"; but some say that they do market research, social planning, environmental analysis and staff studies to do so (p. 92).

In turn, Werneck Barbosa et al. (2022), when analyzing the dimensions of sustainability and environmental collaboration in Brazilian companies belonging to the "agro-food industry", establish that "the

competitive advantage will be achieved when an organization is able to transform itself, environmentally aligned with internal and external stakeholders, and by incorporating collaboration as a relational element that positively affects sustainable performance”. Moreover, observan patrones de comportamiento distintos entre grandes compañías y las que no lo son, pues “the sustainable performance measured in the study has a much greater effect on economic performance in large companies” (p. 415).

Aesthetics also occupies part of organizational analyzes. Sastre and Yela Arénega (2023) elaborate a theoretical and practical framework on "aesthetics in the management of organizations" to identify its dimensions and variables. The authors describe that beauty "may be defined as 'a place to feel well', and it is possible to design a beautiful building. In the case of the organizational design, however, it is only possible to create optimal conditions so that the workplace can be a place to feel well, to feel 'at home'". The authors organized the research in ten types of beauty: 1) Traditional Beauty, 2) Attractive Beauty, 3) Materialistic Beauty, 4) Commercial Beauty, 5) Realistic Beauty, 6) Humanist Beauty, 7) Charismatic Beauty, 8) Classical Beauty, 9) Rationalist Beauty, and 10) Forward-looking Beauty. The authors conclude that “for executive officers, the contribution of a typology of organizational beauty to the analysis of the aesthetic dimensions of their organization is that it allows them to reflect on the most suitable type of beauty for their organization or sector”.

Zamorano et al. (2021) from a group of Chilean universities have explored “New manufacturing challenges facing sustainability”. In their research, they analyze 11 technological trends of industry 4.0 Sustainable Manufacturing. The authors conclude that “the highest number of mentions in the sustainability field correspond to four technological trends: Internet of Things, Additive Manufacturing, Cloud Computing, and Cyber-Physical Systems. [...] The technological trend with the lowest

number of mentions was Semantic Technologies. Future research should investigate the four phases that describe Sustainable Manufacturing (i.e., manufacture, product use, the end of the product's useful life and the acquisition of raw materials)" (p. 21).

Dueñas-Ocampo et al. (2021) examine the gap between the concepts of organizational sustainability (micro-dimension) and ecological sustainability or sustainable development (macro-dimension), which is derived from business practice. They emphasize that cross-sectoral partnerships, social innovation and hybrid business are emerging organizational forms, based on collaboration, that contribute to closing the gap. The discussion is exemplified by emerging organizational forms in the Colombian context, with an emphasis on peacebuilding organizations. From a wider perspective, the authors state that "the common good expressed in the Global Sustainable Development Agenda must be incorporated into the mission of business, must create patterns of good corporate governance and must lead to a shift from compensatory social agendas of CSR to common good agendas as strategic sources of value" (p. 126).

Gorrochategui et al. (2019) link the SDGs to the subjects of social responsibility and organizational governance with a set of papers that include experiences from the academic area in Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, and Paraguay. They divide the book in four sections, three of them dedicated to CSR, SR of the Credit Unions and in the public sector, and the SDGs. The authors establish that the methodological and strategic proposals are useful and consider three types of potential: (1) practical potential, as a problem-solving instrument, (2) potential for application, by those with management responsibilities in all types of organizations, and (3) potential for innovation, due to the methodological usefulness that arises from the design of a management instrument itself.

Codes of ethics and corporate integrity

The development of codes of ethics is addressed by authors from Peru and Argentina (Vieira Cervera 2015; Debeljuh 2016). The first author develops ethics and problem solving and the importance of the code of ethics in organizations. He proposes a structure and steps for the elaboration of a code of ethics and the establishment of an ethics committee. He also shows that a code of ethics can sometimes be out of touch with the organizational culture and alien to the work of employees. Debeljuh (2016) in *The SAGE Encyclopedia of Economics and Society* recommends that "a code of ethics can be a key instrument in making a company an educational environment called to implement a 'structure of virtue' that, far from diminishing personal responsibility in daily action, promotes the common good and calls all members to play their role in contributing to it" (p. 396).

In Argentina, the implementation of the principle of transparency and integrity programmes in private, public and third sector organizations is an important part of the agenda (Battilana et al. 2020; Poder Ciudadano 2019, 2020; Alliance for Integrity-GIZ 2023). In Spanish, 'integridad' expresses the quality of integrity, i.e., a person of integrity is upright, probative, unimpeachable (Real Academia de la Lengua Española). In English, integrity refers to "the quality of being honest and having strong moral principles that you refuse to change" (Cambridge English Dictionary). Alliance for Integrity-GIZ (2023) published a Guide to Integrity with a gender equality, diversity and inclusion perspective. The structure of the handbook manifests ethical leadership as a condition for integrity with this perspective. This leadership requires certain competencies: integrity, active listening, empathy, ability to create an environment of trust in their teams, openness to include diverse people, flexibility of thought, and proactivity to promote change. The handbook then goes on to list the pillars and tools for each pillar on which integrity programmes are based: a) getting to know the organization,

b) code of ethics with a gender perspective, gender equity and equality, c) impact on culture, d) governance challenges, e) training and awareness raising, f) promoting dialogue and stakeholder engagement, g) ethics channel and investigation procedures, h) positive and negative incentives, i) monitoring and continuous improvement mechanisms. Then the handbook considers a set of good practices among which the following issues are developed by companies: (1) addressing issues of harassment and violence, (2) recruitment and selection, (3) retention and career development, and (4) other policies to strengthen inclusion. The last paper notes that "where there is diversity among decision-makers, corruption rates are lower; it also helps to break the status quo, for example by disrupting collusive networks".

Paladino et al. (2019) published in Argentina the second edition of the book *Integrity: A Different Leadership*. They move from personal integrity to integrity in business management, going beyond the dilemmas of the company. In particular, they ask whether it is possible to teach 'integrity', and in conclusion, they set out a 'roadmap', with eight steps, namely: (1) the relationship between integrity and trust, or its opposite, lack of integrity and mistrust. They highlight the scepticism that may arise among executives about the feasibility of integrity, especially "in the context of emerging countries, where the trust sector (social capital) is a scarce resource". To explain this challenge, they refer to the cases of Argentina and Latin America in general that include corruption and institutional deterioration; (2) overcoming the ambivalence between academia and business; (3) integrity and cultural change, a subject on which the authors highlight, through interviews, the struggle of executives in highly conflictive and corrupt environments; (4) recognising and respecting the pressures of corruption; (5) recognising the need for integrity in the business world; a subject on which the authors highlight, through interviews, the struggle of executives in highly conflictive and corrupt environments; 4) recognising and respecting pressures; 5)

fundamentals as a key to meaning. In this respect, the authors warn that business managers must relate to the different actors in the company on the basis of their dignity as people rather than as providers of different types of resources; 6) the rational, personal and social dimensions of individual conduct; 7) integrity as a company problem; 8) the struggle against current ideas, both from the academy and in the training provided to companies to understand the ideas present in the context of people, as well as the main prejudices or resistance to raise integrity and its teaching. It should be noted that integrity, as an organizational concept, is echoed in civil society organizations (Hernández Baqueiro 2012) and public administration, both in countries such as Mexico and Argentina. In the case of Argentina, it is expressed as a demand from civil society as a consequence of the impact of corruption on the democratic system. Integrity plans are also echoed in public administration because "fighting corruption effectively requires a system of integrity that meets the demands of contemporary states" (Battilana et al. 2020). Civil society organizations are also called upon to comply with and implement integrity principles. For Mexico, a theoretical and practical study that covered the analysis of initiatives of organizations located in Mexican states defines that "accountability is not simply an end in itself, but a means to gain the trust of society" (Hernández Baqueiro 2012). Poder Ciudadano (2019) in Argentina also proposes an implementation guide for civil society organizations as a consequence of the implementation of the Law on Criminal Liability of Legal Entities.

Culture, organizational and professional competencies

From Bolivia, Pou-Munt (2022) proposes the development of moral competencies as a basis for the construction of efficient management structures, and suggests processes for the internationalization of ethics among the members of the organization along the lines proposed by L. Kohlberg. This process establishes that moral competencies are

composed of: knowledge competencies, skill competencies and quality competencies. The impacts can be observed at three levels: results, reputation and the organization's culture, both on individuals and groups of people, as well as on organizational competencies. The author recommends a model for the development of moral competencies within an organization with four phases: (1) verification of preconditions, (2) internalization of ethics, (3) integration of ethics in the management structure, (4) consolidation and sustainability.

Arruda and Lavorato (2016) explore the dimensions of sustainability, emphasizing the environmental sustainability of business, considering the different pressures that exist within organizations. The authors carry out a multidimensional description of culture to understand the role of sustainability officers as well as compliance officers: culture of social obligation, culture of social responsibility, culture of ethics, culture of the environment. The text includes a questionnaire to those responsible for these areas in Brazilian companies, and good practices that are relevant in the environmental, social and economic contexts.

In turn, Werneck and Martins de Oliveira (2021) also examine the professional competencies of those who implement CSR in their function of advertising jobs. The authors determine that "most job opportunities were found in Fundraising, Public Affairs and Sustainability". They state that companies need CSR professionals who know how to deal with social demands and expectations. In CSR, environmental issues predominate over the Triple Bottom Line. In the "community" area, companies need professionals who know how to interact with external stakeholders and deal with issues involving human rights, impact on consumers and society, and social equity. The legal dimension of CSR is associated with words such as "compliance", "agency" and "law", and is linked to corporate governance, although the competencies are not well defined. With regard to human rights, in practice companies do not clearly identify their impact in this area. There are also no descriptors for the ethical

dimension. The most prominent competencies are "management-related" and "business context".

Polo de Lobatón and Borja Caballero (2019) examine components of culture in the Colombian case. The authors conduct a theoretical and practical analysis, focusing on the values of the solidarity economy, such as "autonomy, independence, democratic participation of all members, democratic management, free membership and withdrawal, culture of education, communication, training and information, cooperation between cooperatives, management or development of ecological culture embodied in the international cooperative alliance" (2017, 61). The potential closure or closure of cooperative enterprises encouraged the researchers to delve deeper into culture, and how value-based culture enables the achievement of the mission of these types of organizations. However, the study does not explain in detail the sample.

In a recent study (Bustamente 2021) on "CSR and employer attractiveness", Martins de Oliveira presents the results for Latin America through three studies on the preferences of young people and CSR when applying for a job. The author notes that although CSR is widely recognized in the region, he states that for countries such as Chile and Ecuador CSR is still in its infancy. Specifically, he states that "the influence of religion and the collectivist nature of Latin American society might explain the focus on corporate giving in the initial phases of CSR development. Future social and environmental tasks require additional appointments and guidelines in the planning and execution of CSR and eco-friendly activities in order to engage companies as well as people themselves with CSR commitments regarding their professional life" (2021, 273). In this regard, Martins de Oliveira et al. (2021) mention that in Chile when young respondents apply for a job, a "survey on employer related preferences of young Chilean job seekers" shows that they neither consider social engagement nor fairness and antidiscrimination as particularly important while high importance is attached to transparency.

The same survey applied in Ecuador “indicates a high appreciation of Ecuadorian respondents for attributes related to employee responsibility as well as governance and ethics. These results may be better understood against the background of the socio-economic situation of the country, that suffers from corruption, inequality and a high percentage of inadequate and illegal work and whose economy is volatile and dependent on the oil price” (Herrero Olarte et al. 2021, 290 in Bustamente 2021). For the case of Mexico, the chapter establishes that CSR is still strongly related to philanthropy. Furthermore, the survey results “reveal that young Mexican job seekers care about corporate responsibility policies of companies that is especially related to employees as well as about transparency and—to a lower degree – about socio-ecological responsibility policies. These expectations are not reflected in CSR policies of companies” (Göbel & Islas Barajas 2021, 300, in Bustamente 2021).

For its part, Ludolf et al. (2017) published in the *Brazilian Journal of Operations & Production Management* the results of a survey where they analyzed organizational culture and values alignment management. Their results show that there is a significant misalignment between organizational and personal values and an organizational culture based on values that aim at the self-interest of the organization and not the common good. It is interesting to notice which kind of values are considered in the survey: social responsibility, concern about the environment, honesty, teamwork, integrity, responsibility, learning, concern with your image, operational excellence, customer satisfaction and employee health. Another conclusion is “the lack of commitment of the leaders in adopting and implementing the culture desired by the organization” (p. 279).

Compliance and crime prevention

Compliance and legal compliance is addressed by Chilean and Argentine authors, addressing specific topics such as money laundering prevention and organizational design (Fornari et al. 2021), the extension of compliance to the Argentine public sector (Martínez 2018) and the role

of corporate governance (Suárez 2022). In this regard, Preziosa (2019) establishes the need to "see compliance as a behavioral science and not only as a legal exercise". Likewise, the author states that "the company does not train only in training but every day, without intending to do so, with the decisions that are made, the rewards and incentives that are offered, the communication that is established, the way in which performance is evaluated, dismissals, promotions, etc." (p. 235).

Crime prevention, in the light of the criminal liability of legal entities, is something discussed in both Chile and Argentina. In both countries, recent legal innovations have linked this requirement to corporate compliance models due to the criminal liability for crimes that may be incurred by those who run the organization.

Based on a more general framework of analysis, Poder Ciudadano in Argentina (2016) analyzes new forms of corruption focusing on the beneficial owner of companies under the G-20 Principles, i.e., the real or natural person who ultimately owns and/or controls a company or trust fund and the profits they generate. They establish a relevant fact for Latin America: "several investigations have shown that when illicit flows are taken into account, financial flows have been greater from developing countries to developed countries". Poder Ciudadano states that in the case of Argentina, it fully complies with 2 of the 10 principles, but comparatively within the group of 20 countries, it complies relatively well with the rest. Among other points, it emphasizes the need for the government authority to publish the results of risk analysis on Money Laundering and Terrorist Financing.

In the Argentine case, "the axis of the crimes contemplated includes situations of interaction between the public and the private, i.e., between companies and individuals that integrate them with public officials. The focus of this regulation is to try to modify the way in which these relationships take place, involving from now on the private sector strongly in the prevention of these crimes", says Honisch (2018).

Likewise, the purpose of Law 27,401 on Corporate Criminal Responsibility was to seek to prevent corruption crimes, encouraging ethical practices in the private sector. However, it is concluded that it was not only necessary to have precise rules, but also to have internal procedures to ensure the operability and enforcement of the compliance program, which must be led by the highest authorities of the company. In this line of compliance development, Rozen (2022) explores the scope of the ISO 37002:2021 standard for whistleblower management systems. The book mentions the document "Integrity Guidelines for Better Compliance with the provisions of Articles 22 and 23 of Law No. 27,401 on Criminal Liability of Legal Entities", emphasizing the section that proposes having internal whistleblower channels. For the Integrity Program "to be effective and credible, it is imperative that conduct contrary to the ethical rules of the legal person be detected and perceived to be reacted to in a firm and fair manner" (Rozen 2022, 158). The standard establishes four steps for the development of whistleblowing channels, namely (1) receiving whistleblowing reports, (2) evaluating whistleblowing reports, (3) addressing whistleblowing reports, (4) concluding about whistleblowing cases. In the same document, Noelia Tabó emphasizes the need to raise awareness in order to establish a whistleblowing channel based on the credibility that has been built, the prohibition of retaliation, as well as the fact that the investigations are carried out in accordance with rights, and to maintain the proper safeguards, so that "the labor courts will positively assess the rights of the person under investigation". Poder Ciudadano (2020; 2021) also examines the implementation of integrity and transparency principles in the economic sector of mining and energy. Through risk management analysis, the investigation of the mining sector concludes that "the structural situations linked to the low levels of public integrity in our country have repercussions in the mining sector and its administrative processes. Unreasonable practices and discretionarities that distort the sense and purpose of the norms are

naturalized by public agents; parastatal and informal systems for the reduction of bureaucracy; serious situations that occur due to the lack of norms or the lack of clarity with which they are drafted. These facts generate a more than propitious breeding ground for the emergence of various forms that give rise to structural corruption, making it more complex to solve - or at least minimize - its existence with the modification of rules or isolated processes" (Poder Ciudadano 2020).

In Chile, Reyes-Duarte (2019) also describes crime prevention models and their certification. In light of Law 20.393 of 2019 on criminal liability of legal persons, which updated previous legal corpus, the author proposes a sequence for the review of the crime prevention model or compliance programs, such as the designation, means and powers of the person in charge of prevention and reporting to the company's management, the establishment of a crime prevention system and processes, protocols, management of financial resources, audit procedures, obligations, prohibitions and sanctions, code of ethics and internal regulations, labor regulations, regulations in contracts with suppliers, the whistleblower system, regulatory communication to workers and supervision of the model. He then discusses implementation elements, namely top management commitment, incentives and disciplinary measures. Next, the author specifies the proper ongoing review of the program, the type of professionals who should supervise the certifications of crime prevention models and the obligations of the certifying entities.

However, crime prevention can also be observed from the perspective of game theory and Kairosopathy. In this regard, Wigodski (2015) defines "kairosopathy" as the psychopathic illness in opportunistic behavior. As consultant and academic, he establishes that "it is also necessary to ensure that economic and criminal penalties received by individuals performing kairosopathic acts are exemplary. In particular, economic punishment, through fines, should be sufficiently dissuasive in order to internalize the possibility of punishment. Doing so in relation to potential

illegitimate benefits considering what Game Theory establishes as Nash equilibrium in finite games, like the Prisoner's Dilemma, so that the rational response is to select an alternative to kairospathy”.

Responsible consumption

Responsible consumption is another of the topics associated with business ethics and CSR. The topic is analyzed from a managerial perspective by Dueñas Ocampo et al. (2016) in Colombia, from a law perspective by Villablanca (2021; 2023) in Chile and from a dietary and cultural perspective in Colombia by Blanco-Murcia et al. (2021). Dueñas Ocampo et al. examine the available literature, the dynamics of the components of socially responsible consumption, as well as the role of consumer education in identifying the environmental and social impacts of the products they purchase. The authors also note that responsible consumption "serves as a reference point for managers and entrepreneurs to reflect on the various ways in which they offer their products and services". Villablanca (2021) examines socially responsible labelling and the environmental, social and health impact of products. The author notes that "the existence of a 'certifying industry' that is subject to a minimum of regulation, which prevents labels from fulfilling their objective that is to guarantee the veracity of the certified elements. Along the same lines, Villablanca (2023) continues in the deepening of responsible consumption and social labelling and analyzes the consumer's right to reliable information. He emphasizes that the consumer is protected "by the requirements of the regulations regarding the right to information, by the classification of misleading advertising, and, in general, by the right to redress and compensation". But when analyzing the reality of social labelling in Chile, he notes "the need for the legislator to regulate the certification industry in order to reduce greenwashing practices". For their part, Blanco-Murcia et al. (2021) analyze the diet of a university community and identify that beyond the type of diet of university student communities in a Colombian city, “most tensions emerge between family traditions

and other sustainability spheres. These tensions are related to socio-affective risks, animal suffering, time constraints, effort, and monetary costs". Furthermore, Villa Castaño et al. (2018) run a survey on Socially Responsible Consumption (SRC) in both Mexico and Colombia. They arrive to conclusions also for Latin America, and they establish that "a marketing strategy that pursues the responsible consumer market should consider rationality in consumption as a latent attitude in the Latin American consumer; that is, companies must recognize that a responsible consumer is committed to clean products that use but do not squander the necessary resources. They must also recognize the meaning of saving and the just consumption of goods and services... [For] responsible marketing strategies, companies must consider that the responsible consumer is committed to the care of his/her own health and that of others" (p. 564).

Family and sustainability

Debeljuh and Destéfano (2011) published in 2011 the good practice guide "Towards a socially responsible company", which is evidence of the collaboration between Argentine (IAE Business School) and Spanish academics (of the IESE Business School). The study compiles the experience of 20 companies, dividing the sections between work-family reconciliation, and the experiences of the "Towards a socially responsible company" award, compiling experiences of companies and institutions in the private sector and public administration. In the last section, the good practices guide highlights four points: (1) labor flexibility, (2) the family as a school of competencies, (3) femininity as an ally for complementarity and the revaluation of the family and the person in the configuration of society, and (4) strength, fidelity and faith in business and personal projects.

Subsequently, Debeljuh (2015b) collaborated in the volume *Family and Sustainable Development* prepared by Gas Aleixandre & Cavallotti (Thompson Reuters Arazadi, Pamplona) with the chapter "Work-family

conciliation and sustainable development" asking whether there is such a thing as a "sustainable family" and developing the implications of the Corporate Family Responsibility concept. The author discusses the global and regional changes in the family in recent decades and states that "in Latin American societies, the family becomes the only institution for social protection against unemployment, illness and immigration. Economically speaking, in those countries the family represents a large social capital" (p. 75). Conclusively, the author precises that "the future of Latin America involves the family, and the recognition of its transcendental role will lead to the improvement of labor, legal, and social conditions in order to accomplish its irreplaceable mission" (p. 87) and identifies five main challenges: (1) Discovering the work-family enrichment, (2) Recognizing the value of housework, (3) Promoting the development of family-oriented public policies, (4) Being committed to creativity and innovation in the companies in order to face these challenges, and (5) Playing a leading role in undertaking change. Both the people and companies must face those emerging social changes.

Spirituality and business

Spirituality occupies an interesting space in ethical reflection in business and economics. Groppa & Hoevel (2014) edit a volume in which various academics and also civil society leaders from Italy, the United States and Argentina participate in the book *Gift Economy. Perspectives for Latin America* with the intention of beginning by "restoring a horizon of meaning to the global economy". The editors chose the Italian economist S. Zamagni to introduce the theme of common goods and the common good, followed by the North American ethicist D.K. Finn with charity and justice in the market. Then, the late Jesuit ethicist J.C. Scannone develops the intratrinitarian communion to the phenomenology of donation and an economy of relational goods and communion. Four economists, O. Groppa, C. Hoevel, P. Vanin and L. Zemoraín analyze the reciprocity of relationships, game theory and the gift. In a more local and

regional perspective, P. Delbosco, N. Meyer and O. Groppa address the praxis of the gift economy: work-life balance, solidarity finance, and market and reciprocity.

Mendoza (2022) emphasizes the error of an economic model centered on considerations of entrepreneurial freedom and private property, or a model centered on state decisions. Both the first model, which focuses on profit, and the second, which is oriented on macro-social goals, leave the person in the background. The economy needs an ethic for social transformations, according to the author, and he puts two values on the table: solidarity and fraternity, based on the Catholic Social Tradition. In the same line of argumentation, Resico (2023) proposes a business ethic that must exaine "emotional intelligence," "the search for meaning," "leadership as service," and Christian mysticism.

Peacebuilding and CSR in Colombia

An element of great specificity is the effect of business ethics in the Colombian post-conflict (Salas et al. 2020). The Final Agreement for the Termination of the Conflict and the Construction of a Stable and Lasting Peace in Colombia with the FARC (Revolutionary Armed Forces of Colombia) implied an active role for companies, such as the generation of employment and support for enterprises of actors in the process, and how CSR practices of SMEs contribute to peace-building. The authors identify the effect of CSR dimensions on post-conflict (variable constructed by linkage and support to enterprises of victims and ex-combatants); they find that the philanthropic and economic dimensions positively affect the linkage and support to enterprises of victims and ex-combatants, while the ethical-legal dimension has an inverse relationship.

Rodríguez et al. (2019), also explore the role of civic humanism in the context of the Colombian post-conflict peace agreement. Connected to Peacebuilding and CSR, Perdomo-Ortiz et al. (2017) analyze the adoption of Corporate Social Responsibility models with implementing

Pro-Peace practices in scenarios of conflict and post-conflict from the agreements between the Colombian Government and the FARC and the dialogs with the ELN (The National Liberation Army). The authors conducted interviews with representatives of large companies and associations that promote CSR in Colombia under the triple bottom line framework. They conclude that: (1) Pro-Peace practices have permeated companies' general strategy, (2) Pro-Peace practices have strengthened the imperative conception of a business environment determined by the constitution of community, (3) Pro-Peace practices have made clear that their relationship with the State or local governments is one of complementarity and respect, given the scope of action and differentiation between corporate policies and public policies, and (4) Pro-Peace practices have made evident that environmental sustainability of watersheds and land holding were considerably affected by the armed conflict.

11.3 Methodological considerations

The survey questionnaire was translated into Spanish and an electronic form was elaborated. Then, key members of the Latin American Society of Business Ethics, ALENE, sent it to local individual and/or institutional networks related to business ethics in Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, México, Peru, United States and Spain between March and November of 2023. We received 61 responses, mainly from Argentina, Chile and Colombia. Basic demographic data, positions and organizations of the respondents are displayed in the Annexes. - No in-depth interviews were undertaken.

11.4 Terminology and key recurring concepts

Among the more common terms to describe business ethics from academics, Table 2 shows a list from the survey both in Spanish and

English; the left side of the table may include terms from Portuguese and English as well. Ethics, Business Ethics, Values and Principles, Integrity seem to be the more frequent terms. Table 3 presents terms that are used by the training sector and are similar, but they address more practical behaviors such as governance, anticorruption and/or behavioral compliance.

Table 2: Common terms of business ethics described by academics

In their own language	English
<ul style="list-style-type: none"> ▪ Valores ▪ Ética y la Gestión Organizacional ▪ Principios y valores para emprender una acción común ▪ Ética empresarial, Ética de la Empresa, Ética en los negocios ▪ Responsabilidad social empresarial ▪ Ética de las instituciones económicas ▪ Ética ▪ Ética profesional ▪ Norma Universal ▪ Deontología ▪ Principios y valores ▪ Ética empresarial y económica ▪ Coherencia, Propósito, Credibilidad ▪ Integridad empresarial ▪ Ética y transparencia empresarial ▪ Cultura de integridad ▪ Ética y <i>Compliance</i> ▪ Liderazgo responsable ▪ Conducta empresarial Responsable y buenas prácticas de gobernanza 	<ul style="list-style-type: none"> ▪ Values ▪ Ethics and organizational management ▪ Principles and values for action ▪ Business ethics, ethical entrepreneurships, ethical business behavior ▪ Corporate social responsibility ▪ Ethics of economic institutions ▪ Ethics ▪ Professional ethics ▪ Universal standard ▪ Deontology ▪ Principles and values ▪ Business and economics ethics ▪ Coherence, purpose, credibility ▪ business integrity ▪ Ethics and business transparency ▪ Integrity culture ▪ Ethics and compliance ▪ Responsible leadership ▪ Responsible business conduct and good governance practices

<ul style="list-style-type: none"> ▪ <i>Compliance</i> ▪ Gobierno corporativo ▪ Ética, <i>compliance</i>, ética empresarial ▪ Ética, responsabilidad ▪ Grupos de interés, sostenibilidad, necesidades básicas insatisfechas, comunidad, ética empresarial, sustentabilidad ▪ Etimología de economía como administración del hogar, responsabilidad en la administración de los recursos financieros, naturales y de relaciones humanas, influencias recíprocas entre cultura, política y decisiones económicas ▪ Moral profesional ▪ Cumplimiento, ética, valores, responsabilidad 	<ul style="list-style-type: none"> ▪ Compliance ▪ Corporate governance ▪ Ethics, compliance, business ethics ▪ Ethics, responsibility ▪ Stakeholders, sustainability, unsatisfied basic needs, community, business ethics, sustainability ▪ Etymology of economics as household management, responsibility in the management of financial, natural and human relations resources, reciprocal influences between culture, politics and economic decisions. ▪ Professional morality ▪ Compliance, ethics, values, accountability
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Table 3: Common terms to describe business ethics in the training sector

In their own language	English
<ul style="list-style-type: none"> ▪ Ética y Compliance ▪ Responsabilidad social de la empresa, sostenibilidad empresarial, Corporate Social Responsibility, Corporate Sustainability ▪ Ética nos Negócios, Business Ethics ▪ Integridad corporativa, ética en los negocios, <i>compliance</i> ▪ Ética empresarial y económica ▪ Ética empresarial; Ética organizacional; Ética y 	<ul style="list-style-type: none"> ▪ Ethics and compliance ▪ Corporate social responsibility, Corporate sustainability, corporate social responsibility, corporate sustainability ▪ Ética nos negócios, business ethics ▪ Corporate integrity, business ethics, compliance ▪ Business and economic ethics ▪ Business ethics; organizational ethics; ethics

<p>Gobernanza; Ética y Sostenibilidad; Ética en los negocios</p> <ul style="list-style-type: none"> ▪ Ética, integridad, compliance ▪ Cumplimiento normativo ▪ Moral behavior ▪ Ética, Integridad ▪ Anticorrupción ▪ Cultura de negocios éticos e íntegros. Integridad y ética para la sustentabilidad de la empresa. ▪ Compliance, Integridad en el sector privado ▪ Transparencia, integridad ▪ Compliance, Integridad, Business Ethics ▪ Integridad, integridad sosteible, programa de integridad, programa de compliance ▪ Cultura ética, conversación ética, marco ético, liderazgo por valores ▪ Valores Organizacionales y/o Corporativos, Responsabilidad Social, Corporate Governance, Honestidad, Transparencia, ESG, Inclusión y Diversidad, Equal Pay, etc. ▪ Behavioral compliance, integrity, compliance, ethic 	<p>and governance; ethics and sustainability; business ethics</p> <ul style="list-style-type: none"> ▪ Ethics, integrity, compliance ▪ Regulatory compliance ▪ Moral behavior ▪ Ethics, integrity ▪ Anti-corruption ▪ Ethical and integrity business culture. Integrity and ethics for business sustainability. ▪ Compliance, integrity in the private sector ▪ Transparency, integrity ▪ Compliance, integrity, business ethics ▪ Integrity, sustainable integrity, integrity programme, compliance programme ▪ Ethical culture, ethical conversation, ethical framework, values-based leadership ▪ Organizational and/or corporate values, social responsibility, corporate governance, honesty, transparency, ESG, inclusion and diversity, equal pay, etc. ▪ Behavioral compliance, integrity, compliance, ethic ▪ Business ethics, integrity, transparency, sustainability, values ▪ Compliance Officer
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<ul style="list-style-type: none"> ▪ Business ethics, integrity, transparency, sustainability, values ▪ Compliance Officer ▪ Hacer lo correcto. Reflexionar sobre las pautas de comportamiento y tomar la decisión basada en nuestra libertad para tomar el camino de lo correcto, no haciendo a los demás lo que no nos gustaría que nos hagan. ▪ Compliance - business ethics - Cumplimiento normativo - Conducta ética de negocios ▪ Compliance ▪ Etica es hacer lo correcto siempre y en cualquier lugar. Etica es hacer lo correcto aun cuando nadie nos mira. ▪ Integridad ▪ Integrity, culture of integrity, integrity in corporate governance, integrity in decision makers, tone from the top, walk the talk, do the right, measure and improve your integrity culture ▪ Ética, Ethos, responsabilidad, transparencia ▪ Ética en los negocios, ética profesional, ética ▪ Ética, Compliance, anti-corrupción. 	<ul style="list-style-type: none"> ▪ Doing the right thing. Reflecting on behavioral guidelines and making the decision based on our freedom to take the path of doing the right thing, not doing to others what we would not want them to do to us. ▪ compliance - business ethics - compliance - ethical business behavior ▪ Compliance ▪ Ethics is doing the right thing always and everywhere. Ethics is doing the right thing even when no one is looking. ▪ Integrity ▪ Integrity, culture of integrity, integrity in corporate governance, integrity in decision makers, tone from the top, walk the talk, do the right, measure and improve your integrity culture ▪ Ethics, ethos, accountability, transparency ▪ Business ethics, professional ethics, ethics, ethics ▪ Ethics, compliance, anti-corruption.
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11.5 Focus areas of business ethics

For academics, their focus areas of business ethics could be organised in four categories: (1) Values, Moral Philosophy and Organizations, (2) CSR and Management Studies, (3) Professional Ethics and (4) Sustainable Development, ESG factors, Corporate Governance. We can see the topics highlighted from academics from their own responses in Table 4. The first category addresses the need of moral foundations in the discipline of business ethics. It coincides with the Teaching of ethics and business ethical dilemmas described in the literature, both by academics and training authors. The second group of issues deals with the managerial skills, CSR and how to put into practice the different business ethics frameworks. The third group is very practical and involves professional skills for an ethical performance in businesses. The fourth category describes challenging topics for organizations such as compliance and integrity, SDG, and/or sustainability. Something that could be linked in this regard is assuming that law enforcement is not the only approach of compliance; but top and middle managers should develop frameworks for the company and not only use it as a legal check list. The relationship with the public sector could be related to avoid potential corruption scenarios.

Table 4: Focus areas of business ethics viewed by academics

Category	Topics of their own responses
<p>Values, Moral Philosophy and Organizations</p>	<ul style="list-style-type: none"> ▪ Values management in organizations, implementation of codes of ethics, corporate family responsibility ▪ Human values ▪ Person, human action, virtues ▪ Values and principles, conscience, ▪ Axiology, ontology, deontology, ethics and organizational theory ▪ Ethics (general notions) and ethics in the field of organizations. ▪ Ethics of institutions and health management. ▪ Philosophical conceptions of ethics, social responsibility, fair competition and anti-competitive practices, links with civil society, public-private corruption, human resources ethics, marketing ethics. ▪ Code of ethics, whistleblowing, investigations, evidence preservation protocols, ethical dilemmas ▪ Decision-making; ethical business dilemmas ▪ Informed consent ▪ Fundamentals of business ethics
<p>CSR and Management Studies</p>	<ul style="list-style-type: none"> ▪ Corporate social responsibility. ▪ Responsibility of organizations. ▪ Moral choice theory. ▪ Ethical decision-making, ethics and CSR. ▪ Bioethics, business ethics, sustainability. ▪ Implementation of ethical models ▪ Inclusion, leadership, management and ethical models for the organization. ▪ CSR

	<ul style="list-style-type: none"> ▪ Consulting dilemmas, denouncing breaches of ethical standards, issuing or denying authorisations and suggesting adjustments to institutional ethical standards. ▪ Focus on ethical discernment framing sustainable business management ▪ Diversity, equity, inclusion ▪ managerial responsibilities ▪ Communication
<p>Professional Ethics</p>	<ul style="list-style-type: none"> ▪ Professional ethics ▪ Copying, plagiarism, responsibility, compliance ▪ Ethics in public accounting, public faith, professional ethical competence, importance of ethics training in accounting.
<p>Sustainable Development, ESG factors, Corporate Governance</p>	<ul style="list-style-type: none"> ▪ Sustainable development ▪ ESG factors ▪ Decisions related to corporate governance under sustainability guidelines ▪ Behavioral compliance, risk assessment process, compliance in public companies, access to public information, among others ▪ Corporate governance, maturity levels, family protocol, conflict of interest, whistleblowing, grey zones, biases, organizational culture. ▪ Risk matrix, compliance function, due diligence, public compliance. ▪ Compliance ▪ Anti-corruption, fraud ▪ social responsibility ▪ Business sustainability ▪ Ethics in international business ▪ SDGs ▪ Corporate governance ▪ Sustainability

	<ul style="list-style-type: none"> ▪ Reporting ▪ Corruption ▪ Corporate abuse of its customers ▪ Communicating the truth, professional secrecy, fairness, pricing, competition, ethics and law.
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11.6 Themes in the teaching of business ethics

Professors teach several subjects. One can find at least six groups of subjects: : (1) Ethics and moral philosophy, business ethics, ethics and organizations, values in management, code of ethics, Culture; (2) Professional ethics, (3) CSR and sustainability, ESG factors, reporting, (4) Compliance, management, corporate governance, (5) Public sector and NGOs, public affairs, and (6) Other Subjects, such as inclusion, leadership practices, links with civil society, public-private corruption, human resources ethics, marketing ethics.

As for the first group, it means that professors first provide a general framework of ethics, business and economics, and ethical decision-making; subsequently, they explore the topics linked to management.

Table 5 shows the list of what professors teach to their undergraduate and graduate students.

Table 5: What the professors teach

Category	Topics of their own responses
Ethics and Moral Philosophy, Business Ethics Ethics and Organizations Values in management Code of Ethics Culture	Ethics Business ethics Axiology, ontology, deontology, ethics and organizational theory Human values Values management in organizations, implementation of codes of ethics, corporate family responsibility Ethics (general notions), ethics in the field of organizations. Responsibility of organizations. Moral choice theory.

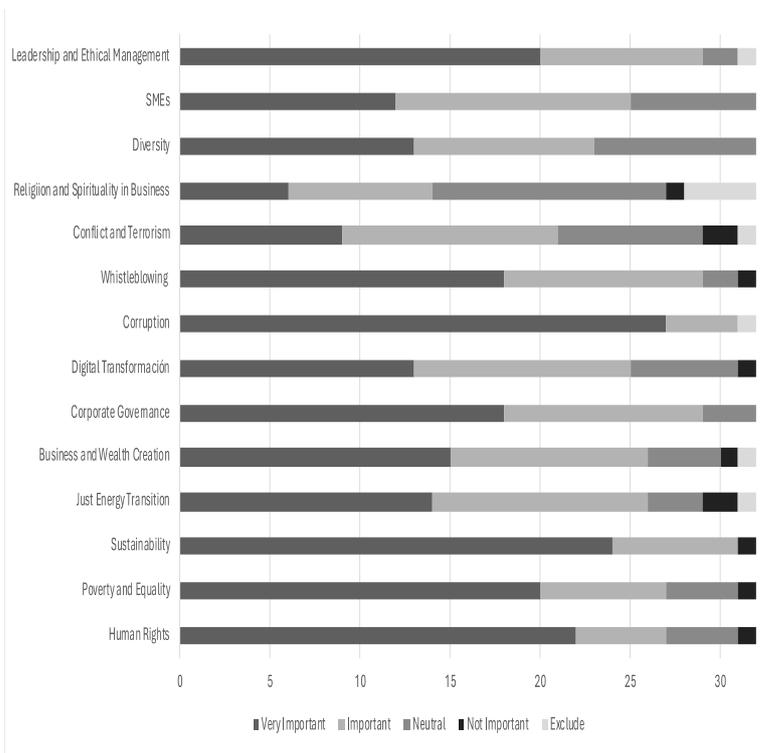
	<p>Responsibility Ethical decision making Implementation of ethical models Fundamentals of business ethics Management and ethical models for the organization Public faith Consulting dilemmas Focus on ethical discernment Philosophical conceptions of ethics, social responsibility, fair competition and anti-competitive family protocol, conflict of interest, whistleblowing, grey zones, biases, organizational culture Code of Ethics, whistleblowing, investigations, evidence preservation protocols, ethical dilemmas Decision making; ethical business dilemmas Person, human action, virtues, managerial responsibilities Ethics in international business Values and principles</p>
<p>Professional Ethics</p>	<p>Professional ethics Ethics of institutions and health management Copying, plagiarism Bioethics Ethics in public accounting Professional ethical competence Importance of ethics training in accounting Informed consent Conscience, communication of the truth, professional secrecy, fairness, pricing, competition, ethics and law.</p>
<p>CSR and Sustainability ESG factors Reporting</p>	<p>CSR Sustainability Framing sustainable business management Sustainable development ESG factors Social responsibility Business sustainability SDGs Reporting Communication</p>

Compliance Management Corporate Governance	Compliance Behavioral compliance Risk assessment process Reporting breaches of existing ethical standards, issuing or denying approvals and suggesting adjustments to institutional ethical standards Decisions related to corporate governance under sustainability guidelines Corporate governance Maturity levels Risk matrix, compliance function, due diligence, public compliance. Compliance, diversity, equity, inclusion, anti-corruption, fraud
Public Sector and NGOs Public Affairs	Compliance in public companies Access to public information Corruption, corporate abuse of customers
Other subjects	Inclusion Leadership Practices, links with civil society, public-private corruption, human resources ethics, marketing ethics.

11.7 Themes in business ethics research

The prioritization in business ethics shows that, for academics, the five most important topics are corruption, sustainability, human rights, and leadership and ethical management next to poverty and inequality. The prevalence of corruption could be explained by what the Report 2023 of Transparency International (2024) has stated for the Americas, as a whole: “the lack of independence of the judiciary in the region is one of the main problems. It undermines the rule of law and promotes impunity for the powerful and criminals, to the detriment of the people and the common good”. So, this could affect both the public faith and the relationship between the public and private sector. Figure 1 displays their preferences.

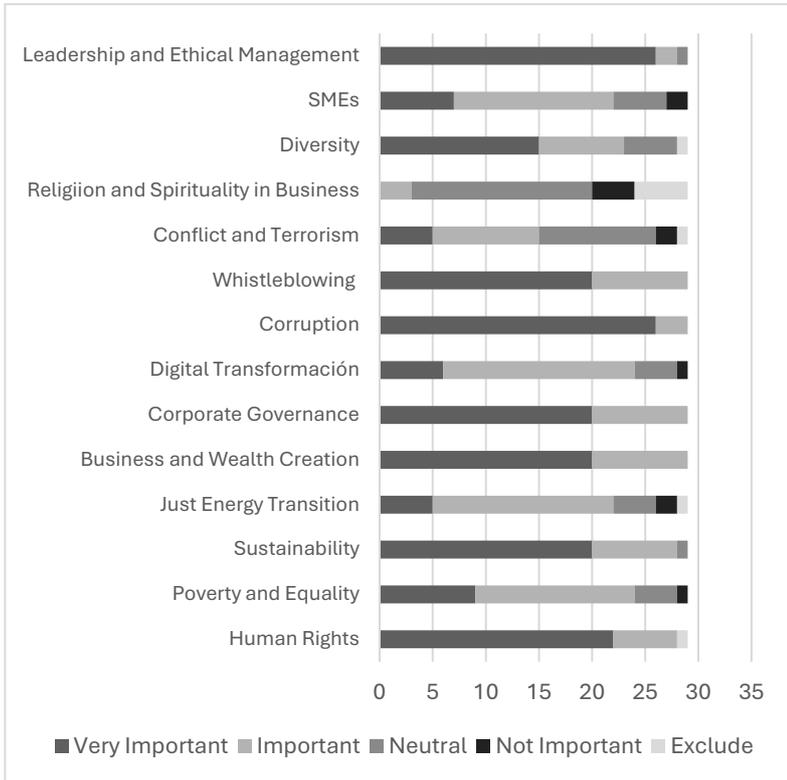
Figure 1: Business research preferences of academics



11.8 Themes in training on business ethics

Among those who work in training, there are three main issues that score highest: leadership and ethical management, corruption and human rights. At the same time, religion and spirituality in business remain mainly neutral. See Figure 2.

Figure 2: Business research references in the training area



11.9 Major business ethical issues in the next five years

For the next five years, respondents in academia mention numerous issues, which can be divided into five categories: (1) Ethics, management and workplace, (2) IT and AI, (3) Ethics, norms and culture, (4) Environment and Sustainability, (5) Other Issues. The first category adds to the traditional aspects of business ethics topics linked to the ethics of human resource management such as diversity, inclusion, workplace ethics, and healthy work environment. The environmental dimension includes topics such as Environmental Sustainability, Biodiversity/care and respect for natural capital in the creation of wealth, Ethics in the production of

“food” fit for humans, Transitions to sustainability, Degrowth theory, SDGs, Water Crisis, Energy sustainability, Biological intelligence, Human rights and communities in large-scale extractive projects. These aspects emphasize the responsibility towards a more complex management around extractivist projects, such a better understanding of nature–society relations from managers.

Table 6: Major business ethical issues in the next five years for academics

Category	Issues
Ethics management and workplace	Ethics of economic policies Remember Aristotle that ethics is learned by example, rather than taught with lectures. Ethical exercise of university teaching Bioethics Diversity and inclusion in the organization Decision-making Personal (individual) ethics Philosophical conceptions of ethics Social responsibility, Fair competition and anti-competitive practices Workplace ethics Antitrust Human dignity, moral relativism, utilitarianism and pragmatism Decision-making Ethical discernment in business Anthropology as a basis for ethical teaching, sociology and history as complements to the understanding of the economy Healthy work environment
IT and AI	Plagiarism, GPT chat Science 2.0, AI, artificial intelligence Data privacy Technology and the internet
Ethics, Norms and Culture	Ethics and new normative control Compliance Behavioral compliance. Culture and behavioral risk

	Anti-harassment Copyright Intellectual property. Employee incentives for compliance and preventing corporate fraud Know your employee/supplier/internal control
Environment and Sustainability	Environmental sustainability. Biodiversity/care and respect for natural capital in the creation of wealth Ethics in the production of "food" fit for humans Transitions to sustainability Degrowth theory SDGs Water crisis Energy sustainability Biological intelligence Human rights and communities in large-scale extractive projects
Other issues	Ethics in health systems Competition Education of children from school onwards Populism, manipulation Brand reputation Civil society, public-private corruption Human resources ethics Marketing ethics Regenerative development

As for the training sector, the major ethical issues are organized in six categories: (1) Ethics management, workplace and CSR, (2) IT and AI, (3) Ethics and Public Sector, (4) Compliance and integrity, (5) Environment and social issues, (6) Other issues. In training the emphasis is on practical behaviors such as corporate culture, skills for ethical leadership for middle management, stakeholders management, inclusion and diversity, among other common business ethical training such as decision-making process and moral dilemmas. Data protection and AI are mentioned more often than in academia while environmental issues are highlighted more by academics. Moreover, training in compliance and integrity should go beyond legal performance and personal ethics – for example – should influence corporate ethics. A specific issue is the relationship

between the private and the public sector, which could explain why corruption is often described as a key issue for training. The list of particular issues includes responsible finance and investment, financial penalties and triple bottom-line reporting requirements.

Table 7: Major business ethical issues in the next five years in training

Category	Issues
Ethics management, workplace and CSR	<p>Interrelation of the issues mentioned in the previous question and how they influence or impact on each other. For example, corruption violates human rights by diverting citizens' money into the pockets of certain officials.</p> <p>Ethical leadership and management in middle management. The emphasis is usually [only] on top management.</p> <p>Ethical business culture</p> <p>Programs, culture, training, research in business ethics</p> <p>Respect in the workplace</p> <p>Philosophy and ethical dilemmas</p> <p>Corporate social responsibility</p> <p>Ethical and equality recruiting</p> <p>Inclusion and diversity</p> <p>Employee remuneration</p> <p>Relations with suppliers.</p> <p>Competence development</p> <p>Working conditions, fairness</p> <p>Value chain</p> <p>Inclusion, diversity and gender equity</p> <p>Social and corporate commitment</p>
IT, AI	<p>Data privacy</p> <p>Artificial intelligence, AI</p> <p>Cybersecurity, data protection</p> <p>Data processing</p>
Ethics and Public Sector	<p>Ethics in state-owned utilities</p> <p>Relations with the public sector</p>
Compliance and integrity	<p>Strategic planning of compliance implementation</p> <p>Fraud, money laundering and economic crime and applicable national and international legislation</p> <p>Behavioral compliance</p>

	Impact of integral behavior on an organization's competitiveness Behavioral ethics Anti-money laundering (AML) Whistleblower protection Compliance Antitrust Corporate transparency Integrity beyond compliance Conflicts of interest Personal ethics merging with corporate ethics
Environment and social issues	Environment Social rights
Other issues	Responsible finance and investment Financial penalties Triple Impact Law

11.10 Conclusion

Major challenges for business ethics in the region consist in improving and strengthening decision-making skills of professionals who deal and will deal with permanent ethical dilemmas in organizations, arising in their internal as well as external environments. The knowhow of business ethics and sustainability acquired in the private sector needs to be implemented also in public organizations, given their exposure to critic challenges such as corruption. The foundations and in-depth analysis of moral dilemmas continue to be a key driver for teaching and training business and economic ethics. Both environmental concerns such as climate change and the impact of AI in business are important themes for now and the future. The issues of governance and subsequently compliance with the ESG framework require going beyond the law and acquiring managerial skills not only for top managers but also for middle managers. Complex scenarios in the relationship of business and society should expand the stakeholder engagement capacities to ethical relations.

A permanent training objective in companies should provide incentives to avoid unethical behavior.

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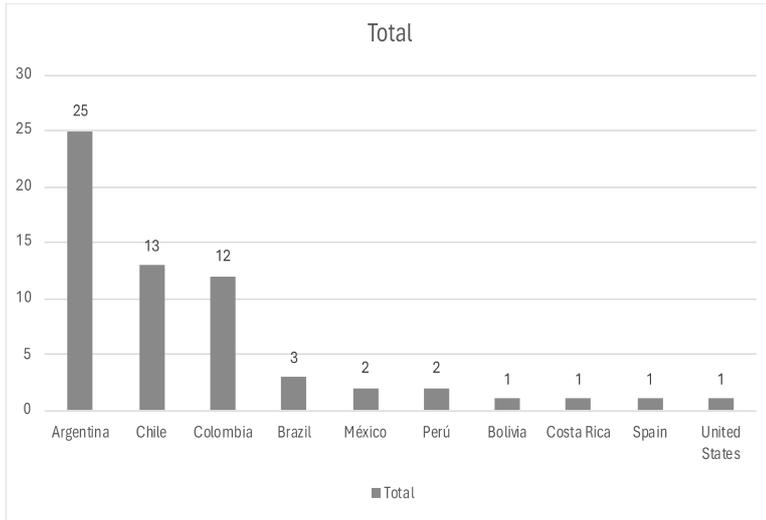
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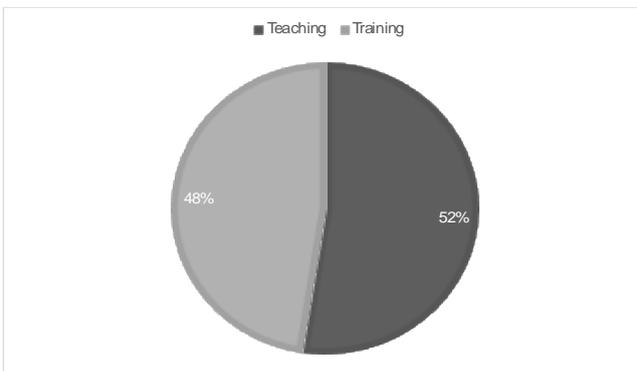
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11.13 Annexes

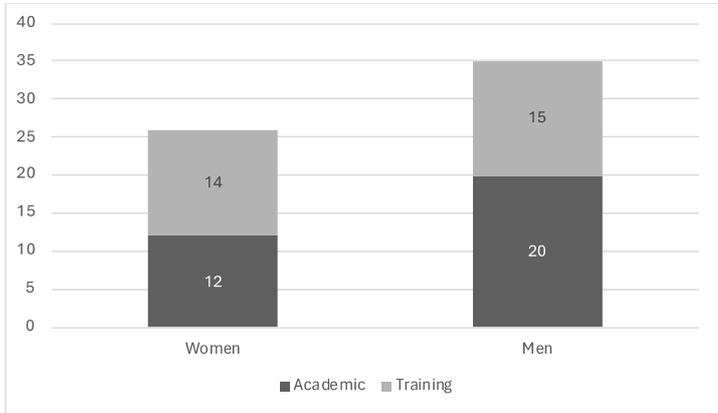
Basic demographic data of the respondents



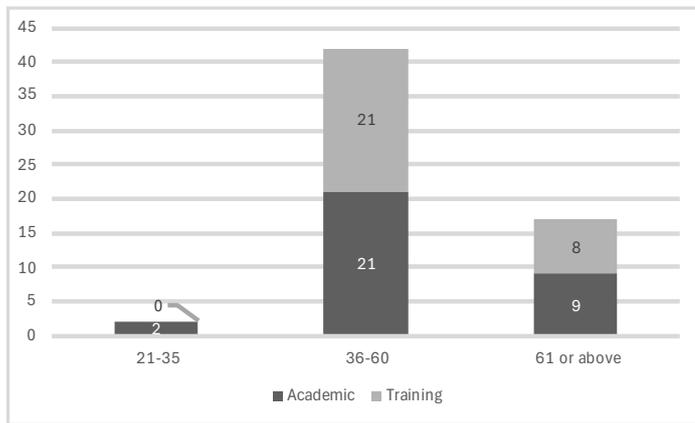
The majority of the respondents (61) belong to Argentina, Chile and Colombia. There were also responses from people who are settled in Brazil, Mexico, Peru, Bolivia, Costa Rica, Spain and the US.



52% (32) of the respondents belong to the academic sector and 48% (29) to the training sector.



26 of the respondents are women and 35 men. The majority of women are engaged in training while men are mainly in academia.



Just 3% of the respondents are between 21-35 years old. The majority (64%) are in the range of 36-60 years and 28% in the range of 61 or above. Almost all but 3 of the participants have postgraduate university education. All of the academics work in universities while the participants in the training area are diverse.

Activities of academics

Activity	Elective module	Mandat Module
Undergraduate curricular modules/courses in degree earning programmes	12	16
Postgraduate curricular modules/courses in degree earning programmes	7	15
Research	9	12
Consulting / advisory services for organizations	10	4
Advocacy / campaigning / activism	8	1
Policymaking	8	1
Total activities per classification	55	48
in %	52%	48%

BRAZIL

Edna Maria Campanhol, campanholi@facef.br
Marinês Santana Justo Smith, marjustosmith@gmail.com
Maria Amélia Duarte Ferrarezi, madoFerrarezi@gmail.com

All authors are affiliated to the Centro Universitário Municipal de Franca – Uni-FACEF, Brazil

12.1 Introduction

It has been 524 years of Brazilian history since the arrival of the Portuguese. It was estimated that there were 3 million natives in 1500. Due to the arrival of people - white, yellow, and black -, the 2022 Census (Brasil 2023) shows 203.1 million inhabitants, with 1,693,535 natives, 0.83% of the population, 51.25% of them in the Amazon. The country's hallmark is diversity. As a colony, it was marked by the exploitation of natural resources, such as Brazilwood, sugarcane, gold, and diamond mining. In 1822, it became a Constitutional Monarchy. Later, a Republic in 1889. Legally, it is governed by the 1988 Constitution, which lays out fundamental principles, individual rights, and the division of powers - executive, legislative, and judiciary. It is federalist, with autonomous states and municipalities administratively. Brazil faces socio-economic, political, and environmental preservation challenges. Agribusiness has played a significant role in the Brazilian economy. Balancing public accounts, improving education, tax reform, and the country's

deindustrialization weigh on the "Brazil Cost," a term used to describe higher production costs compared to other countries. This business environment design can weaken corporate ethics. Politically, Brazil is experiencing instability and polarization, requiring good governance, strengthening democratic institutions, and combating corruption.

12.2 Existing literature

Regarding the themes considered priority in research and their degree of importance, the results are the following: (1) Human Rights; (2) Sustainability; (3) Leadership and Ethical Management; (4) Poverty and Inequality; (5) Corporate Governance and (6) Digital Transformation. The perspectives on the themes are obtained through searches on Google Scholar.

Human Rights

The International Commission on Human Rights (IACHR) researched human rights in Brazil in 2021. The considerations are that Brazil has a democratic system and a rule of law with solid democratic and human rights institutions. However, the country continues to present a scenario of extreme social inequality based on structural discrimination against Afro-descendants and traditional *quilombola* communities, indigenous peoples, peasant people and rural workers, people living in poverty or homelessness, women and LGBTI people. In the IACHR's analysis, the concentration of income and discrimination based on race, social origin, sex, gender, sexual orientation, and age stereotypes have resulted in the historical exclusion of these groups, which remain in a situation of extreme vulnerability. Also in this context, the vulnerability related to the historical discrimination of indigenous peoples and *quilombola* communities is highlighted. The mentioned people have not obtained the right to live on their ancestral lands guaranteed by the Brazilian Constitution.

However, it warns that, recently, this system has been facing challenges and setbacks. In response, the IACHR made recommendations to strengthen and advance respect for human rights in Brazil.

Table 1: IACHR Recommendations for Brazil

Institutionality in human rights	Strengthen state and autonomous agencies responsible for the formulation, implementation, and evaluation of public policies focused on human rights and aimed to guarantee the rights of the most vulnerable groups
Economic, social, cultural and environmental rights	Establish a coordinated fiscal policy that can contribute to the redistribution of wealth to reduce inequality gaps, correct market failures, and make investments necessary for the fulfillment of human rights, especially economic, social and cultural rights
Citizen security	Reform protocols and guidelines of local, state, and federal law enforcement agencies to ensure they comply with international standards on: a. Use of force based on the principles of legality, proportionality, and absolute necessity; b. Exceptions in which the use of deadly force is authorized according to objective criteria; c. Tension-reducing tactics and use of non-lethal weapons
Access to justice	Ensure adequate, swift and comprehensive redress for all victims of police violence and their families, including financial support, medical and psychological assistance, as well as measures to prevent re-victimization
Afro-descendants	Design, implement, and finance government systems to collect accurate and disaggregated data and statistical and qualitative information on the human

	<p>rights situation of the Afro-descendant population at the different levels of the federation and on topics such as health, education, judicial institutions, among others, in order to create and implement intersectional laws and public policies appropriate to meet the needs and overcome the specific obstacles faced by these people</p>
<p>Indigenous peoples and traditional <i>quilombola</i> communities</p>	<p>Strengthen the institutional capacities of the agencies responsible for the development of social and territorial policies related to indigenous peoples and Indigenous Peoples Inter-American Commission on Human Rights IACHR Chapter 8: Conclusions and Recommendations 199 <i>quilombolas</i>, including the National Institute of Colonization and Agrarian Reform (INCRA) and the National Indian Foundation (FUNAI), including the allocation of resources and the capacity for financial execution.</p>
<p>Women</p>	<p>Prevent and condemn all forms of violence and discrimination against women and girls, including refraining from any action or practice of gender-based violence or discrimination; ensuring that authorities, public servants and agents, as well as state institutions, guide their actions in accordance with this obligation.</p>
<p>Children and adolescents</p>	<p>Take all necessary actions to ensure that the principle of exceptionality is applied to measures directed at adolescents in conflict with the criminal law, in particular to ensure that deprivation of liberty is applied as a last resource. In this sense, alternative measures should be applied to the process, so that cases involving children and adolescents can be</p>

	resolved through actions that promote the development of their personality and their constructive reintegration into society.
Lesbian, gay, bisexual, trans and intersex (LGBTI) people	Make sufficient efforts and allocate resources to systematically collect and analyze official statistical data on violence and discrimination against LGBTI persons, or those whose sex characteristics vary according to male and female standards.
Persons with disabilities	Adopt measures to ensure equality before the law for persons with disabilities, guaranteeing their legal capacity on an equal basis with others.
Trafficking in persons	Deepen actions to prevent, protect, and assist victims of trafficking in persons, through its III National Plan to Combat Trafficking in Persons (2018-2022); promoting cooperation, in all axes of public policy, among states, municipalities, civil society organizations, academia, and specialized international organizations.

Prepared by the authors based on the *Inter-American Commission on Human Rights*. Situation of human rights in Brazil. 2021.

Sustainability

Will be presented in Sections 10.5, 10.6 and 10.7.

Leadership and Ethical Management

Discussions and research are moving towards Ethical Leadership in school organizations; Subversion and resistance in sports leadership; Attributes of sustainable leadership; Nurses' competencies in the Family Health strategy; Strategic leadership present in the trajectory of Brazilian Army officers; Public Sector Leadership (LSP); Women's leadership.

Poverty and Inequality

Poverty and inequality, a strong challenge in Brazil, is studied from the perspective of income transfer; Climate change in food security; Attention in primary education; Public Policies to Combat Poverty; Accentuation of poverty and social inequality during and after the COVID-19 pandemic. The interpretation is that Brazil is not a poor country, but an unjust and unequal country, with many poor people. Inequality in the distribution of income and opportunities for economic and social inclusion is the decisive factor for the high levels of poverty that afflict Brazilian society.

Corporate Governance

Will be presented in Sections 10.5, 10.6 and 10.7.

Digital Transformation

PwC Brazil and Fundação Dom Cabral (FDC) conducted a survey with an exclusive methodology to consolidate the various aspects of digital transformation into an unprecedented and measurable indicator: the Digital Transformation Index Brazil (ITDBr). The results are that Brazil has a low maturity. The biggest advances are in financial services. The main obstacle is culture, coupled with the low sense of urgency for the formation of digital competence. Scientific research is focused on the environments of public service, public administration, health, business management and control, and monitoring to prevent environmental tragedies.

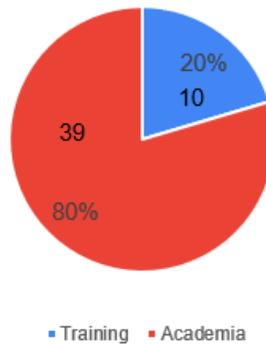
12.3 Methodological considerations

Around 100 questionnaires were sent via Google Forms, both to people from academia and to people linked to the organization or company that offers training in business ethics to its employees. A total of 49 responses were returned, of which 10 respondents are from an

organization or company that offers training in business ethics to its employees, and 39 respondents are from academia, educational institutions, which offer training in ethics through specific disciplines and/or content in other disciplines, in undergraduate and graduate courses.

The following are the results of the investigation regarding those involved, categorized into two groups: Section 1: Teaching and Research in Academia and Section 2: Training in and for business enterprises:

Graph 1: Survey Respondents in academia and training



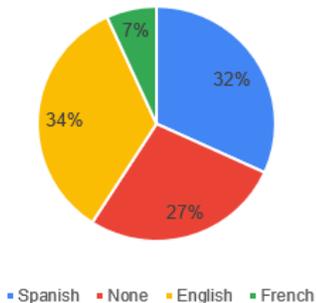
Source: The authors

The respondents from academia (80% of the respondents) are linked to an educational institution, such as a school, a university or a college. The respondents on training (20%) are linked to an organization or company that offers business ethics training for employees.

Profile data of the respondents from academia

The profile of respondents from academia that offer education of ethics in specific disciplines and/or across disciplines is the following in undergraduate and graduate courses: A total of 39 responses were obtained, and all of them have Portuguese as their mother tongue.

Graph 2: Other Languages of survey respondents

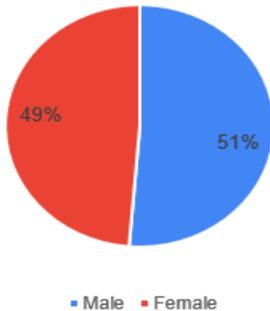


Source: The authors

All respondents were born and live in Brazil. In addition to their mother tongue Portuguese, 73% also speak other languages: English is the first language most spoken by those surveyed (34%). Spanish is the second most spoken language (32%), and French comes in third place with 7%. It was also observed that one respondent speaks three languages: English, French and Spanish. Six respondents speak two languages: English and Spanish.

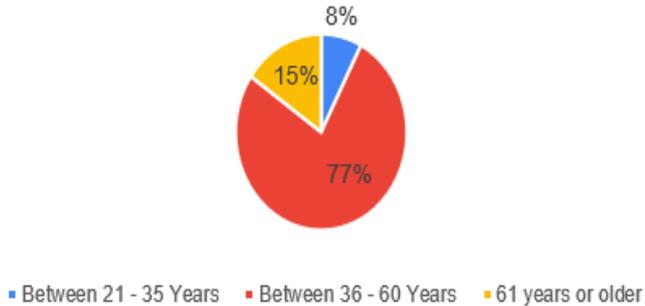
In the structures where the research was carried out, academia and training institutes, there was no manifestation of the respondents about mastery of the languages of native people.

Graph 3: Personal definitions of gender



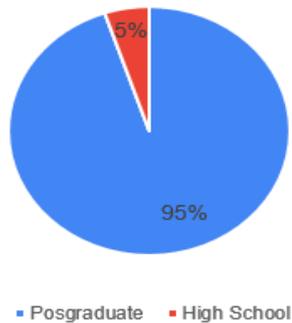
Source: The authors

51% are male and 49% are female. The options of "Other" and "Prefer not to say" were not selected by the respondents.

Graph 4: Personal definitions of age

Source: *The Authors*

77% of respondents are between 36 and 60 years old. The smallest share are younger people at 21 up to 35 years old, and 15% are over 60 years old. The option: "Under 21 years of age" was not selected by the respondents.

Graph 5: Personal definitions of academic level

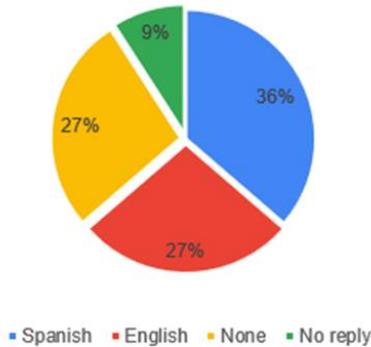
Source: *The authors*

95% of the respondents in academia have a postgraduate degree. Only 5% have just a bachelor's degree. The option of "Incomplete high school" was not selected by the respondents.

Profile data of the respondents of training

From organizations or companies that offer training in business ethics to its employees, a total of 10 responses were obtained, and all of them have Portuguese as their mother tongue.

Graph 6: Other Languages of respondents

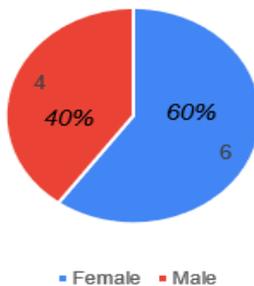


Source: The authors

In addition to the mother tongue Portuguese spoken by 100% of respondents, 9% of interviewees answered that they speak other languages, but did not specify them. One of the respondents states that he also speaks English and Spanish. Spanish is the second most spoken language (36%). 27% do not speak another language.

All 10 respondents (100%) were born and live in Brazil. 60% are female and 40% are male.

Graph 7: Personal definitions of gender

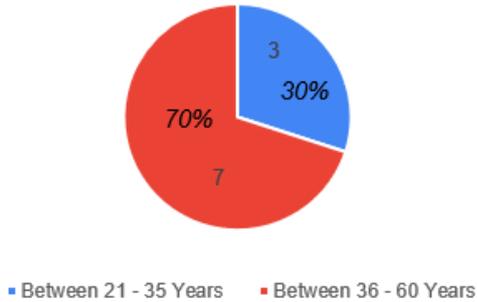


Source: The authors

The options of "Others" and "Prefer not to say" were not selected by the respondents.

In terms of age, 70% of the interviewees are between 36 and 60 years old and 30% between 21 and 35 years old.

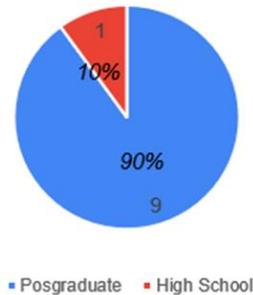
Graph 8: Personal definitions of age



Source: The authors

The options of "Under 21 years old" and "Over 61 years old" were not selected, demonstrating that people are young adults (21-40 years) and belong to the middle age (40-65 years).

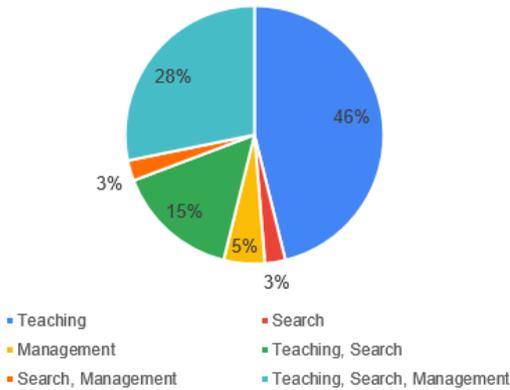
Graph 9: Personal definitions of academic level



Source: The authors

90% of the respondents have a postgraduate degree and 10% a high school education. The options of "Incomplete high school" and "Graduation" were not chosen.

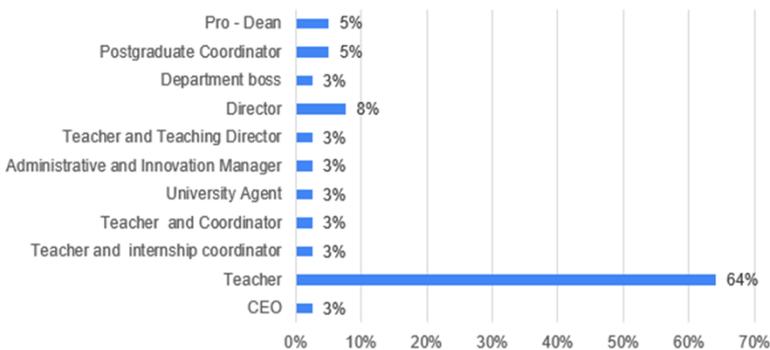
Graph 10: Functions performed by the respondents in academia



Source: The authors

Regarding the position in academia, the majority (46%) of respondents are just in the teaching function, while 28% are involved in teaching, research and management/administration and 15% in teaching and research. That is, 89% are in the teaching function. 6% participate only in research, and 5% are engaged exclusively in management/administration while the sum of respondents in the management/administration makes up 26%.

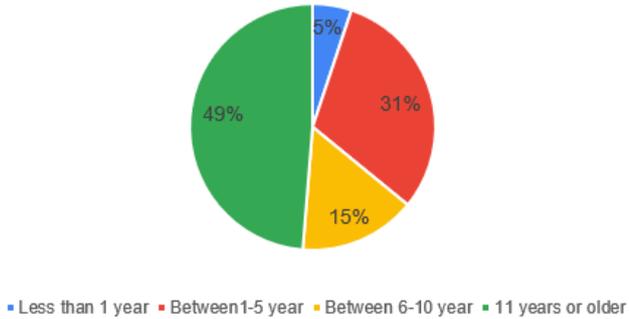
Graph 11: Positions held by the respondents in academia



Source: The authors

Most respondents (64%) hold teaching positions of teacher, with 64% of the responses. Other positions are held between 8% and 3%.

Graph 12: Years held in the position by the respondents



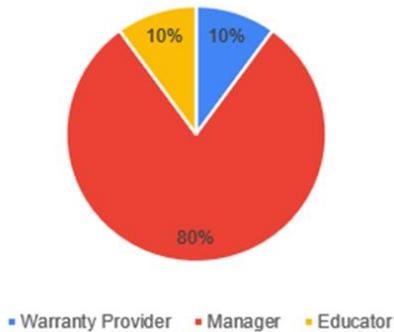
Source: The authors

Regarding the time held in a position, 49% of the respondents have spent more than 11 years, 31% between 1 and 5 years, 15% between 6 and 10 years and 5% for less than 1 year.

Data on the position and organization of the respondents of training

Regarding business ethics training, 90% of the respondents work for companies and 10% work as trainers in the private sector. The options of "Government Department/Institution", "NGO, Institute, Foundation" and "Public Sector Trainer" were not selected.

Graph 13: Functions performed by the respondents in training

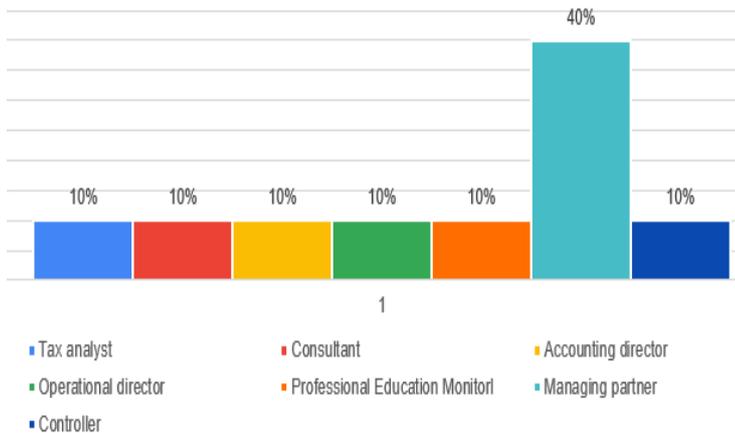


Source: The authors

Regarding the position related to business ethics training, 80% of the respondents hold management positions, 10% provide assurance in audit, risk or similar functions and 10% are educators.

In addition to the general classification of the positions, the respondents specified their function: Tax analyst, consultant, accounting director, operational director, professional education monitor, managing partner and controller.

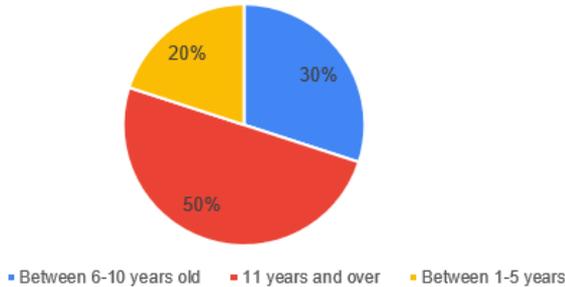
Graph 14: Positions held by the respondents



Source: The authors

Managing partners make up 40% while the other six positions make up 10% each.

Regarding the time in which the respondent has been in the position, 50% of them highlighted they have been in the position for 11 years or more; 30% have been in office between six and ten years and 20% between one and five years.

Graph 15: Years held in the position by the respondent

Source: *The authors*

No respondent was in this position for “Less than 1 year ago.”. Therefore, the professionals have spent more time of service in their companies, having greater knowledge and experience about internal and external ethical problems and procedures.

12.4 Terminology and key concepts

The survey questionnaire was translated into Portuguese and shows key terms in Portuguese (see Volume 1. Introduction to the Global Survey of Business Ethics 2022-2024).

Table 1: Terms and language of business ethics

4.1 In academia	4.2 In training
Business ethics encompasses all the demonstrative elements of the company's conduct in doing business. Elements of ethical conduct of respect for people, animals and the physical and relational environment, internal and external;	Social responsibility;
Character;	Professional ethics;
Non-negotiable values, conduct, respect for the law;	Respect and honesty;

A set of moral values and principles that guide human conduct;	Compliance and agreement;
Business management;	Loyalty to customers and competitors;
Set of rules;	Honesty;
Philosophical principles. Behavior for Good. Virtue. Ethical Leadership. Ethics applied to professional practices. Compliance. Expected procedures;	Resilience with competition;
Competitiveness;	Empathy;
Business ethics is a broad concept that involves business conduct regarding: Social Responsibility, Sustainability and Compliance;	Secrecy;
Respect; Coherence; Sustainability; Social responsibility;	Complicity;
Actions, concepts;	Transparency in relationships;
Governance; Compliance; Conflict of interest; Morality, fraud; honesty, among others; Organizational Responsibility and Governance;	Consistent values and norms with the organization;
	Relationship with organizational culture;
Inclusion, diversity, compliance, integrity, otherness, fairness, respect;	Empathy and Partnerships;
Moral values of relationship with partners, employees, competitors;	Legality;
Standards and values;	Trust and durability in processes and with stakeholders;
Respect, humanity;	

Organizational culture with common values;	
Value of the organization;	
Sustainability, corporate social responsibility;	
Sustainability;	
Character, personality;	
Honesty;	
Responsibility, commitment, knowing how to deal with people, coexistence, harmony, coherence, dealing with conflicts;	
Conduct code;	
Ethics;	
Healthy work environment;	
Moral;	
Respect;	
Commitment, responsibility, respect;	
Morals, empathy, norms;	
How the company organizes itself to achieve its goals;	
Corporate Culture;	
Corporate Ethics;	
Be fair, coherent, common sense;	
Theory that applies from the point of view of morals;	
Trust, transparency, values, fairness and parsimony;	
Principles of equality and isonomy;	

Social Responsibility, Collective Well-Being, Respect for the Environment and the Community.	
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Source: The authors

12.5 Focus areas of business ethics

The results of the questionnaire for major business ethics topics in the next five years show the following themes: Compliance; Corporate governance; Social responsibility; Sustainability; Codes of professional ethics; Legality and seriousness of purpose; Misleading advertisements and anti-corruption and anti-fake news measures.

To learn more about the production of knowledge on the topics raised by the respondents, we refer to Google Scholar.

Compliance and ethics in companies

On Google Scholar, which allows to search for articles in Portuguese, we used the descriptor "Compliance and ethics in companies" on 03.21.2024 for the period from 2019 to 2024 and found 159 results in review articles. They emphasize compliance programs as essential to the ethical structure of companies and their integrity, whether public or private, micro, small, medium or large companies. They indicate topics such as the formation of Boards of Directors, business ethics, executive compensation, the level of disclosure of compliance practices; the market value of the companies; anti-corruption measures in companies; ESG dimensions applied to agribusiness; the relationship between compliance and corporate governance in companies listed on Brazilian Stock Exchange; the challenges and opportunities related to the implementation of compliance programs in Brazilian public sector; the importance of education and training in compliance programs, based on an analysis of Brazilian companies; the development and implementation of compliance programs in publicly traded companies in Brazil; the role of

compliance in preventing and combating corruption, with a focus on Brazilian anti-corruption legislation.

It is worth noting, among the articles revealed by the platform, the article by E. Saad-Diniz (2018) stands out. The author shows that corporate behavior in terms of Responsibilities is unsystematic. It is necessary to understand the evolution of corporate criminal liability and its reception in Brazil and to conceptualize compliance to better understand the challenges that the companies face. It seems that Compliance reproduces a game between regulators and regulated, since the Brazilian regulatory regime and law enforcement measures are inconsistent. The author starts from the analysis of Penal Action 470 to show disillusionment in the effectiveness of prevention and the potential of intimidation as a strategy for the moralization of business and political customs in Brazil. The criminal court case that tried those accused of corruption in the scandal known as "*Mensalão*" filed charges against 38 defendants for the crimes of active corruption, passive corruption, embezzlement, money laundering, conspiracy, tax evasion and fraudulent management of a financial institution. Of those, 24 were convicted. The scandal involved the monthly payment to deputies in exchange for support in congressional votes. The process was widely followed by the public and the media, lasting nine years, between the first accusations and the end of the trial, which led to the arrest of politicians. The *Mensalão* was one of the biggest scandals in the political history of Brazil, showing the spurious relations between the private and the public. The author exposes the systematization of the transformations experienced by corporate criminal liability and compliance programs and discusses sanction vs. cooperation in Brazil, emphasizing that inspection and regulatory agencies have started to self-proclaim the function promotion of governance structures in the company as a consequence of its functional performance. In theory, because there is law enforcement, there would also be a cause-and-effect relationship with improved governance and management standards.

However, what is evident is that compliance functions, devoid of an effective preference for business integrity, can be very easily manipulated in favor of unethical interests. In addition, the author states that the theses of corporate social responsibility are incapable of accounting for the negative effects of business activity.

For Saad-Diniz (2018), when structuring compliance programs and protection of personal freedoms, the mere description of the roles occupied is not enough, but the verification of effective fulfillment of duty is necessary. The article states that the institutional disarray, the fragile regulatory capacity and the disarticulation of law enforcement strategies, with a very low density of application of the criminal liability of the legal entity, ends up justifying the non-collaborative posture and the obsessive "anti-corruption" operations.

Regarding the concept of Compliance, the author highlights three important moments in its evolution: (1) negative; (2) positive; and (3) integration of governance, risk and compliance (GRC) theses. (1) The negative conception is restricted to the elaboration of preventive corporate policies, aimed at detecting, investigating and reacting to economic infractions, from a preventive mindset. Until then, compliance was interpreted within the limits of *ex ante* and *ex post* defense strategies in relation to deviant behavior. Secondly, in a positive phase (2), more imaginative efforts emerged, oriented to pro-social corporate behavior. It is widely disseminated that the importance of compliance programs goes far beyond the simple defensive notion and should promote effective integrity practices, prioritizing not only intolerance in the face of what is wrong, but also praising the good practices developed in the business environment. In more recent moments, we highlight (3) the integration of GRC strategies, according to which strategies are developed for the improvement of business management.

In this evolutionary line, the author emphasizes that compliance programs can be understood as an organized program to increase

organizational management and regulatory capacity for the prevention of economic infractions and control of moral hazards. It is a new model of compliance with management standards that offers new perspectives of methods for reviewing traditional theses on institutional performance and the place of ethical behavior in the company.

In terms of international cooperation, compliance functions, if performed properly and appropriately to the company's business dynamics, demonstrate that the business organization is able to move players, contractors and suppliers in a market driven by integrity. A well-structured program demonstrates to the market the organization's ability to manage risks and crisis contexts. Especially in the current Brazilian scenario, compliance intelligence favors more rigorous planning to anticipate unpredictable reactions from inspectors and regulators, who at any time can bind companies or managers by information gathered in investigations, plea bargains or leniency agreements. The Brazilian market should not relativize the importance of compliance programs. Inspectors and regulators cannot represent the immunization of directors or asset shielding, or exempt companies and directors from liability. If they do so, the companies can have the most robust compliance model and still commit crimes, or even instrumentalize it for the practice of economic infractions and strategic market dominance.

The author draws attention to the money laundering law, Law 9,613/1998, amended by Law 12,683/2012, the Anti-Corruption Law (Law 12,846/2013), the "Liability of State-Owned Companies" Law (Law 13,303/2016)⁷² and BACEN Resolution 4,595/2017, which gave special impetus to compliance programs in Brazil. The author (a lawyer) reflected in 2018 on the thirty years of the Brazilian Constitution regarding the regulation of corporate behavior and establishes that,

“There is a lack of dogmatic constructions adequate to the level of differentiation of economic society, we are very far from mastering the usefulness of the sanctions system, we do not know the

criminological bases (who companies are, how they affect our society and how to punish them, addressing the disapproval of behavior) and we have not even begun debates about the role of criminal liability of the legal entity and compliance programs in the regulation of corporate behavior.”

Nevertheless, Saad-Diniz is an important author in the dissemination of the theme, being a professor at USP - State University of São Paulo - Ribeirão Preto Campus, and stimulated articles such as Martinelli and Sofia Bertolini. “Gatekeepers and compliance solutions”. *Journal of the Courts*, v. 979, 2017 (p. 69-89); “Compliance and banking regulation in the resolution of the Central Bank”. *Valor Econômico*, 09.12.2017; “Business ethics and compliance: Between executive education and judicial interpretation”; *Revista dos Tribunais*, 2019, São Paulo; and “Normative meaning of criminal compliance programs” in AP 470, *Journal of the Courts*, v. 933, 2013 (p. 151-165).

Corporate governance and business ethics

The Google Search on "Corporate Governance and business ethics" presented 170 results (0.07 s) as review articles, in the order of relevance. Among the important concepts and authors, we highlight articles on the panorama of private corporate governance against corruption, as well as government initiatives to repress this phenomenon, through business ethics; and on Corporate Governance in Family Businesses. There is an important publication on the Code of Best Corporate Governance Practices (sixth edition), disseminated by the Brazilian Institute of Corporate Governance (founded in 1995 and organized by civil society); it is a national highlight and one of the main organizations in the world of corporate governance. The Institute's objective is to generate and disseminate knowledge about the best practices in corporate governance and to influence the most diverse agents in their adoption, contributing to the sustainable performance of organizations and, consequently, to a better

society. There are articles that link auditing as an integral part of corporate governance, not to ethics per se, but to the provision of transparent information and statements that protect the company's assets.

It should be noted that the articles on "Corporate Governance" have not been so directly linked to business ethics and are being rather developed by authors in accountancy. In Brazil, the levels of B³ - Brasil, Bolsa, Balcão greatly ensure the requirements of good corporate governance practices.

Crisóstomo and Carneiro (2021) evaluate the effect of Corporate Governance on CSR of Brazilian company. From a sample of 1,965 annual observations from 303 companies listed on B3, Logit regression models were estimated and proportions comparison tests were carried out. They show a trend of favorable influence of the quality of corporate governance on CSR in Brazil. Better corporate governance of companies motivates them to a better standard of CSR. The adoption of better corporate governance practices seems to be, in fact, a factor that contributes to the implementation of a better CSR policy. To the authors, by paying attention to good management, control and ethical behavior, the company is also paying attention to the best relationship with its wide range of stakeholders as well as with the environment.

Corporate Social Responsibility and business ethics

The research on "Corporate Social Responsibility" presented 49 results (0.03 s), in their order of relevance.

Gonçalves & Marcellino (2021) refer to the concept disseminated by the Ethos Institute point out:

“Corporate social responsibility is the form of management that is defined by the ethical and transparent relationship of the company with all the stakeholders with which it relates and by the establishment of business goals compatible with the sustainable development of society, preserving environmental and cultural

resources for future generations, respecting diversity and promoting the reduction of social inequalities.”

It is, therefore, a concept closely linked to business ethics. To Faria and Sauerbronn (2008), there is a proliferation of approaches, theories and terminologies, and not a single or precise definition. They show the conceptual historicity of CSR as an ethical or normative business approach; relations between ethics and business through institutional, cultural and ideological aspects; as a social or contractual approach to the company and society, and the focus on the management of social issues with a managerial and strategic approach by minimizing risks through the identification and response to ethical and social issues that may have an impact on the company.

The Brazilian company Petrobras in its 2024-28 Strategic Plan and ESG Positioning, in the "Deep Dive Petrobras", held on January 30 and 31, 2024, immerses itself in the activities and perspectives of the state-owned company for the future. It shows the word Responsibility very much linked to the issue of Financial Responsibility. In the same document, the company sets out its commitment to reducing its Carbon Footprint; the protection of the environment; caring for people and acting with integrity. It expresses the ambition to be a reference in ethics, integrity and transparency, describing elements of the Company's Code of Ethics and the Code of Ethics for Suppliers.

Sustainability and business ethics

The Google Scholar on Sustainability and business ethics resulted in 341 articles (0.03 s).

Garcia, Pereira & Silva (2021) conducted a review study to explore the sustainable practices carried out by organizations from different sectors in the years 2018 to 2021. They selected 17 publications, particularly from the University of São Paulo (USP) with a greater number of publications. The results showed that the practices differ with regard to the

sector, in which the companies operate. Corporate reputation has been pointed out as one of the main motivations for the adoption of these practices. Sustainable practices have been used in a preventive way, with long-term economic results for companies such as energy saving, water reuse, mitigation of solid waste generation, and social practices in the community in which the companies operate.

Faria & Santos (2023) reflect on business ethics and sustainability regarding financial performance in Brazil's export industries. Referring to the Brazilian news, they point out the gap between discourse and practice in terms of desire and interest in ethical behavior, namely:

(1) The number of companies that are fined for environmental crimes in Brazil is increasing, the accumulated amount of penalties for these crimes is already in the billions and each year about R\$3.5 billion in new fines are applied (VALOR ECONÔMICO 2017); (2) Between 2015-2016, the Federal Police carried out more than 1,000 operations involving companies (POLÍCIA FEDERAL 2019); (3) Between 2010 and 2017, the Labor Prosecutor's Office fined more than 160 employers who used workers in slave-like conditions (Labor Prosecutor's Office 2018); (4) The PROCON state complaints ranking recorded 709,424 calls in 2017, with 54,780 generating substantiated complaints (FUNDAÇÃO PROCON SP 2018); (5) In 2015, PROCON registered more than 1 million calls, 61 thousand of which generated administrative processes for companies (DIÁRIO OFICIAL - ESTADO DE SÃO PAULO 2016); (6) In 2017, the Brazilian Securities and Exchange Commission (CVM) fined more than 100 companies or executives for problems in the management of corporate governance (JORNAL O GLOBO 2018). At the end of the same year, the CVM had R\$2.6 billion in unpaid amounts by companies and individuals (VALOR ECONÔMICO 2018).

The sample comprised 102 publicly traded industrial companies on B3 (Brasil, Bolsa, Balcão), of which 13 are classified as the largest exporters according to the National Confederation of Industries; the use of "short and long-term provisions" accounts was restricted to the ethical behavior of the companies, as they are obligations, fundamentally, related to lawsuits in the spheres of labor, civil, tax and environmental law. It was assumed that the constitution of the entity's obligation (liabilities) reflects the unethical decisions made in the past. The results of the research demonstrate that there is no conflict between financial performance and ethical behavior for exporting companies. The analysis focused on financial variables and the level of provisions. The higher the financial result, the lower the level of provisions tends to be. Higher levels of provisions impact and are aligned with non-exporting companies. The authors suggest that business ethics and financial performance are not contradictory dimensions while reinforcing the importance of using ethics for exporting companies seeking new markets. From a theoretical point of view, the results showed that companies that seek greater results must have ethical practices. In the political environment, control agents could offer greater publicity to the results of companies, facilitating and allowing access to information.

Code of Professional Ethics and Business Ethics

The Google Scholar on Professional Ethics and Code of Business Ethics presented 116 results (0.09 s). The articles emphasize Codes of Ethics for Professionals in various areas – Dentistry, Medicine, Accounting, Administration, Bioethics, Nutrition, Psychology, Veterinary, Nursing, Engineering, Physiotherapy, and Social Work. Specifically, companies are called to use the Codes of Ethics of the Profession of Administrators, Accountants, Auditors, Experts and Lawyers.

Alves, Michelin & Krüger (2023) highlight that in the sample more than 90% of the professionals surveyed in Brazil agree that the

Accountant's Code of Professional Ethics (CEPC) is important. However, only 46% say they have read it.

Silva et al. (2021) analyzed the Code of Ethics in private or public organizations and considered the relationship between ethical issues and good Corporate Governance practices. They show the positive correlation between (good) integrity practices and the knowledge and use of the Code of Ethics and Conduct by formalizing, encouraging and guiding responsible behavior among employees and organizations. The Shareholder Theory, the Legitimacy Theory and the Stakeholder Theory underlie the creation of the Code of Ethics and Professional and Business Conduct and influence the company's decision-making processes. The support of senior management and the adoption of codes of conduct contribute to risk management, training, accounting controls, whistleblowing channels, due diligence, accountability, among others.

Legality and seriousness of purpose and business ethics

The Google Scholar on Legalities and seriousness in business purposes and ethics presented only one result (0.07 s) in Portuguese Language Review articles.

Teles (2022), an expert in law, deals with the theme of freedom of expression, as a pillar of the democratic rule of law. The article shows that the right to information, access to data and education are central to the exercise of other freedoms. However, it exposes that freedom of expression can provide opportunities for the proliferation of distortions that are connected to fake news. It focuses its analysis on the period of the COVID-19 pandemic, marked by false information or with affected credibility by the intervention of third parties or public agents.

The author shows that freedoms and censorship have limits and must be exercised in a way that is compatible with interests that transcend the sphere of the individual. We tried to understand the formalities, the

context and the social content that a law to combat fake news would bring to the Brazilian legal system.

Misleading advertisements, anti-corruption and anti-fake news measures and business ethics

The Google Scholar on Misleading Advertisements and Business Ethics presented only 11 results (0.04 s) while on Anti-Corruption and Anti-"Fake News" Measures and Business Ethics resulting in 380 articles.

For Leal (2020), the most relevant publications show that the theme of financial education took greater emphasis after the financial crisis in 2008. The Brazilian executive power reacted to the crisis, and public policies for financial education emerged (see Decree No. 7,397, of December 22, 2010). The National Strategy for Financial Education (ENEF) was established, public policies for financial education in Brazil were initiated. They promoted financial education initiatives in an articulated and cooperative way with multiple governmental and private actors at the national and international level. Revoked in 2020, it gave way to Decree No. 10,393 in June 9, 2020, which established the new ENEF and the Brazilian Forum on Financial Education (FBEF), composed of government agencies, including the Securities and Exchange Commission, the Ministry of Economy and Education, the Secretariat of Social Security and Labor, among others.

In addition to the establishment of financial education necessary for understanding the economic, financial and social context, the articles deal with the role of journalists, communication in general, and ethics and responsibility as a moral compass. The word false advertising appears in works on dental care.

In "Anti-corruption and anti-fake news measures and business ethics", the articles are linked to Brazil's current moment of political polarization between the right-wing and the left-wing. They deal with issues on democratic corrosion, undemocratization, disinformation, social networks,

democratic crisis, news checks, cyberactivism, denial of politics, anti-corruption movements, sustainable consumption, environmental disasters, digital populism, moral crusades, the good citizen, among others.

In the midst of contemporary issues on corporate governance, risk management and compliance, Brazil has also paid attention to the General Law on Data Protection, Consumer Protection Laws, Anti-Corruption Law, among other regulations.

Silva (2023) analyzes the academic literature on Compliance Programs, ESG, Corporate Governance, Fraud Prevention, Human Rights, Corruption, Data Protection, and SDGs. The author indicates that compliance programs in organizations evaluate their role in ensuring ethical practices, legal adherence, and risk mitigation, through care with the structures of the board of directors, the compensation of executives and the effectiveness of performance improvement mechanisms and the accountability of the company. There are efforts to combat fraud and corruption, reviews of fraud detection techniques and reporting systems, and anti-corruption measures. The author demonstrates that the literature points to the scenario of the evolution of data protection, emphasizing regulatory developments, privacy frameworks, and organizational responsibilities in data safeguarding. In addition, there is a growing emphasis on integrating human rights principles into business practices, exploring the implications of human rights violations, and strategies to promote responsible business behavior. It shows that the articles explored the alignment of business practices with the Sustainable Development Goals by examining the needs of businesses and their contributions to the SDGs.

12.6 Business ethics activities in higher education

The respondents teach the following courses (see Table 2).

Table 2: Activities related to business ethics

Activities	Obliga- tory	Faculta- tive	They did not re- spond
Undergraduate Curricular Modules	5%	87%	8%
Postgraduate curricular modules/courses in MBA, Master's and PhD programs	36%	28%	36%
Research, Group & Re- search & Guidance	56%	28%	15%
Consultancy	26%	36%	38%
Advocacy / Campaigning / Activism	21%	38%	41%
Policy Drafting	21%	38%	41%

Source: *The authors*

When asked about other activities not listed above (e.g., organization of a Business Ethics Award in academia and for companies), the answers were:

- Research Ethics Committee;
- Business management;
- Temporary participation as an external compliance manager in a private company in the health sector;
- Investigation Committee (evaluation of ethical procedures);
- Social Technologies;
- Electoral Regulations, Commission and Code of Ethical Conduct.

Data of topics and themes related to business ethics in academia

- Concepts. Time, historical, and cultural considerations of ethics. Codes of Ethics. Compliance. Disclosure of Brazilian and International Standards for the registration of facts in business. Clean economic and financial information. Anti-corruption measures;
- Debasement of fees;
- Professional ethics in People Management policies. Ethics in psychological practices;
- Professional conflicts, ethics in professional training, integrity, reliability, respect, equality, fidelity, accountability;
- Sustainability in agribusiness production;
- Illegal Attitudes, Meritocracy, Misleading Advertisements, Seriousness of Purpose;
- Philosophical Approach. Concept of Ethics. Ethics Applied to the Individual. Ethics Applied to Business. Decision-Making Process and Ethics. Ethics Applied to Various Professional Activities (Administration/Accounting/Economics). Professional Reputation Management;
- Misalignment;
- Compliance, Ethos Institute, Code of Professional Ethics, Human Rights, ILO: slave labor in the digital age, slave and child labor; use of social networks and fake news;
- Social responsibility, citizenship, sustainability, social inclusion, respect for differences, human rights, leadership and management;
- Actions for personal and professional development;
- Governance, threats and safeguards;

- Governance;
- *Fair trade*, democratic governance, digital citizenship, *ESG*, inclusion, diversity, 2030 Agenda, scenario reading;
- Unfair competition in the field of intellectual property, infringement of patents and intellectual property rights;
- Data Confidentiality, Status Quo, Interpersonal Relationships;
- Values, behavior, leadership, culture;
- Philosophy and Ethics as a reflection in a world with recent social transformations that influence the Business field. Problematize the role of the company as responsible for social issues, as a space in constant change, and also develop ethical principles in the professional who will be faced with current crises and challenges;
- Impartiality, Professional Work, Prudence, Respect and Transparency;
- Fundamental rights, ethics and morals;
- Respect, sustainability;
- Consulting, entrepreneurship;
- Professional ethics;
- Communication, citizenship, code of ethics, interpersonal relationships, stereotypes;
- Behavior, action, conduct, obligation;
- Respect for others;
- Environmental causes;
- Market;
- Political Ethics, Human Rights, Investments;
- Public policies, economy, sustainability;

- Ethics in Accounting;
- Organizational issues;
- Organizational Culture;
- Ethics in accounting practice;
- Professional Ethics;
- Ethics and Morals; Ethics and Sustainability; Code of Professional Ethics; Ethics and Religiosity;
- Trustee's Ethical Relationship / Trustee's Code of Ethics;
- Pedagogical and community ethics;
- Ethics from the perspective of Organizational Culture;
- Ethics in the registration and disclosure of business operations, based on Brazilian and International Standards that insert quality and transparency in business information.

Data of prioritization of business ethics issues

The prioritization of business ethics issues shows the following themes: human rights; poverty and inequalities; sustainability; just energy transition; generating the valuation of the themes, given by the visibility of the following graphs, expressed in terms of number of respondents and degree of importance, among Very important; Important; Neutral and Exclude from the program curriculum.

Table 3: Importance of topics by the instructors in academia

Topic	Very important		Important		Neutral		Not important		Exclude	
	X		X		X		X		X	
Human Rights	32	82%	6	15%	1	1%				
Poverty and Inequality	27	69%	8	21%	4	10%				
Sustainability	32	82%	6	15%	1	1%				
Just Energy Transition	19	49%	17	44%			2	5%	1	3%
Business and Wealth Creation	19	49%	15	38%	2	5%	3	8%		
Corporate Governance	26	67%	11	28%	2	5%				
Digital Transformation	27	69%	9	23%	3	8%				

Corruption	26	67%	10	26%	2	5%			1	3%
Whistle-blowing	26	67%	12	31%	1	3%				
Conflict and Terrorism	18	46%	13	33%	5	13%			3	8%
Religion and Spirituality in the Economy	12	31%	13	33%	11	28%	1	3%	2	5%
Diversity	18	46%	13	33%	6	15%	1	3%	1	3%
Micro, Small and Medium Enterprises	23	59%	14	36%	2	5%				
Leadership and Ethics Management	29	74%	9	23%	1	3%				

Academics attach greater importance to Human Rights and Sustainability, in the same proportion (82%), followed by Leadership and Ethics Management (75%).

44% rank Fair Energy Transition first in terms of importance, followed by Business and Wealth Creation; Micro, Small and Medium

Enterprises; Complaint; Conflict and Terrorism; Religion and Spirituality in the Economy and Business; and Diversity.

28% evaluate topics such as Religion and Spirituality in the Economy and Business as neutral, while 15% consider Diversity, and 13% Conflict and Terrorism as neutral.

8% are of the opinion that Conflict and Terrorism could be excluded from business ethics courses, just as 5% have the same opinion in relation to Religion and Spirituality in the Economy and Business.

Data of publications on business ethics – Section 1 in academia

- We Are Human: An Ethical, Philosophical, and Social Reflection.
- Corporate social responsibility: analysis of the importance of sustainable development goals (SDGs) and stakeholders in projects in the meat and meat products food industry;
- Corporate Social Responsibility: analysis of actions developed in a food industry;
- The cultural and organizational process impacts on company mergers: the case of an Agroindustry S.A.
- Corporate social responsibility in an agricultural company in the state of *Goiás*;
- Ethics and Social Responsibility.
- The executive secretary as an agent of change in the diffusion of compliance
- Integrity control of public actions during the COVID-19 pandemic
- Public management and the 2030 Agenda: the impasse in the ratification of the Mercosur-European Union agreement

- Unconstitutionality of delegations of competence from professional councils to civil societies and the right to work
- The disregard of the legal personality of the company for the purpose of holding directors and administrators accountable for damages caused to the environment
- Public transparency during the covid-19 pandemic
- Diversity and Human Rights
- The Fundamental Right to Effective Labor Enforcement
- Liability of digital influencers for hidden advertising according to the consumer protection code
- Master's Supervision: gender violence and the public-federal service
- Renewable resources and public policies as a mechanism for the acquisition of solar energy for low-income families in the municipality of Timon-MA
- Active methodologies (ma) in higher education institutions (heis): an analysis of the student's protagonism in the teaching-learning process
- Digital marketing and the use of social networks to strengthen e-commerce: the case of retail companies in Teresina-PI
- Mass Balance, ethical production in the footwear industry resources.

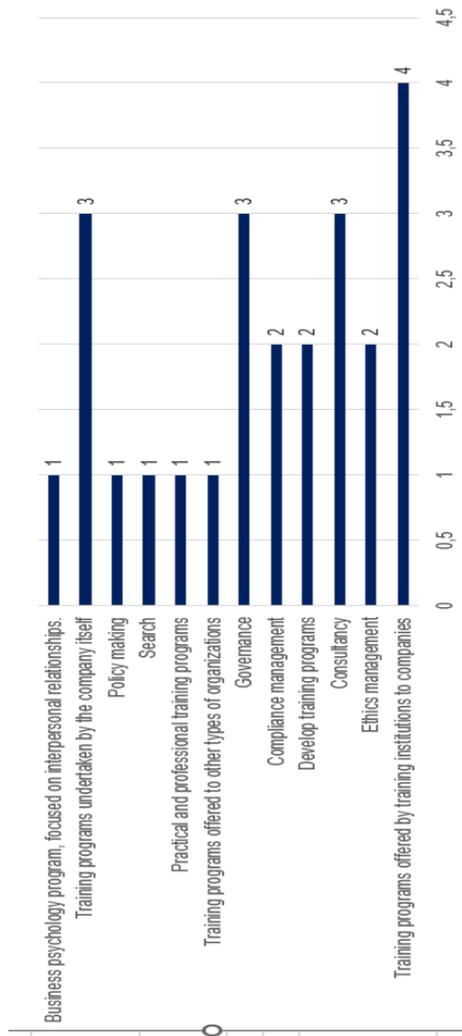
12.7 Themes in training on business ethics

Business ethics activities in training

The survey questionnaire indicated a series of activities in which respondents could be involved in their work in the area of business and economic ethics, such as: training programs; ethics management;

consulting and advisory services; program development and facilitation; compliance management; governance; research; policy making and advocacy/campaigning/activism. The replies revealed the following situation:

Graph 16: Activities related to business ethics



Source: The authors

The option given to the respondent by the form referring to "Advocacy/campaign/activism" was not selected by any of the respondents. In addition, the form allowed the insertion of other activities and the activity "Business psychology program, focused on interpersonal relationships" was listed.

Regarding the topics and themes related to business ethics in their activities, the respondents were not specific about the training programs without an academic degree, only one respondent declared to work in this field; three interviewees; three interviewees for business training programs; and one interviewee for training programs in government departments or other types of organizations.

Data of topics and themes related to business ethics in training

Table 4: Topics and themes related to business ethics in training

Topics and Themes	N/A	Topics
Training program without an academic degree	90%	10%
Business Training Program	70%	30%
Training program for departments or government	90%	10%
Training programme for other types of organizations	90%	10%

Source: The authors

Data on the prioritization of business ethics issues

As for the prioritization of issues of business ethics, the following topics were listed: human rights; poverty and inequalities; sustainability; just energy transition; generating the valuation of the themes, given by the visibility of the following graphs, expressed in terms of number of respondents and degree of importance, among Very important; Important; Neutral and Exclude from the program curriculum.

Table 5: Importance of topics by the instructors in training

Topic	Very important		Important		Neutral		Not important		Exclude	
	X		X		X		X		X	
Human Rights	7	70 %	3	30 %						
Poverty and Inequality	6	60 %	4	40 %						
Sustainability	7	70 %	3	30 %						
Just Energy Transition	4	40 %	3	30 %	2	20 %			1	10 %
Business and Wealth Creation	4	40 %	5	50 %	1	10 %				
Corporate Governance	6	60 %	3	30 %	1	10 %				

Digital Transformation	6	60 %	2	20 %	2	20 %				
Corruption	6	60 %	2	20 %	2	20 %				
Whistle-blowing	8	80 %	2	20 %						
Conflict and Terrorism	5	50 %	2	20 %	2	20 %			1	10 %
Religion and Spirituality in the Economy	6	60 %	2	20 %	1	10 %			1	10 %
Diversity	6	60 %	3	30 %					1	10 %
Micro, Small and Medium Enterprises	6	60 %	3	30 %	1	10 %				
Leadership and Ethics Management	6	60 %	4	40 %						

The instructors attach the highest importance to Whistleblowing (80%), followed by Human Rights and Sustainability (70%). Highest importance with 60% is also attributed to Poverty and Inequality; Corporate Governance; Digital Transformation; Corruption; Religion and Spirituality in the Economy and Business; Diversity; Micro, Small and Medium Enterprises; Leadership and Ethics Management.

50% rank Business and Wealth Creation first in the category of important topics, followed by Poverty and Inequality and Leadership and Ethics Management.

20% assess such topics as Just Energy Transition, Digital Transformation, Corruption, and Conflict and Terrorism as neutral, while 10% perceive Business and Wealth Creation; Corporate Governance; Religion and Spirituality in the Economy and Business, and Micro, Small and Medium Enterprises as neutral.

10% present the opinion that Just Energy Transition and Conflict and Terrorism; Religion and Spirituality in the Economy and Business; Diversity could be excluded from business ethics courses.

Data on publications on business ethics in training

There was just one publication on business ethics related to respondents of extension:

- Reflections on Organizational and Informational Culture for Development.

12.8 Major business ethical issues over the next five years

The perception of the main ethical issues in the field of business and economic ethics for the next five years was questioned by ascertaining the following points:

For this survey, there was no proposed ranking of responses; rather, respondents were free to describe and rank their themes. The formal semantic analysis followed Muller & Viotti (2004) and synthesized

the answers with the following words: Compliance; Corporate governance; Social responsibility; Sustainability; and Codes of Professional Ethics.

Other responses focuses on compliance with legal rules and regulations, the seriousness of purpose, misleading advertising, and the need for anti-corruption and anti-fake news measures.

12.9 Conclusion

Given the limitations imposed by the small number of respondents and the diversity and geographical dimensions of Brazil, we can infer – without generalizations – from the research that the greatest participation and interest in the topics of business ethics came from educators; women and men in similar proportions; the majority are between 36 and 60 years old and postgraduates. They are in the same professional position for more than six years, having another foreign language in addition to Portuguese. But no one masters an Indigenous dialect, mainly due to its small population composition (0.87%). The activities on corporate ethics in Brazil, revealed in research, include modules/curricula of post-graduate programs in MBA, master's, doctoral degrees, and scientific research. Regarding corporate ethics, respondents mentioned terms such as conduct, character, respect, honesty, confidentiality, transparency, legality, sustainability, and respect for the environment emerged, similarly in both academia and training. Other topics are human rights, sustainability, leadership, poverty and inequality, governance, and digital transformation; moreover global concerns, especially regarding sustainability and digital transformation. For the coming years, respondents emphasize the need to strengthen ethics in business through actions on topics such as compliance, corporate governance, social responsibility, sustainability, professional ethics codes, and legality. With its regulatory frameworks of anti-corruption, data protection, tax, technology, and

communication, Brazil struggles with issues specific to the drivers of a clean and lawful economy. Education is needed at all levels of business and society.

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UNITED STATES OF AMERICA

Azish Filabi, Associate Professor, The American College of Financial Services, azish.filabi@theamericancollege.edu

Andrew Gustafson, Professor, Heider College of Business, Creighton University, andrewgustafson@creighton.edu

Danielle Warren, Rutgers Business School – Newark & New Brunswick, The State University of New Jersey, dwarren@business.rutgers.edu

13.1 Introduction

This report details the study findings of a survey conducted in the United States on the state of business education. Because the survey responses are shaped by the U.S. context, both in terms of the U.S. regulatory requirements and laws as well as the accreditation criteria that most business schools follow, we begin with an overview of the U.S. business environment and the emphasis on business ethics.

13.2 Literature review

The origins of business ethics as a discipline in the U.S. are sometimes traced to the 1970s or early 1980s (De George 2015, Smith 2023). This is part because some of the first single-authored books in the field appeared around that time. In addition, the Society for Business Ethics was envisioned in 1978 and established in 1980, leading to the

development of the *Business Ethics Quarterly* and an annual conference. In this sense, the US was a global leader, as the European Business Ethics Network (EBEN) held its first conference in 1987, and the International Society of Business, Economics, and Ethics (ISBEE) was founded in 1989 (De George 2015).

Of course, this late date can be misleading, and it was not as though there were not business ethics books published long before the 1980s in the United States. In 1926 alone, Everett W. Lord's *Fundamentals of Business Ethics*, James Melvin Lee's *Business Ethics: A Manual of Modern Morals*, George M. Calhoun's *The Ancient Greeks and the Evolution of Standards in Business*, and Clarence F. Birdseye's *Arbitration and Business Ethics* were all published (Heermance 1927). Abend (2013, 2014) and Husted (2015) have helped investigate these early beginnings of business ethics in business schools in the U.S. from over 100 years ago at universities such as the University of Chicago, University of California, Northwestern University and Yale. Yet many of the same ethical problems continue to persist in the history of business ethics curricula, as Joanne Ciulla (2011) has shown.

We begin by describing the main factors in the U.S. business environment that shape business ethics education in the U.S. More specifically, we examine some key federal laws as well as the role of the U.S. Federal Sentencing Guidelines, U.S. Securities and Exchange Commission, Financial Industry Regulatory Authority, and the North American Securities Administration Association. Then we turn to business school accreditation criteria to better understand the influences on business ethics education in the U.S.

13.2.1 The unique regulative promptings for business ethics in the U.S.

The U.S has a unique history when it comes to business ethics, as a prime motivator for the teaching of business ethics in corporations arose with the US Federal Sentencing Guidelines. The US Federal Sentencing Commission promulgated the Federal Sentencing Guidelines

(the “Guidelines”) in 1991 to provide for fair and consistent sentencing, deter criminal conduct, and encourage organizations to establish and maintain internal compliance programs (United States Sentencing Commission 2020). Chapter Eight of the Guidelines (Sentencing of Organizations) addresses sentencing of corporations, labor unions, and non-profit organizations, among others.

These Guidelines are a strong motivator for ethics training in U.S. corporations. The present-day version of the Guidelines stem from the 1984 Sentencing Reform Act passed by the U.S. Congress (United States Congress 1984). Among other criminal law concerns that motivated the Act, Congress sought to put in place a system that distinguishes between individuals and organizations for sentencing purposes. Criminal activity within organizations has disparate contextual factors, including that organizations generally have access to greater financial resources. Moreover, they wished to address the perception that white-collar crimes are punishable only by a small fine that some may consider as a cost of doing business.

The Guidelines are designed to encourage organizations to put in place policies and practices intended to prevent, detect, and report criminal conduct. They do so by providing credit to organizations, through reduced punishments, when they demonstrated that they have an effective compliance and ethics program, and that their leaders self-report violations to cooperate with law enforcement authorities.

Data on the existence of ethics and compliance programs within corporations is not readily available. Data from the US Sentencing Commission shows that between 1992 – 2020 less than 28% of organizations who were offenders had put in place programs (US Sentencing Commission 2020). This evidence of low uptake could, however, be an indication that those with ethics and compliance programs were effectively managing compliance with law, and thus not committing offences. What constitutes an effective ethics and compliance program rests upon several criteria,

including the existence of policies and procedures reasonably designed to deter misconduct, and that senior level management is engaged in these programs. Moreover, the 2004 amendments to Chapter Eight explicitly state that an effective program is one that “promote[s] an organizational culture that encourages ethical conduct and a commitment to compliance with the law” (US Sentencing Commission 2020). Providing ethics training is one way that management teams can demonstrate their adherence with these Guidelines.

Other regulatory agencies, such as the US Securities and Exchange Commission (SEC), which is a civil law enforcement agency, also encourage corporations to self-police their organizations so that they can prevent violations of law. The SEC encourages companies to emphasize a “tone at the top” that promotes a culture of compliance (SEC 2024). SEC officials emphasize that a company that can demonstrate that corporate leaders have stressed to their employees the need to stay within the bounds of existing rules as well as evolving market risks, is important to show that any misconduct that occurred was not necessarily the result of institutional failure. In this way, ethics training enables corporate leaders to demonstrate their effective communication of leadership expectations.

Another U.S. law that motivates corporations to create effective ethics and compliance programs is the Foreign Corrupt Practices Act of 1977 (FCPA). The contemporary approach to the FCPA considers the role of an effective program in the event of an FCPA violation as one the components law enforcement authorities consider when determining punishment for corporate wrongdoing. Corporate training relating to anti-bribery is specifically mentioned in guidance provided by the U.S. Department of Justice and the SEC as a component of effective programs (United States Department of Justice 2020).

Other motivations for corporate ethics training include requirements of professional licensing authorities. For example, in financial services, those who hold a license provided by the Financial Industry Regulatory

Authority (FINRA) have training requirements that cover topics in the FINRA manual, such as conflicts of interest, gifts, gratuities and non-cash compensation, and appropriate sales-related communications, among others (FINRA). FINRA expects broker-dealer firms to provide formal training programs that address professional responsibility and the role, activities, and responsibilities of licensed professionals.

Professionals who are registered as investment advisers and securities professionals also have continuing education requirements. In 2020, the North American Securities Administration Association passed a model rule that establishes requirements for continuing education for these professionals (NASAA 2020). Of the twelve credits required annually, half of them are for “ethics and professional responsibility” (NASAA 2020). The model rule establishes a simple and consistent way for state-level securities agencies to establish continuing education requirements.

Other influences on corporate ethics and compliance programs include the development of legal protections for corporate whistleblowers, as well as opportunities for anonymous reporting of misconduct. The Sarbanes Oxley Act (SOX) of 2002 (18 U.S.C. §1514A) requires the establishment of procedures, including confidential and anonymous reporting from both internal and external sources. Moreover, SOX protects employees from being discharged, demoted or harassed if they report observations of wrongdoing, including reports to their managers. SOX therefore established a norm for reporting observations of misconduct, and thus brought about the idea of speak-up cultures that motivate employees and managers to openly discuss workplace ethics. Ultimately, the regulatory landscape provided a body of knowledge related to ethics and compliance that businesses needed their employees to learn and the learning was incentivized through fine reductions in terms of sentencing should wrongdoing occur.

13.2.2 Academic accreditation incentives for teaching business ethics in the U.S.

The Association to Advance Collegiate Schools of Business (AACSB) accreditation, which most U.S. business schools strive to obtain, emphasizes guiding principles for the evaluation of the school. Two principles directly correspond to ethics as it pertains to the educational environment as well as the curriculum. The first principle, “Ethics and Integrity”, focuses on how members of the university engage with each other, and emphasizes the importance of ethical learning environments as well as fair processes throughout the business school. The second principle, “Societal Impact”, captures the degree to which the business education has a positive effect on society and addresses societal interests. This includes ensuring,

“... the school explicates its intended strategies to effect a positive impact on society, that the school’s curriculum contains some components relating to societal impact, that the school’s intellectual contributions portfolio contains some contributions focused on societal impact, and that the school is fostering and promoting curriculum and/or curricular activities that seek to make a positive societal impact” (AACSB 2022, 17).

These guiding principles have influenced the goals and curriculum in important ways. Not only do the principles encourage firms to structure their business schools in ways that promote ethical conduct, but they also encourage firms to include courses that address societal impact. It is common for business school curriculum to include mandatory courses in Business Ethics, Business Law, or Business, Government & Society.

13.3 Study overview

The GSBE survey on the United States was conducted in the fall of 2023. Of the 40 who responded, nearly 84% were born in the United States, 86% worked in academia, and the other almost 14% were

affiliated with a training organization. Over 50% had been at their organization over 11 years, and 100% had a graduate or professional degree.

Survey respondents were asked to rate the importance of each of the topics important in business ethics education (see Table 1). They were given 5 options for rating: “Very Important,” “Important,” “Neutral,” “Not Important,” and “Should be Excluded from the Curriculum.” The respondents were not limited to the number of topics that could be rated at any level of importance. To be clear, every topic could be rated “Very Important,” or “Not Important.”

In addition, through a series of open-ended questions, respondents were given an opportunity to identify topics that were important but not listed in the survey as well as major ethical issues in the next five years.

Table 1: Topics from the GSBE Survey

Human Rights

Poverty and Inequality

Sustainability

Just Energy Transition

Business and Wealth Creation

Corporate Governance

Digital Transformation

Corruption

Whistleblowing

Conflict and Terrorism

Religion and Spirituality in the Economy and Business

Diversity

Micro, Small and Medium Enterprises

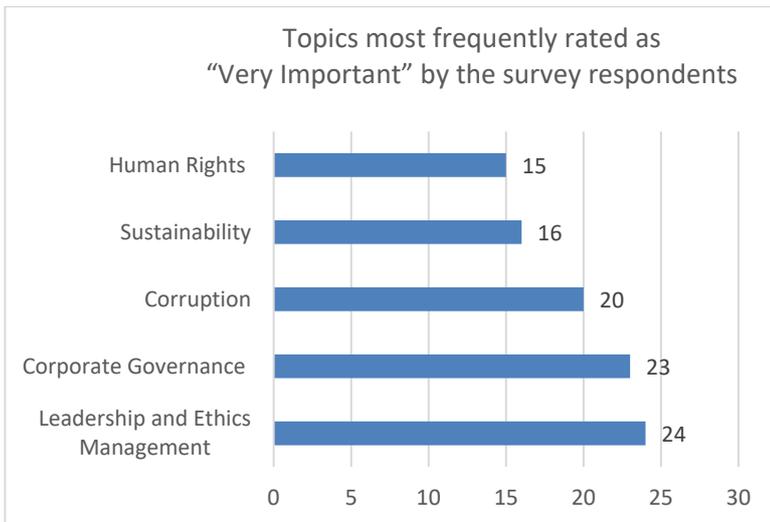
Leadership and Ethics Management

Results

In order to analyze the responses, we identified trends in the ratings of topics. In this section, we highlight the topics that received a rating of “Very Important” by the most respondents followed by “Important,” and “Not Important.” We also consider the topics that received the most extreme ratings (i.e., some respondents indicating the topic is “Very Important” while others who believe that the topic should be excluded from the curricula.

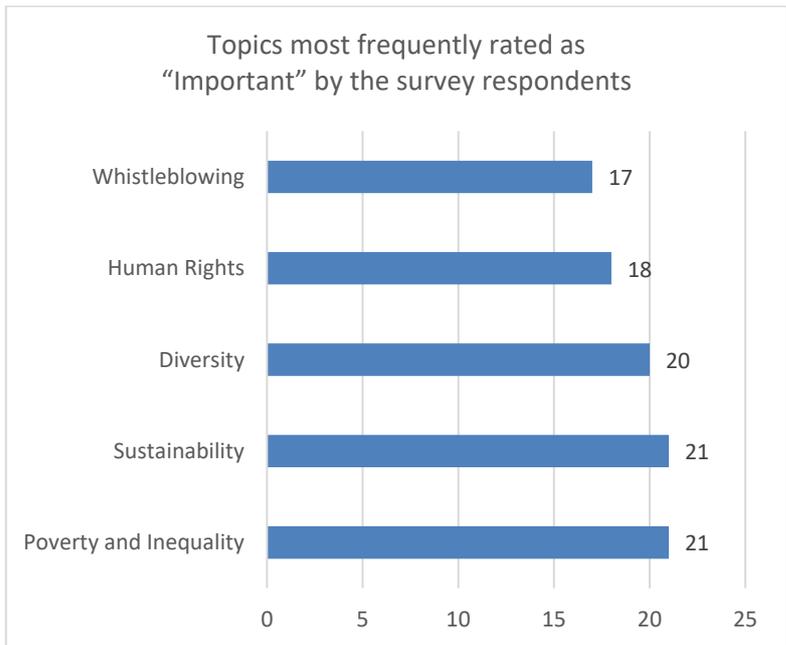
Very important topics. We identified trends within the responses by first considering the topics were deemed to be “Very Important” by the respondents (see Graph 1). “Leadership and Ethics Management” was rated “Very Important” by 24 respondents, which was the highest of the topics in the survey. “Corporate Governance” was also deemed to be “Very Important” by more than half of the respondents. “Corruption,” “Sustainability,” and “Human Rights” also fell within the top 5 topics that received the “Very Important” ratings by the most respondents.

Graph 1: Very important topics



Important topics. Next, we identified trends within the topics rated as “Important” by the respondents (see Graph 2). “Poverty and Inequality” and “Sustainability” were rated “Important” by the highest number of respondents (21 respondents). “Diversity” was a close second with 20 respondents regarding the topic to be “Important.” “Human Rights,” (18 respondents) and “Whistleblowing” (17 respondents) also had a substantial percentage of the respondents regarding the topics “Important” to business education in the U.S.

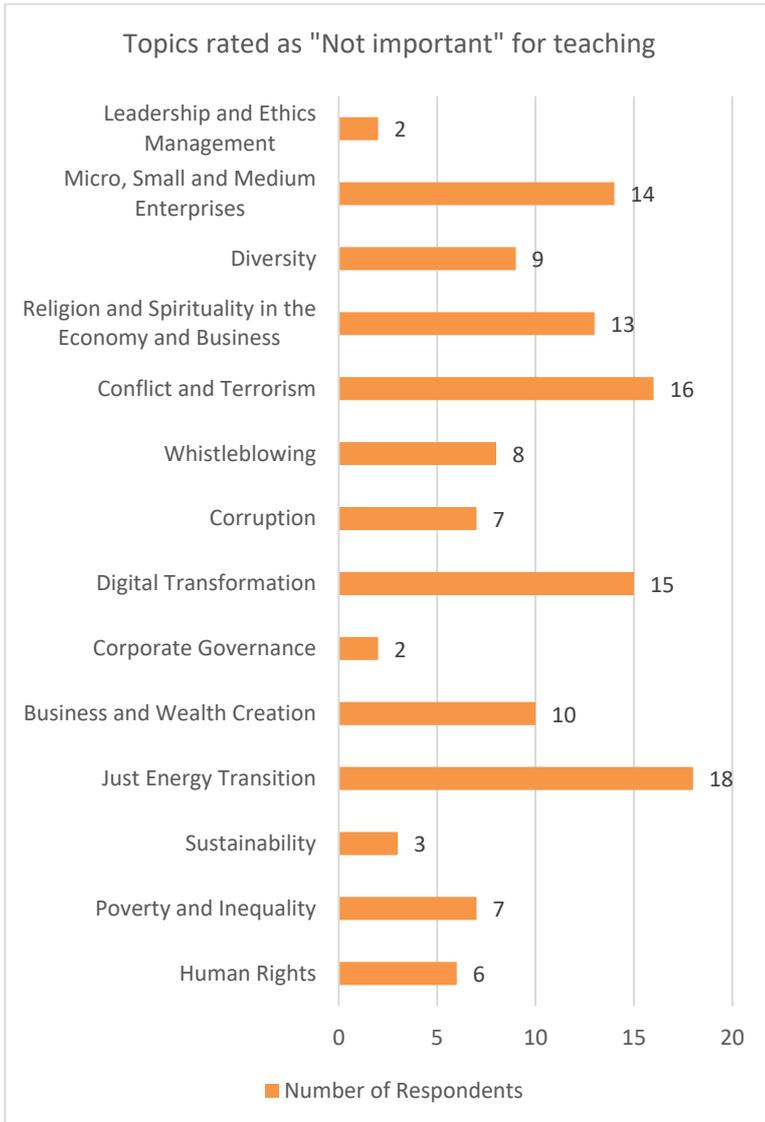
Graph 2: Important topics



Not Important. Next, we examined which topics were rated as “Not Important” for business education (see Graph 3). The two highest rated topics were “Religion and Spirituality in the Economy and Business” and “Conflict and Terrorism.” The other topics had a very small number of respondents who deemed the topic not important to teaching. Importantly, all of the topics that received the “Not Important” rating did

not have a substantial number of respondents providing this rating. In other words, there were no topics where half the respondents rated that the topic as “Not Important.”

Graph 3: “Not Important” to teaching

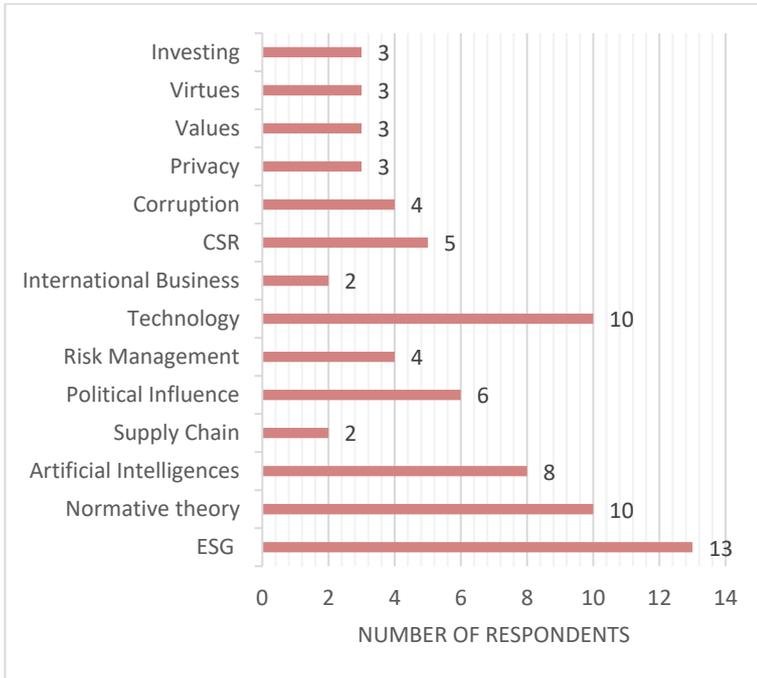


Excluded. Only 4 topics were the only topics to receive a “Should be excluded” rating from respondents and the number of respondents giving this rating was very low. One respondent said “Conflict and Terrorism” should be excluded, two respondents indicated “Religion and Spirituality in the Economy and Business” should be excluded, one respondent indicated “Just Energy Transition” should be excluded, and one respondent indicated “Micro, Small and Medium Enterprises” should be excluded.

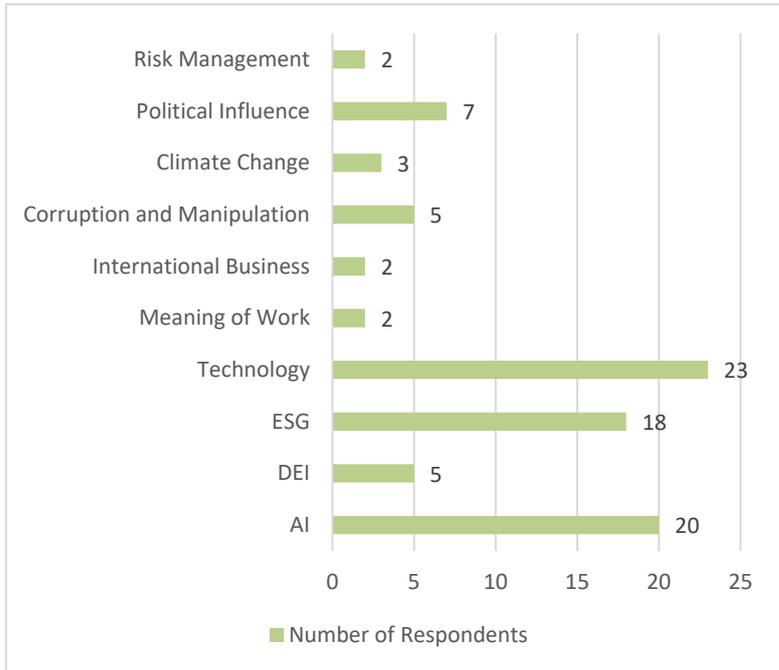
Variance in ratings. It is important to note that the topics that were deemed “Not Important” or “Should be excluded” by some survey respondents still received support by other survey respondents. For example, the four topics rated as “Should be excluded” by a small subset of survey respondents also had at least one respondent that indicated the topic was “Very Important” to business education. For example, 3 respondents rated “Religion and Spirituality” as “Very Important,” 1 respondent rated “Conflict and Terrorism” as “Very Important,” 3 respondents rated “Just Energy Transition” as “Very Important,” and 3 respondents rated “Micro, Small and Medium Enterprises” as “Very Important.” These data indicate that there is no strong consensus that any topic in the GSBE survey should be excluded from business education.

Unaddressed topics. The study participants were asked what other contemporary business ethics topics were missing from the survey, but should be prioritized in business ethics education. Our team coded the responses to the open-ended question for themes and analyzed the trends. ESG, Normative Theory, and Technology were considered to be important topics that were not in the GSBE survey.

Graph 4: Important topics missing from the GSBE survey



Five Year Forecast. The study participants were asked, “What do you regard as the major ethical issues in the field of business and economic ethics over the next five years?” We coded the responses for themes and analyzed the trends. More than half the respondents mentioned that Technology is a major ethical issue within the next five years while 20 respondents specifically mentioned Artificial Intelligence (AI; see Digital Transformation). 18 respondents felt ESG was an important ethical issue for business ethics education in the next five years.

Graph 5: Major ethical issues in the next five years

13.4 General discussion

One of the key takeaways from this survey is that training should stick to the basics. While corporate training sometimes veers into topics that could be deemed “compliance” such knowledge relating to anti-corruption or anti-money laundering procedures, or rules for communications with retail investors, US survey respondents emphasized that ethics training sessions should be used to teach people ethical awareness, so that ethics are not framed as technical issues. Moreover, respondents recognized that teaching skills of discernment and equipping people to be courageous when needed to speak-up is a learned skill that promotes ethical behavior.

In this section, we reflect upon the survey responses in relation to the U.S. business context. Some regular tendencies seem to be common in the field, even across decades such as corruption, corporate governance, and leadership and ethics management, while some new topics have also become highlighted in recent years (such as technology and AI issues, DEI and ESG).

Leadership and Ethics Management. The U.S. regulatory frameworks discussed earlier provide context for the educational priorities expressed in the responses to the US survey. For example, the topic of “Leadership and Ethics Management” received the highest rating among respondents, with over 50 percent indicating that it is “Very Important.” This is consistent with the expectations of the US Federal Sentencing Guidelines that key personnel be engaged in management of the ethics and compliance program so that the organization can demonstrate its commitment to ethics. Likewise, the SEC emphasizes the “tone at the top” of the organization that corresponds to the survey responses.

Micro, Small and Medium Enterprises. One of the topics with the most extreme ratings in the US survey was whether micro, small, and medium enterprise (MSME) considerations should be included in business ethics curriculum. One practitioner rated that it “should be excluded,” and three respondents rated the topic as “very important”. There is likely a variety of factors that drive such extreme ratings among respondents, about which we cannot surmise. While MSMEs are not traditionally considered an important topic for business ethics curriculum, current public policy discussions relating to competition policy in the U.S. can shed light on why fair access to markets could be viewed by some in the US survey as an emerging “very important” topic for business ethics curriculum.

In 2021, the White House set the tone for the recent focus on competition policy as a national priority through its Executive Order on Promoting Competition in the American Economy (Biden 2021).

The Order specifically recognized that for small businesses and entrepreneurs, the existence of fair, open, and competitive markets can be a lifeline by improving access to suppliers and buyers. The Order also recognized the importance of online marketplaces as platforms for MSMEs to reach consumers. While the online marketplace Amazon was not directly mentioned, the Order generally identified that consolidation among technology platforms and increased market power by online companies has shifted fair competition practices for goods and services in brick-and-mortar enterprises.

The Order promoted a “whole-of-government approach” to anti-competitive practices in the U.S., thus putting to task various agencies in the federal government to actively enforce existing competition laws. The U.S. Federal Trade Commission is the agency with the broadest mandate for addressing unfair or deceptive practices affecting commerce. They primarily exert this authority through their ability to intervene on applications for merger approvals, and through enforcement powers to investigate and sue companies who may be violating existing law.

The U.S. Federal Trade Commission’s lawsuit against Amazon, Inc. is a good case to help shed light on how MSME issues could come into focus for business ethics curriculum. In 2023, the FTC filed a lawsuit against Amazon, joined by 18 State Attorneys General and Puerto Rico, citing various anti-competitive practices by the company (FTC 2023). The alleged illegal practices included those of the Amazon marketplace such as punitive measures designed to control sellers’ activities, and their practice of charging multiple layers of fees for sellers that, according to the lawsuit, have no other choice but to try to sell through this platform to run a viable business.

Amazon’s response is that their actions are necessary because the platform provides low prices to consumers (Zapoplsky 2023). In this way, the contemporary discussion about competition policy for MSMEs aligns with traditional business ethics topics because the values of

fairness to consumers, who seek low prices, clash with fairness to MSMEs who seek access to markets where they can sustainably conduct business. The details of this case are more complex than indicated in our summary here. It only is intended to demonstrate why some respondents in the US survey could perceive MSMEs are “Very Important” to business ethics curriculum, while others believe the topic should be excluded.

Spirituality. Spirituality was another polarizing issue in the US survey. The United States has some unique history when it comes to the role of religion in public affairs, including ethics. While there was perhaps a theistic basis behind many of the founding ideals of the country, there has at the same time been a strong current wanting to ensure against any state-church relationship which was historically more common in Europe. There is no Church of the U.S. as there is a Church of England, and there has never been a dominating influence of Catholic or any other religious institution. But the U.S. is still considered far more religiously interested than many other countries (Fahmy 2018).

When it comes to business ethics in the U.S., there has always been a strong religious strand of the movement (De George 2013) and much of the early work on business ethics, particularly textbooks, was done by priests and religious people inspired by *Rerum Novarum* or other documents of the Catholic church (Busch 2016). There are various religiously-oriented business ethics conferences held frequently, such as the International Vincentian Business Ethics Conference, which is held at Vincentian Schools including DePaul, St. Johns (NY), Niagara University, and Dublin City University (DCU). In addition, the Ryan Center at the University of St. Thomas (MN) has frequently organized business ethics conferences. But many business ethicists avoid basing business ethics in any religious ethical framework for the simple reason that business, particularly publicly owned businesses, need to find a basis for ethics rooted in common rationality rather than a presumed religious orientation, since one cannot presume that one’s employees hold to one’s particular

religious point of view. In some U.S. undergraduate curriculums (particularly at Jesuit and other religiously founded universities), undergraduates can take theological ethics or philosophical ethics to count as their required ethics core course. But frequently, the business students are required to take the philosophical ethics (not theology) based on the reasoning that in the secular workplace, you have to be able to develop and articulate ethical frameworks which resonate with all employees (not just those who share your religious foundations). This diversity of approaches to religion and business ethics is part of the unique culture of the U.S.

Technology Ethics. It is no surprise that Technology and AI are dominant concerns of business ethicists today in the U.S. There has been an explosion of articles and books on the ethics of AI, and about the ethics of generative AI in particular. Recent calls for AI development to slow down have come from many former-Silicon-Valley heavyweights including thinkers such as Jaron Lanier, Tristan Harris, and Aza Raskin, and these concerns have been presented in popular media such as *The Social Dilemma* raising concerns among the public (Lanier 2018; *The Social Dilemma* 2020). Concerns about generative AI have grown in the public, and the government has attempted to respond. In 2022, the White House published a “Blueprint for an AI Bill of Rights”, which provided a guide for society (although it is not a regulative bill) (White House Office of Science, Technology and Policy 2022). Business ethicists in the US have stepped up, and authors such as Tae Wan Kim and Kirsten Martin have been among the leaders in this research. Given the serious concerns of the societal and other affects of generative AI, it is likely that the concern for AI and other similar technological issues will only grow.

ESG. ESG is obviously a field of growing importance in business (Lee 2021). While in Europe ESG has been embraced and even written into law as a requirement, in the U.S., it has been a voluntary area of business activity. Institutional investors, such as pension funds, have

prioritized investments in companies that have sustainable long-term outlooks on their business activities, which includes the systemic impacts of environmental or societal disruptions. As these non-financial activities, such as climate change or disruptions caused by pandemics, have impacted financial portfolios, they have also motivated a re-examination of what is "material" financial risk. As a result, the U.S. SEC (of March 6, 2024) finalized a rule called "The Enhancement and Standardization of Climate-Related Disclosures for Investors" which requires most US-based businesses and investment fund managers to provide investors with more detailed information about their environmental impact and the risks of climate change to their business and financial results (U.S. Securities and Exchange Commission 2023). While a large percentage of firms voluntarily report information, the reporting is unregulated and lacks important details. The point of this is to provide transparency and some consistency and comparably useful information for investors interested in such metrics related to the impact companies have on people and the environment. As with many things in the U.S., it has become politicized and there has been some pushback to it in some sectors, with live ongoing debate about the merits of it in the US (Sindreau 2024). Some feel strongly that it is essential, and some business ethics positions have been created which essentially focus on ESG concerns.

Diversity. Since its founding, the U.S. has traditionally been based on diversity in that it incorporates immigrants from across the globe. Of course, it has had its own issues to deal with in this area, including a civil war over slave rights and the civil rights conflicts during the 1960s and beyond. More recently, in 2020, there was a strong societal response, including corporate leadership, to the wrongful death of George Floyd by a Minneapolis police officer. Also, in a recent legislation, LGBTQ rights, diversity, equity and inclusion (DEI) have become an important focus of corporations and educational institutions. In addition, private sector entities such as the Nasdaq stock exchange have put in place requirements

for diversity for the boards of listed companies, including consistent reporting of diversity characteristics, and a comply or explain rule for minimum diversity (Nasdaq 2023). The AACSB accreditation standards have made diversity and inclusion one of the ten guiding principles of accredited institutions (along with Ethics and Integrity, Social Impact, and Mission-Driven Focus). It is written as follows:

“Diversity and Inclusion. Diversity in people and ideas enhances the educational experience and encourages excellence in every business education program. At the same time, diversity is a culturally-embedded concept rooted in historical and cultural traditions, legislative and regulatory concepts, ethnicity, gender, socioeconomic conditions, religious practices, and individual and shared experiences. Within this complex environment, the school is expected to demonstrate a commitment to advancing diversity and inclusion issues in the context of the cultural landscape in which it operates. The school fosters awareness, understanding, acceptance, and respect for diverse viewpoints related to current and emerging issues” (AACSB 2022).

More recently, DEI can become politicized, and recent decisions at some universities such as North Carolina which just defunded their entire DEI initiative office and transferred it to the security budget (Boatner 2024), as well as some drop-off in corporate support of DEI illustrate (Peters 2024). But broadly speaking, diversity and inclusion seem to be established in the expectations of school accreditation in the U.S.

13.5 Conclusion

The United States is a large country with a wide variety of types of schools—both public and private, secular and religious, large universities with tens of thousands of students, and small universities and colleges with a few hundred or few thousand students. Given this diversity, there

are few cohesive commonalities among all the schools apart from accreditation requirements, and those can be met in a plethora of ways. All of this leads to a plurality of perspectives on the issues to be addressed and the ways to address them in the field of business ethics. Even though business schools vary a great deal, all look to place their graduates in positions at strong organizations, and these business organizations need to meet the U.S. regulatory requirements. At the end of the day, business education needs to reflect the U.S. regulatory environment so that the graduates of U.S. business programs are knowledgeable and attractive to prospective employers.

Business ethics in the United States remains widely varied. Stakeholder management theory has been given a great deal of attention in the last 20-30 years in the field. As in many other parts of the world, AI ethics has exploded as a subfield in business ethics research, and ESG and DEI concerns have also grown substantially in importance. The normative approach to business ethics remains strong in the U.S., although empirically oriented approaches and compliance-based approaches are quite strong in the field as well, leading to a rich body of educational content and varied perspectives on how to deliver business ethics education.

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MEXICO

*Ana Rosa Leal Blanco, Professor, Universidad de Monterrey,
anar.leal@udem.edu*

*Mario Vázquez Maguirre, Professor, Universidad de Monterrey,
mario.vazquez@udem.edu*

*Enrique Aguiñaga Maldonado, Professor, EGADE Business School of
Tecnologico de Monterrey, eduardo.aguinaga@tex.mx*

*Alfonso Ernesto Benito Fraile, Professor, Universidad de Monterrey,
alfonso.benito@udem.edu*

14.1 Introduction

Mexico is among the 10 most populous countries in the world and the second most populous country in Latin America with 126,014,024 inhabitants according to the 2020 census. It also has the most Spanish-speaking population in the world as Spanish is the predominant language despite its Indigenous-language-speaking population of 7,177,185 inhabitants. In 2022, the country had a GDP of USD 1,465,854.09 million. Approximately 60% of the population was employed, and 55% worked in the informal sector. Of this population, 30% were considered to be in critical occupational conditions. The average educational level of the population is 9.7 years (that is equivalent to high school dropouts), and 33% of the population are not meeting the educationally mandatory level.

Mexico is a Federal Republic comprising 32 states and proclaimed its independence from Spain on September 28, 1821. A representative democracy was then established with the constitution of 1824, having the

current constitution approved by the Congress on February 5, 1917. The Mexican government is composed of three branches: The executive, the legislative, and the judicial. The first relies on the president, who is chosen through a direct election every six years and has legal authority to choose his/her direct collaborators, who are the state secretaries overseeing the country's public management. The legislative power is the Congress of the Union, comprising the Senate, composed of 128 senators, and the Chamber of Deputies, with 500 deputies. The Chamber of Deputies has 500 deputies, whereas 300 are chosen by the majority of the votes and 200 by proportional representation. The judicial branch is in charge of overseeing the Constitution's and laws compliance, as well as ensuring that there are not any other laws or norms that contradict them. When an authority acts against the Constitution and violates the rights of a person, the person can appeal for protection.

Mexico is one of the most economically unequal countries in the world. In 2021, the wealthiest 10% of the population owned 79% of total household wealth and earned more than 30 times the average national income (World Inequality Lab 2022). Mexico's Gini Coefficient Index was 45.4 in 2020, one of the highest in Latin America, also known as one of the most unequal regions in the world (World Economics 2021). Within its territory, the inequality is also exacerbated as the poverty rate in the southern states is higher than in the northern states, which have lower marginalization rates. The high relationship between inequality and violence is also evident in Mexico. The homicide rate in 2021 reached 28 homicides per 100,000, one of the highest in the world. Impunity rates also soared, and authorities only solved one percent of all crimes committed that year (Human Rights Watch 2023). These issues have also raised ethical concerns about how businesses deal with violence and corruption, and how to promote fair wages that guarantee a life of dignity.

Another important element that contributes to Mexico's complex situation is the fact that this nation is one of the most multicultural in the world with 70 officially recognized Indigenous groups that account for 19.4% of the total population (Officially recognized means to be recognized by Indigenous themselves). However, only 7.3 million people (6.1% of the population) speak at least one of the 364 variants of Indigenous languages (CDHCM 2023; Secretaría de Turismo 2020). Historically, Indigenous people in Mexico were subjected to systematic discrimination and marginalization. As a result, 9.6 million Indigenous people lived in poverty in 2020 (CONEVAL 2020), and millions have been displaced and have lost their culture. Mexico has also advanced legislation about same-sex marriage, disability rights, and migrants; but these groups still suffer disproportionate violence and exclusion (Human Rights Watch 2023). This situation also generates ethical concerns about how businesses should deal with topics such as diversity, inclusion of minorities, and discrimination in the workplace.

14.2 Existing literature

Studies regarding ethics in Mexico have covered a variety of themes, which are also relevant, to some extent, for business. As it can be seen in Figure 1, the most common themes relate to professional ethics either directly addressing the subject of professional ethics or indirectly, by means of analyzing elements that influence the professional ethics setting (codes of ethics, ethics reports, ethics programs, ethics committees) or discussing ethics in certain professions or professional functions (ethics in publicity, ethical accounting practices, ethics of care) while four of such themes relate to values, culture, and location (cultural differences in ethics, spatial segregation, religion, representation of minorities).

Regarding professional ethics, we find that studies focus on ethical variability regarding working ethics across Mexico, Ibero-America and

different employment conditions (Arciniega et al. 2019; Hirsch 2014; Lopez & Cruz 2014). In contrast to common misconceptions, it was found that there is evidence that differences in work ethics cannot be accrued exclusively to the geographical region where people were socialized and fomenting an ethical behavior that requires working over individuals and institutions. Authors seem to agree about the importance of professional associations and universities collaboration when teaching about professional ethics. For example, Gallardo and Torres (2021) did a case study with a law association and posit that benefits might arise if universities collaborate with professional associations in designing ethics program and cases for students. In this way, they might socialize students with the practices within their practices. Regarding a different profession, Zamudio (2022) found that even though codes of ethics for the interpreters and translators profession might vary widely in their development levels in different regional areas, most of the professionals concluded that it should be covered within university programs so that students could have a guide when they started their professional endeavours. The importance of associations is such that De la Luz and Lammoglia (2015) assess the degree of approval within professional associations of research protocols and found that up to 80% of their participants considered them functional although they still have areas open for opportunity.

The relationship between culture and ethics can be seen through a diversity of phenomena such as acceptance towards inequality and the relationship with the environment. In the first case, Mexico is a country with a high level of power-distance and masculinity, which means that Mexicans are more accepting inequality (Villatoro et al. 2014). According to Rodriguez and Brown (2014), this happens because of the Mexicans high need for dependence, which makes them respect the “superiors”. As a diverse country, it has been found that the worldview of Mexicans might vary according to their ethnicity and location (Filgueiras 2020; Barabas 2006). Some of the Indigenous people in

the country seem to respect the land as sacred, this view arises from pre-hispanic beliefs where the space belonged to the gods who, in exchange of rituals, allowed people to use resources. This respect becomes reciprocity with the natural environment (Filgueras 2020).

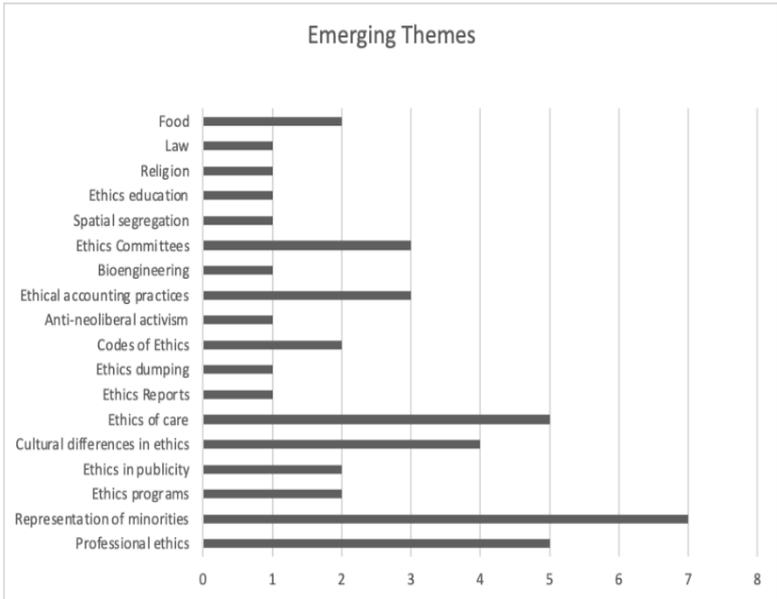


Figure 1: Emerging themes in Mexican ethics articles

According to the dictionary of the Royal Spanish Academy (2024), ethics can be understood as the set of moral standards that govern an individual's behavior in any aspect of life. It also is a branch of philosophy that deals with the good and the foundation of its values. The definition of ethics is consistent with the literature that covers Mexican ethics, as it is possible to identify a focus on ethical standards that govern professions in Mexico.

The studies about codes of ethics and professional ethics in Mexico focus on the descriptive aspects of ethics, highlighting the importance of norms and codes, which should be implemented from a moral and/or legal point of view (Zamudio 2022). This is consistent with findings from

Alexander (2017), who noted that ethics also involves the construction of “governance” figures and processes that verify people’s actions through their outcomes. It is interesting that the ethical frameworks that are recently being developed in Mexico help to face some of the challenges presented in Mexico such as the lack of security measures, domestic violence, inequality in the labor market, deficient performance, poor attention to the customer, among others (Alexander 2017; Manrique 2020).

14.3 Methodological considerations

The research design of this report consists of three phases (see Figure 2): A systematic literature review, interviews and surveys, and data analysis.

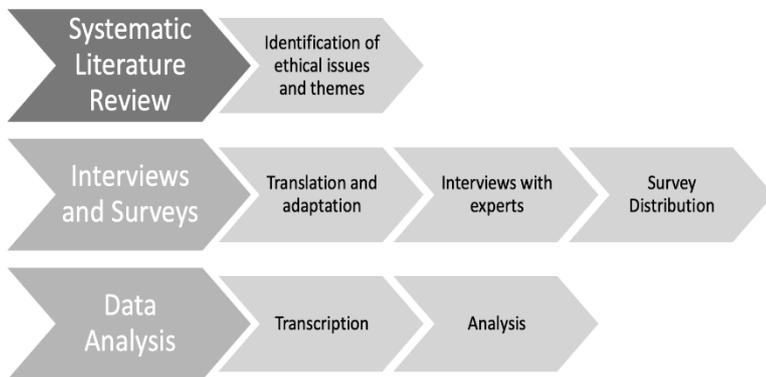


Figure 2: Research design

The first phase entailed a systematic literature review of all publications from 2011 onwards with the search terms of “Ethics” and “Mexico”. A total of 36 articles showed up: 13 from ProQuest Central, 4 from Science Direct, and 19 from Scopus. The main ethical issues and themes related to ethics were identified (see Table 1).

Table 1: Emerging themes from the literature review

Professional ethics	Ethics reports	Ethics committees
Representation of minorities	Ethics dumping	Spatial segregation
Ethics programs	Codes of ethics	Ethics education
Ethics in publicity	Anti-neoliberal activism	Religion
Cultural differences in ethics	Ethical accounting practices	Law
Ethics of care	Bioengineering	Food

In the second phase, the themes of the Global Survey of Business Ethics were translated into Spanish and, after discussion with the team members and complemented with additional themes based on the team's experience (see Table 2).

Table 2: Themes identified and added to the survey

Human rights	Poverty and inequality	Sustainability
Corporate governance	Business and wealth creation	Fair energy transition
Digital transformation	Corruption	Conflicts and terrorism
Report of irregularities	Discrimination and inclusion	

11 interviews with different stakeholders were conducted: Five with individuals from higher education institutions located in Northern, Central, and Southern Mexico, including both private and public universities as well as Catholic and non-denominational universities; and six with individuals from large international firms. These firms of Mexican or

international origin have more than 2,000 employees, operate in Northern and Central Mexico and have international operations. Some of them have subsidiaries that operate in the following industries: Oil & gas, manufacturing, mining, power generation, telecommunications, food & beverage, waste management, and health services.

Furthermore, a total of 1,646 surveys were emailed to companies, organizations, business schools and universities. Unfortunately, the response rates were very low (see Figure 3 and 4).

Moreover, the interviewed organizations' public documents, web pages and public reports were analyzed. Based on this information, along with the interviews and surveys, the current state of ethics in organizations operating in Mexico was identified.

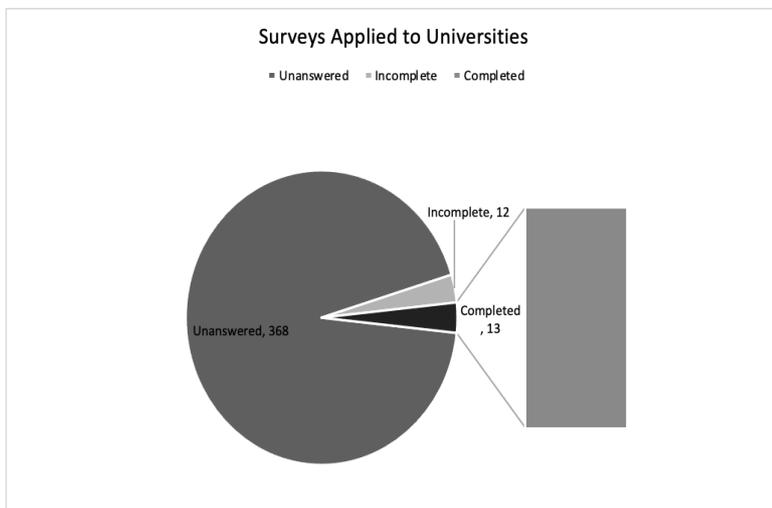


Figure 3: Distribution of applied surveys and response rate of universities

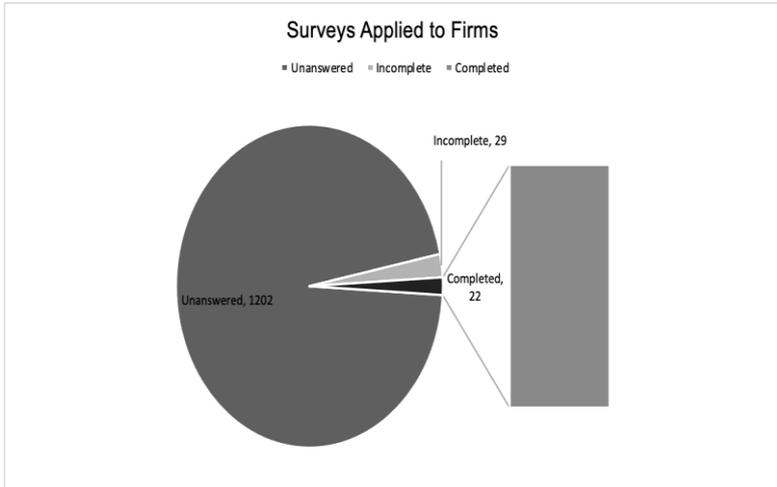


Figure 4: Distribution of applied surveys and response rate of firms

In the third phase, two of the authors analyzed the data gathered during the interviews and in the surveys. They transcribed the recordings of the interviews by using MS Word dictation and adjusted the transcription. The coding was performed by each of the authors independently. Each identified the categories, sought differences and similarities across the categories, and proceeded to delete and merge them for more clarity. Finally, the authors discussed their results to reach a final consensus.

It is understandable that the low number of surveyed people and organizations puts some limitations on the investigation.

14.4 Terminology and key recurring concepts

Academics use different words in Spanish that are associated with ethics: *Integridad*, *comportamiento ético*, *integridad empresarial*, *responsabilidad social empresarial*, *sostenibilidad*, *ODS*, *valores* (integrity, ethics behavior, business integrity, corporate social responsibility, sustainability, SDGs, values). Business areas also have specific terminologies for ethical concepts. For instance, marketing professors use

concepts such as social marketing, responsible marketing, and other terms that are usually related to ethical issues such as greenwashing, de-marketing, woke washing, and brand activism, among others.

The different terminologies are probably the result of distinct approaches to the subject (corporate social responsibility, corporate governance, social marketing, ethical finance, responsible consumption and production, circular economy, sustainability, etc.). As professors include emerging trends and state-of-the-art knowledge, they are likely to incorporate new perspectives focused on ethical concerns, the common good, and well-being.

Organizations use the following terms in Spanish when referring to ethics: *cumplimiento de lo acordado, ética en los negocios, credo* (compliance with what was agreed, business ethics and creed). Some firms deliver their annual reports in Spanish and English, while in English they generally use business ethics, integrity, and the right way. This means that not every term used in their Spanish reports is translated literally into English; rather, they publish an adapted version of the terms in their Mexican operations.

The key recurring concepts used by organizations in relation to ethics are the following: *reglas éticas, directrices de ética y promoción, marco normativo, código de ética, código de conducta, manual de ética, política de integridad, conflicto de interés, control interno, transparencia, confianza...* (ethical rules, ethics and promotion guidelines, normative framework, code of ethics, code of conduct, ethics manual, integrity policy, conflict of interest, internal control, transparency, trust). As one can see, seven of the mentioned concepts are related to the policies that organizations use to establish guiding principles for people. This indicates an interest in regulating people's behavior according to what they understand as ethical.

14.5 Focus areas of business ethics

In academia, one of the areas that some interviewees are interested in is virtue ethics. This area is taught and explored through the lenses of Indigenous communities in Latin America. Indigenous groups provide examples of how to live in a community by privileging the common good and how to organize towards human flourishing and wellbeing. Therefore, Indigenous communities provide different approaches to ethics and ethical dilemmas in their communities and their enterprises.

Another area of business ethics that seems to be gaining increasing attention is responsible leadership. Leadership is a primary topic of business schools. It is also concerned with how individuals make decisions that consider not only the firm's immediate interests, but also the broader impact on society, the environment, and stakeholders. Moreover, it is also highly concerned with transparency, accountability, and sustainability. Other types of leadership that seem to be closely related to responsible leadership are ethical and humanistic leadership, which were also mentioned by the interviewees.

Even though organizations are focusing on an ample variety of themes, the interviews made clear that there is a consistent focus on the way of doing business and developing ethics and internal processes. The way of doing business includes understanding what is free competition, anti-bribery guidelines and laws, security, people development and strengthening their supply chain. Regarding the internal processes, the interviewees mentioned that they are focusing on guiding employees on how to conduct themselves with various stakeholders as well as how to employ the internal instruments to report unethical behavior (either through mail, phone, or physical messages through a mailbox) as well as disclosing the conflicts of interest they might have.

Within the various themes on which organizations have been focusing, we have diversity and inclusion, sexual harassment, respect, and human dignity, as well as understanding what is their relationship and

impact in society. Some of the organizations reported that they are updating the themes of the talks and lectures they offer to their personnel according to the changes in the environment and the needs they identify.

14.6 Themes in the teaching of business ethics

There are four themes in the teaching of business ethics: First, Mexico is largely a Catholic country that conditions how some business schools approach ethical dilemmas in the firm. Business ethics from a Catholic perspective is present in almost every analysis. For example, an ethical examination of a CSR strategy would implicitly contain a normative approach that demands that the individual must be a good Catholic and care for other groups that are facing difficulties. Second, teaching through a service learning strategy (e.g., helping activities with pedagogic objectives) has ethical implications for the community. A context of profound inequalities, poverty, lack of inclusion, and marginalization generates important challenges about how to implement service learning strategies without perpetuating top-down, paternalistic approaches. Service learning implies ethical concerns that need to be addressed to produce the empowerment, the restoration of dignity, well-being, and self-determination of marginalized groups of society. Third, the teaching themes that deal with limits to growth and circular economy are gaining importance. The planetary limits also pose an important ethical discussion in the classroom: Why does the firm need to grow indefinitely? The constant search for growth has deep social and environmental (mostly negative) implications. In this sense, circular economy is increasingly recognized as a strategy that aligns economic and socio-environmental objectives, as it is gaining importance both in the classrooms and in the firms. Finally, stakeholder theory and management is also a frequent approach to discuss the intrinsic values of the different groups affected by the firm. Students usually contrast stakeholder theory with shareholder-

maximizing practices and the socio-environmental consequences of each approach, which is also examined through the ethical dimension.

14.7 Themes in business ethics research

The researchers interviewed for this purpose suggested that the main themes in business ethics research are three: First, climate change poses important ethical dilemmas regarding protecting the environment while also promoting social and economic prosperity for global wellbeing. However, how to implement and measure these projects is still underexplored, especially in low and middle-income countries. In Mexico, the main business groups are still figuring out how to measure impact and align their social efforts to the Sustainable Development Goals (Vázquez-Maguirre & Benito 2022); thus research must also explore these elements. Second, dignity is still a fundamental principle that has received little attention in management. In a highly unequal country such as Mexico where most employees lack social protection and do not have a salary that allows them a life in dignity, research about how some businesses violate human dignity and how other firms are making efforts to restore and protect it (e.g., social enterprises) is urgent. Third, artificial intelligence (AI) is probably among the three most important subjects discussed in business schools nowadays. Noam Chomsky argues that artificial intelligence “will degrade our science and debase our ethics by incorporating into our technology a fundamentally flawed conception of language and knowledge” (Chomsky 2023, 1). As many scholars have embraced AI as a fundamental tool in the classrooms, Chomsky warns us that “true” intelligence is capable of moral thinking, that is, constraining the limitless creativity of human beings with a set of ethical principles that examines better paths for humanity. The apparent moral indifference of AI (a sign of unintelligence) must be explored deeply by ethics research.

14.8 Themes in training on business ethics

Several of the themes that organizations have been covering in their training are related to their code of ethics, their organizational philosophy, code of ethics compliance, conflict of interest and how to report it, anti-corruption and bribery (or gifts), ethics in the job, use of the assets of the organization, cybersecurity, confidentiality, interest-group relationships, social responsibility, and procedures to report violations to the code of ethics. All of the interviewed organizations reported that they offer ethics training at least once a year. In some of the organizations, reporters mentioned that they do have a yearly recurring course that covers the ethics code that workers should retake every year; but they also have a course offer that is constantly changing according to the challenges they identify.

14.9 Major business ethical issues in the next five years

There are a number of major business ethical issues in the next five years. The first and probably most mentioned is Artificial Intelligence (AI). The potential of this tool “for evil and for good” (in the words of one of the interviewees) poses an important threat to ethical behavior in the classroom and the business organization. The uncertainty derived from the popularity of AI, its powerful engine, the quality of its responses, and the lack of an ethical framework guiding the use of this tool have generated important conversations in most universities regarding AI’s legitimacy as a tool for learning, or its potential for undetected plagiarism. The variety of responses from faculty professors (from those completely against it to those professors that use it in every class) suggests that AI needs further examination that helps build the limits of a tool that is probably perceived as providing limitless possibilities. Second, major social crises that seem to be unavoidable such as increasing migration, climate change, rising inequality, corruption and

precarious jobs will generate more debate about the role of the business organization in both producing and alleviating such issues. As businesses are now more aware that they are embedded in society and that every decision they make has social consequences (e.g., costs externalization), academia faces challenges in order to understand and examine them in the classroom. Ethical decision-making seems a natural framework to analyze how firms design and implement their market strategies.

Organizations grapple with multifaceted challenges regarding ethics, facing a lack of fair play and transparency in dealing with both suppliers and clients. There is a prevailing sentiment that not all organizations operate on an equal playing field, exacerbated by governmental favoritism towards individual providers. This uneven ground breeds a culture where switching suppliers is common, disregarding previous agreements and fostering an environment where transparency might be compromised. Additionally, the pressure to compromise ethics for advancement creates a pervasive sense of disadvantage, with competitors often flouting regulations and laws. Moreover, the ambiguity surrounding consequences for ethical breaches perpetuates a belief among newer generations that rules might be dispensable, hindering community cohesion. Addressing these challenges requires a concerted effort to promote transparency in dealings with stakeholders, uphold ethical standards through consistent communication and alignment of personnel with ethical codes, and navigate the complex interplay between government regulations, taxes, and corporate responsibilities. On a societal level, issues of inequality undermine mutual respect and erode the boundaries between property rights and interpersonal respect, exacerbating economic disparities. Amidst these challenges, businesses grapple with shifting priorities, aiming to embrace conscious capitalism and corporate citizenship, while grappling with the disconnect between younger generations' expectations of reciprocity and their perceived lack of obligation towards ethical conduct. There is a pressing need for companies to foster a culture of responsibility and

accountability among employees, ensuring that ethical standards are upheld and respected in all aspects of operation.

14.10 Conclusion

In conclusion, the landscape of business ethics in Mexico is complex and multifaceted, reflecting the broader socioeconomic and cultural challenges facing the country. Mexico's vast population, economic disparities, and deep-rooted inequality present significant hurdles for organizations striving to maintain ethical standards. The prevalence of informal labor, critical occupational conditions, and educational disparities further contribute to these challenges.

Moreover, Mexico's political and social context, characterized by high levels of violence, impunity and corruption, poses additional ethical problems. The unequal distribution of wealth and resources, coupled with systemic discrimination against Indigenous communities and marginalized groups, increases the need for businesses to navigate ethically complex terrain. Despite these challenges, there are emerging themes and focus areas in business ethics teaching, research, training and practice. Themes such as responsible leadership, stakeholder theory, and sustainability are gaining traction, reflecting a growing awareness of the broader social and environmental impacts of business decisions.

Moving forward, addressing the ethical challenges in the Mexican business environment will require an effort from stakeholders across society. Promoting transparency, accountability, and fair play in business, as well as fostering a culture of responsibility and integrity among employees will be essential steps towards building a more ethical business environment. Additionally, addressing systemic inequalities and promoting diversity, inclusion, and respect for human dignity will be crucial for creating a more equitable and ethical society. Through collaborative

efforts and a commitment to ethical principles, businesses in Mexico can contribute to positive social change and sustainable development.

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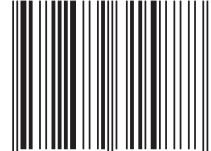
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While volume 1 and volume 3 present the country reports from one continent, that is, from Africa and Europe, respectively, in contrast, this volume 2 contains 13 reports from five continents and includes seven from the ten most populous countries on Earth (Worldometers 2024): India (1,428,627,663), China (1,425,671,352), United States 339,996,563), Indonesia (277,534,122), Brazil (216,422,446), Russia (144,444,359) and Mexico (128,455,567). Adding the most populous country in volume 1, that is, Nigeria with 223,804,632 people, the GSBE book includes a total of 4,184,976,704 people or ca. 52% of the world population (8,118,835,999). Given this enormous population, the reports in this volume can only provide some tiny, but not insignificant insights of the huge diversity of challenges and opportunities in the field of business ethics.

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Editors

Dr Bryan Robinson,

Tshwane School for Business & Society, South Africa.

Prof. Dr Georges Enderle,

University of Notre Dame, United States of America.



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