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Abstract

In today's world Business ethical practice is an issue which is increasingly being given proper attention in the business. Business ethics is described as the standards of conduct by which moral and acceptable decisions and actions are based. Businesses are recognizing that more and more customers are becoming ethically conscious day-in-day-out. Even the Government and other stakeholders of the business are emphasizing on the relevance of ethical business practices by organizations. There have been many unethical behaviour taking place in the operations of certain businesses worldwide. As these makes the society unsafe for upcoming businesses, healthy competition, and consumers. Recently it has been proved in studies that many investors use the ethical behaviour of a company in the society as a yardstick for choosing company to invest in. In order to remain sustainable and competitive in the global market, many businesses have recognized the need to adopt good ethical practice.

The current case study aims at highlighting the essence of business ethics & sustainability as it also refers the leading industrial instances pertaining to the ethical business practices and the Dilemma surrounding the ethics & sustainability in the organization. The evolving skepticism on implementation of business ethics & sustainability reflects the dilemmas the customer/ stakeholder/ owner of the organization is satisfied with the ethical code for sustaining in the environment and do now-a day's business think that ethics provide any importance for sustainable development in the environment. This Teaching case is essentially derived to cater the need of discussion among the Industrial domain, professionals and students of higher education. The case is open for discussion and has the potential to derive conclusion on true perspective of business ethics & sustainability and resolution to the dilemma.



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BUSINESS ETHICS & SUSTAINABILITY:

Business ethics the term generally implies ethical ideas to business behaviour. The Business ethics refers to the philosophy where one's aim is to determine the fundamental purposes of the company. If a company's purpose is to maximize shareholder returns, then sacrificing profits for other concerns is a violation of its fiduciary responsibility. The ethical behaviour not only improves profitability but also fosters business relations and employees productivity as it studies the business situations, activities and decisions where the issues of rights and wrongs are addressed. Moreover, business ethics does not mean only commercial businesses but also the government organization, pressure groups, non-profit organizations, charities and

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other organizations. The business ethics examines ethical principles and moral or ethical problems that can arise in a business environment. As it applies to all the aspects of business conduct and is relevant to the conduct of individuals and entire organizations. As these ethics originate from individuals, organizational statements or from the legal system. The ethics refers to the study of human behaviour, encompassing the rational dimension of morality, which is concerned with norms, values, ethical, and unethical practices are the principles that guide a business. They help those businesses maintain a better connection with their stakeholders as many corporate and business strategies now include sustainability which focuses on meeting the needs of the present without compromising the ability of future generations to meet their own needs. In business also there are three aspects of sustainability which include social, economic and environmental as the role of companies in addressing such a aspect depends on the management practices implemented in the organization which include corporate values, often using codes and policies to guide decisions and behavior, and can include extensive training and evaluating, depending on the organization. They provide guidance in ethical dilemmas.

BUSINESS ETHICS & SUSTAINABILITY PERSPECTIVE:

In business, the three aspects of sustainability include social, economic and environmental. The role of companies in addressing all these three aspects depend on the management practice implemented in the organization. Many businesses across different sectors have been able to, directly and indirectly, derive value as a result of engaging in sustainability-related activities. The Sustainability emphasizes on the links between voluntary social or environmental and corporate economic success can be integrated together, managed, advanced, or innovated. It states the fact that, if any business can achieve at least one of six business case drivers (Cost and Cost Reduction, Sales and Pro./fit Margin, Risk Reduction, Reputation and Brand Value, Employer Attractiveness and Innovative Capabilities) by undertaking a voluntary social and/or environmental activity, then this will also indirectly allow the firm to capture economic value and so they will be more involved in such activities. The stakeholders now demand strong economic performance in addition to organisations being socially and environmentally sustainable as well as adhering to responsible business practices. Therefore, the Corporate Social Responsibility, Business Ethics and Sustainable Management have become important parts of organisations strategy and for their routine

operations and so it has become a core part of the curriculum development and delivery in business schools.

Leading Organisations have been contributing towards their business ethics and sustainability quite successfully. Cisco Systems, shows how green procurement and sustainable sourcing have become a regular part of the supply chain. It relies on its Supplier Code of Conduct to set standards for suppliers so they follow fair labor practices, ensure safe working conditions, and reduce their carbon footprint, the amount of carbon dioxide and other carbon compounds released by the consumption of fossil fuels, which can be measured quantitatively. Cisco is in the process of embedding sustainability into supply chain management at all levels. Pepsi and Coca-Cola, beverage industry has also developed ambitious agendas, such as increasing focus on water stewardship and setting targets on water replenishment. The automobile industry BMW and Toyota have made strides on energy efficiency and pollution reduction, not to mention Tesla as an outsider really challenging the industry's overall footprint.

Further, the Walmart, IKEA and H&M moved toward more sustainable retailing, across their supply chains to reduce waste, increase resource productivity and optimize material usage. It also has taken steps to address local labour conditions with suppliers from emerging markets. The Dell Computers, has set a goal to reduce greenhouse gas emissions from all facilities and operations by 50 percent as it created the Connected Workplace, a flex-work program such as variable work hours to avoid rush hour, full- or part-time work at home flexibility, and job sharing. This sustainability initiative helps the company avoid about seven thousand metric tons of greenhouse gas emissions, directly related to the financial benefit of sustainability, it saves the company approximately \$12 million per year. Unilever and Nestlé has taken major commitments towards sustainability; as Unilever notably on organic palm oil and its overall waste and resource footprint, and Nestlé in areas such as product life cycle, climate, water efficiency and waste. The Apple also takes its global responsibility seriously. Greenpeace has named Apple the "greenest tech company in the world" for three consecutive years. Not only does the company encourage its IT partners to take full advantage of renewable energy, as the Apple packaging is now manufactured with 99 percent of recycled paper products. Reliance Industries is also one among the leading performers. Main focus areas of Reliance in regard to business ethics and sustainability includes Health care, Education, Rural transformation,

Environment, Protection of national heritage, art & culture, Disaster response and Sports development.

STATING CASE DILEMMA / CONCLUDING PARAGRAPH:

Business ethics and sustainability play a crucial role in the environment as its importance is much needed in the organizations followed by code of conduct, ethics and best practices which ultimately will help the organizations to sustain in the long-run. Business ethics help those businesses maintain a better connection with their stakeholders as many corporate and business strategies now include sustainability which focuses on meeting the needs of the present without compromising the ability of future generations to meet their own needs. Now a days, many business organizations have contributed towards business ethics and sustainability as it even plays major role for the society. Businesses also face the challenges regarding the business ethics and sustainability to be followed in the environment. Hence, the dilemma crops up which become the broad aspect to be discussed upon - *Is the customer/ stakeholders/ owner of the organization satisfied with the ethical code for sustaining in the environment? Or Do now-a-days business think that ethics provide any importance for sustainable development?* Deliberation on these aspects shall make the momentum of the case further evolving and the results further deserving.

TEACHING NOTES FOR THE CASE:

TEACHING OBJECTIVES:

The following Teaching Objectives may be considered with respect to the case:

1. To demonstrate the essence of business ethics and sustainability.
2. To refer the leading industrial instances pertaining to the ethical business practices.
3. To recognize the significance of business sustainability through adopting ethical business practices.
4. To present the readers an opportunity to deliberate upon the essential of the business ethics and sustainability.

LEVEL OF ANALYSIS:

The present case is a type of Teaching case with focus on Appraisal Case approach. The analysis attracts understanding of basic business ethics and sustainability. This case is suitable for the practical & case study approach at the level of Management Students. To be specific BBA Final Year students & MBA Students shall have a deserving benefit out of this

General Management case. Executive MBA Students & start-ups in respective Industry may also get benefitted. Industry at large will be a party to the benefits of the learning from the case.

CASE ASSIGNMENTS:

As part of the case study delivery, participants may be assigned certain tasks pre & post delivery of the case.

Pre discussion Task: Gather fair understanding on Business Ethics and Sustainability through journals & books in Library and through E-Sources

Post discussion Task: Conduct review of further literature pertaining to the theme of the case. Post discussion schedule shall also include discussion round on a few questions pertaining to the case.

BROAD DISCUSSION QUESTIONS:

Q.1: Discuss the essentials of the Business ethics & Sustainability while highlighting the various industrial instances pertaining to the ethical business practices experienced by the Organizations.

Q.2: Do the company's sustainable initiatives create social, environmental, and economic value for its stakeholders?

Q.3: Discuss the initiatives taken by companies for enhancing their sustainability in the long run?

READING REFERENCES:

The following references may be helpful in gaining further insights on the theme of the case:

Rajeev Divekar & Dr. B.R. Londhe, (2012), Inclusion & Innovation: Challenges for sustainable growth for emerging economies, Excel India Publishers, New Delhi.

Dr. Sona Vikas & Ms. Shashikala, (Nov. 2016), From Act to Action: CSR practices today, Excel India Publishers, New Delhi.

Dr. Sona Vikas & Harman Mangat & Urvashi Nandrajog (2018), Sustainable Business Practices in Agile Organizations, Bloomsbury publications, New Delhi.

POTENTIAL BENEFITS OF THE CASE:

➤ **Students of Management Education:**

- Case Study exposure on Business ethics & Sustainability aspects. Students shall gather learning on the ethical business practices at Industries in light of the theme of the study.
- The case will be helpful in General Management Subjects and overall shall support in gaining better business values & ethics.
- The case shall assist in learning the fundamentals of Business ethics & Sustainability at Organizations.

➤ **Executive of Companies:**

- The case being a general management topic, this will support the management in augmenting the cultural aspects at the organizations in terms of business ethics and sustainability aspects, which eventually shall benefit the Organizations.

➤ **Startups in respective Industry:**

- The new companies stepping in the business will find this case as a good example of allied functions along with core activities of businesses.
- They will inculcate the value of giving back to the society.

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