

# **BUSINESS ETHICS A TOOL TO COMBAT CORRUPTION ACROSS INDIAN BUSINESSES**

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## **ABSTRACT**

Business ethics is a significant influence in the corporate world. It has shaped and changed the way companies have operated over the years and has also influenced corporate regulation. Business ethics are a matter of fair dealing infused with moral behavior with its major purpose to establish trust between people in a business concern, Based on this we recommend that strong corporate governance as well as ethical laws are needed to minimize the negative impact of corruption in the corporate law. Firms and business must also consider the emergence of corrupt practices when formulating strategies to increase performance and decrease overall organizational and operational malfunctions.

**Keywords:** corruptions, bribery, corporate governance, firms, ethics, business, research results, anti-corruption.

## **AIM**

This research aims at identifying the sources, causes, effects and ways of eradicating corruption and its values.

## OBJECTIVES

- i. To evaluate the sources of corruption across Indian businesses
- ii. To evaluate the causes of corruption in the Indian business
- iii. To evaluate the effects of corruption on the business across India
- iv. To evaluate the ways of eradicating corruption and its vices across India

**Sources:** The bedrock of corruption and corrupt practices in businesses are brought by greed of money, low levels of transparency, etc. The International Monetary Fund (IMF) cites several key factors that contribute to corruption which includes government intervention in economy, price controls, etc.

**Causes:** A corporate culture of corruption is brought by factors such as complicated leadership structures high levels of autonomy which is a person's ability to act on their own values, discretion with a high lack of accountability, ethics and responsibility.

**Solution:** For corruption and its practice to be evaluated, it must be understood before action taken. Corruption is any behavior that leads to benefits of any entity at the expense of others and due to this it is regarded as abuse of power. Unethical behaviors such as dishonest conducts, fraudulent behaviors in the interest of giving and accepting bribes, inappropriate gifts, hidden transactions, funds diversion and laundering money as well as defrauding investors. Business ethics and anti-corruption should be a priority for every business to maintain highest possible standards for corporate governance, compliance and also the management of risks, business should therefore be guided by high ethical standards, social, environment responsibilities to reach the peak of professionalism and to avoid ethical dilemmas that encourage corruption, ethical decision making and code of conducts as well as consistently enforcing discipline, quick response to any ethical deficiency and appointing high level personnel to investigate and oversee ethics compliance. Communicating of business standards through training, setting up account mechanism in place and enforcing penalties for charges of corruption.

## INTRODUCTION

Corruption may spread inside organizations as a result of emotional contagion (Smith Crowe and Warren 2014). Determining what corruption is important for understanding its relationship with business and the corporate world at large. Bribery and corruption has been ongoing in developing countries across the globe, there are few business concepts which have been widely recognized as ethics due to the change in business environments over time. Companies make use of different instruments in order to be known for its ethical compliance thus leading various companies to uphold various values, norms and other ethical practices. Integrity, transparency and the fight against corruption have to be part of the culture they have to be taught as fundamental values "(Angel Gunia of CD general secretary)". Corruption as defined by the Oxford English dictionary as any dishonest or fraudulent conduct by those in power typically involving bribery without enforcing a strong ethical system, even the well intentioned and morally inclined personnel may succumb to pressures as corruption tends to field benefits monetary and otherwise at the individual levels to the firm at large (Tripathi, A. 2014).

## **MATERIAL: REVIEW OF THE LITERATURE**

Moral, ethical and legal guidelines have evolved over time to make efforts to reduce forms of ethical dilemmas as well corruption faced in business concern. Ethics is derived from a Greek word “ethos” which means a person’s fundamental orientation towards life and is usually perceived as a theory to moral standards (Paswan 2015)( Bhambulkar, A.V. 2011).

Ethics in law of business breeds integrity as consumers, customers, business partners whether a business is dealing with a partner or new customer, business ethics show that the same standards of behavior should be adopted when carrying out a business function. The business reputation is built on its pattern of ethical or unethical behaviors but as business ethics it is not universal, as the business expands and grows like Jamnik (2011) claims managers in organizations face ethical issues every day of their working lives, problems encountered differs which can shape a business for better or worse because corrupt practices are so persuasive in business. It is impossible for business to completely erase the risk of corruption leading to the birth of anti-corruption programs as a legal and operational defense. There are a variety of foundational texts as to the basic concepts of business ethics, the idea taken from business ethics and corporate social responsibility (CSR) are often used to refer to the same business activity (Tripathi, A. 2019).

If we look carefully, the term “business ethics” comprises of two words ‘business’ and ‘ethics’ which covers the area of moral beliefs, principles, values, culture, governance issues and a code of conduct for business (Dim trades 2007). Therefore it can be mentored that they operate corporate social responsibility on the principle that firms are obligated to meet their responsibility to stakeholders and shareholders (Goel and Roman than 2014). A company business ethics should be encoded in policies that cover a wide range of practices as law and ethics go side by side and in an era of reoccurring corrupt vices, businesses are forced to maintain profitability and in the same time behave responsibly (Moheratal 2001).

## **METHODOLOGY**

This research aims to identify the emergence, spread of corruption and its vices in corporate world and was conducted in the following main areas:

- Ethical business/institutes
- Ethical lapse by corporate business
- Business rates

The methods of research utilized in this research are survey methods that cut across comparative and correlational methods. It cuts across various corporate the institutions global companies, large, small enterprises. The results shown gives us insight to evaluate the standards use of ethics to combat corrupt practices in four countries India, Zimbabwe, Nigeria, South Sudan.

## **TOOLS OF THE RESEARCH**

The primary data was collected using a google survey form. Results were presented, and analyzed using Microsoft excel and Microsoft word with the aid of google search engine, safari to acquire basic knowledge on data modeling and analysis.

## ANALYSIS OF THE RESEARCH RESULTS

This research was carried out across 4 cities

	<b>YES</b>	<b>NO</b>
Bangalore	69%	21%
Mumbai	63%	24%
Uttarakhand	67%	22%
Raipur	64%	19%

Responses are similar to each other in all four countries as most stated that they have established ethical system and other that do not have.

### Ethical lapses by corporate business

Ethical Issue	Numbers of reported lapses			
	Bangalore	Mumbai	Raipur	Uttarakhand
<b>Technology</b>	<b>5</b>	<b>7</b>	<b>6</b>	<b>9</b>
<b>Banking and finance</b>	<b>18</b>	<b>15</b>	<b>10</b>	<b>19</b>
<b>No ethical issue mentioned</b>	<b>10</b>	<b>13</b>	<b>11</b>	<b>15</b>
<b>Bribery and corruption</b>	<b>24</b>	<b>35</b>	<b>33</b>	<b>40</b>
<b>Product quality/quality</b>	<b>28</b>	<b>34</b>	<b>33</b>	<b>37</b>
<b>Money laundering</b>	<b>15</b>	<b>25</b>	<b>30</b>	<b>45</b>

In this it varies as there are notable highly diverse. This is however difficult to state the ethical lapses in the listed cities whether or not it is possible these results better light.

### CORRUPTION RATES

	<b>2012</b>	<b>2014</b>	<b>2016</b>	<b>2018</b>	<b>2020</b>
<b>Bangalore</b>	95	90	85	80	75
<b>Pune</b>	164	156	154	160	157
<b>Mumbai</b>	137	136	135	143	153
<b>Raipur</b>	165	171	175	178	180

With this the figures varies but it is however important to note the difference between the Indian cities as corrupt practices are high in such areas.

### FINDINGS

From the above analysis it is noticeable to see the varying figures however from ethical lapses to corruption rates in the business is rather high due to various dilemmas encountered over the period of time.

Any company that funds is necessary to expand must market it compulsory to revisit and enforce its values and ensure they also include future and expected problems as ethics differ between businesses globally.

## CONCLUSIONS

Our research has confirmed that ethical issues and corrupt practices rate have significantly increased over the span of time due to various boycott and ethical negligence. The least risky choice is to implement all around standards as some countries have much lower standards.

Laws, ethics and norms area different but alongside laws are universally accepted, ethics on the other hand is based on individual beliefs although both are made to align and not contradict the letter. They provide how to act in an acceptable manner.

The cases of corruption have been on the rise, to speak on recent times attitudes towards corruption has shifted significantly as it is no longer considered a taboo, it should be publicly credited for its destructive effect on the environment, industry, business operations also as peoples living standards, with the use of the right ethical approach and business personnel armed with the right values. It is quite feasible to curb corrupt practices in businesses. It is important to show some limitations to the study and further studies should be conducted to with more complete involvement of “stud sectors and cities. Therefore our research should be regarded as the first step towards further studies of the relationships and impact of standard business ethics in anti-corruption.

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