

Perception of the General public towards the Impact of Business Ethics upon Business Success- a Study with Special Reference to Mangalore City

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ABSTRACT:

Business ethics are moral rules and principles that the parties running business adopt themselves. It has evolved through the process of decades and centuries. In fact, it works well to run a business with confidence and without risk. Many companies believe that the good will resulting from adopting and successfully implementing a code of business will in the long runs, translate into economic gains. Therefore, they have now begun to integrate ethics into their corporate culture. Furthermore, code of ethics is seen as a pillar for business success, companies without ethics being not able exactly determine what is right and fair within their business, therefore, ethical practices may lead a company to failures or success.

In the light of the above the present study tries to find out the perception of general public towards the impact of business ethics on business success.

Key words: Business, Ethics, Practices, success

I. INTRODUCTION:

Since ancient times, companies are searching for business success but it seems that, nowadays, more than ever, having success is not easy. Business success does not come unexpectedly in company. It presumes efforts, wise strategies, risk assuming and sometimes failures provide the lesson for success. Many factors such as employers, processes, management, strategies etc. are implied in gaining business success and it seems that there is a strong connection between ethics and business success.

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themselves. It has evolved through the process of decades and centuries. In fact, it works well to run a business with confidence and without risk. Many companies believe that the good will resulting from adopting and successfully implementing a code of business will in the long runs, translate into economic gains. Therefore, they have now begun to integrate ethics into their corporate culture. Furthermore, code of ethics is seen as a pillar for business success, companies without ethics being not able exactly determine what is right and fair within their business, therefore, ethical practices may lead a company to failures or success.

OBJECTIVES:

1. To know the public perception towards the business ethics;
2. To identify the core issues influencing business ethics;
3. To get to know the impact of ethics upon business success.

II. METHODOLOGY:

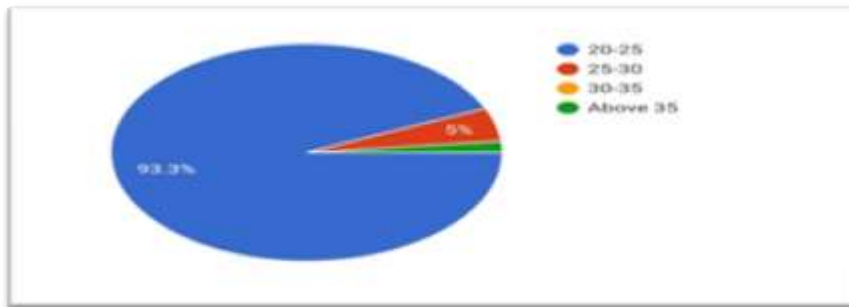
This research study is conducted to evaluate the general perception of the students towards the impact of business ethics upon business success. This was done through the collection of opinions from 60 respondents from Mangalore city. The research instrument used in collecting primary data was a questionnaire. The questionnaire was undertaken through the means of Google form. As far as the secondary data is concerned, the information was collected from other internet sources.

III. DATA ANALYSIS AND INTERPRETATION:

Table-1 Age-wise distribution of sample:

Age of the Respondents	No. of respondents	Percentage
20-25	55	93.3
25-30	3	5
30-35	2	1.7
Above 35	0	0
Total	60	100

Source: Field Survey

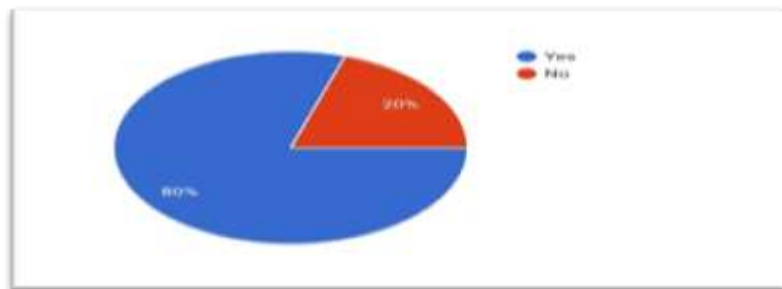


As per the above table 6.7% of the respondents are belong to the age category 25-35. It is interesting to note that majority of the respondents (93.3%) belong to the age group of 20-25 years.

Table-2 Awareness of the respondents about firms practicing Ethics: (moral principles and values in the business in your locality)

Awareness	No. of respondents	Percentage
Yes	48	80
No	12	20
Total	60	100

Source: Field Survey

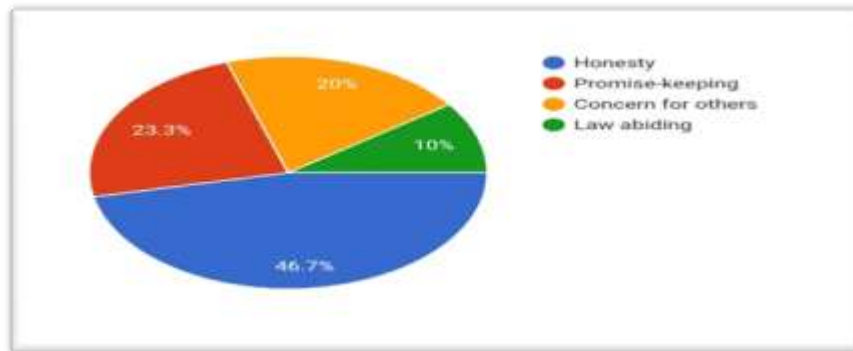


As per the above table, 80% of the respondents opined that they are aware of business firms following ethical practices whereas remaining 20% opined that there are not aware of the firms practicing ethics.

Table-3 Modes of Ethical Practices followed by the firms in their day-to-day operation

Modes	No of respondents	Percentage
Honesty	28	46.7
Promise-keeping	14	23.3
Concern for others	12	20
Law abiding	6	10
Total	60	100

Source: Field Survey



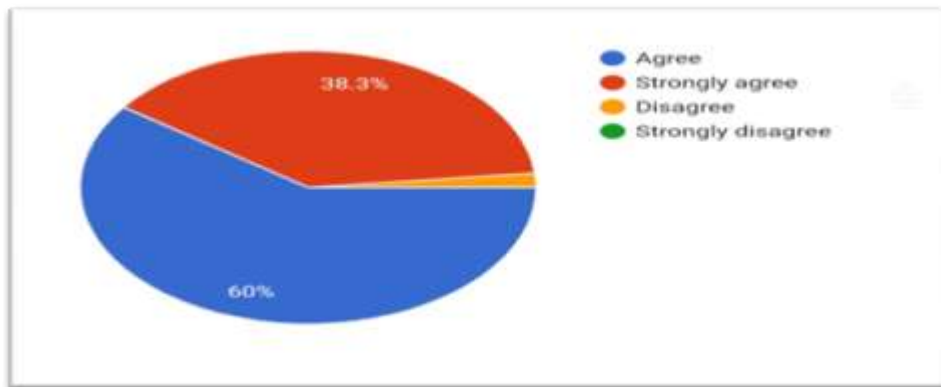
The above table shows that a vast majority (46.7%) of the respondents opined honesty, 23.4% opined promise –keeping, 20% concern for others

and only 10% were in favour of law abiding as the modes of ethical practices followed by the business firms.

Table-4 Opinion of the respondents regarding “business ethics plays very important role in the success of any business”

Response	No. of respondents	Percentage
Agree	36	60
Strongly Agree	23	38.3
Disagree	1	1.7
Strongly disagree	0	0
Total	60	100

Source: Field Survey



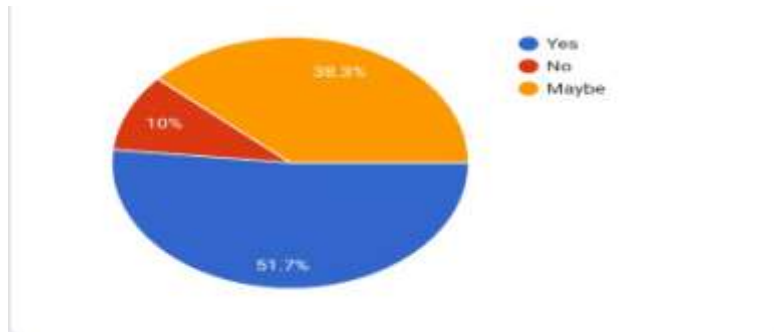
The above table depicts that 38.3% of the respondents strongly agree that ethics are important for a firm to be successful in their business and

60% of the respondents agree that ethics are important for a firm to be successful in their business.

Table-5: Opinion regarding business firms having ethical practices would survive in the business for a longer period of time:

Response	No. of respondents	Percentage
Yes	31	51.7
No	6	10
May be	23	38.3
Total	60	100

Source: Field Survey



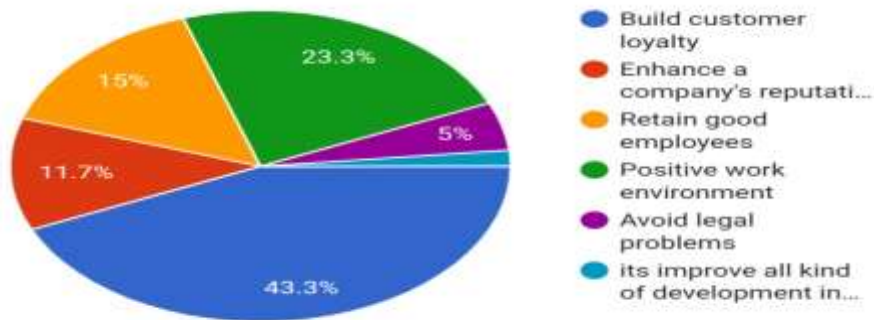
As per the above table, majority (51.7%) of the respondents opine that the ethical practices would help the business firm to survive in the long

run, 38.3% are not sure and 10% opine that ethical practices would not help firms to survive in the long run

Table-6: Importance of Ethics in Business

Importance	No. of respondents	Percentage
Build customer loyalty	24	39.6
Enhance a company's reputation	6	11.3
Retain good employees	10	17
Positive work environment	15	24.5
Avoid legal problems	3	5.7
It improves all kind of development in business	2	1.9
Total	60	100

Source: Field Survey

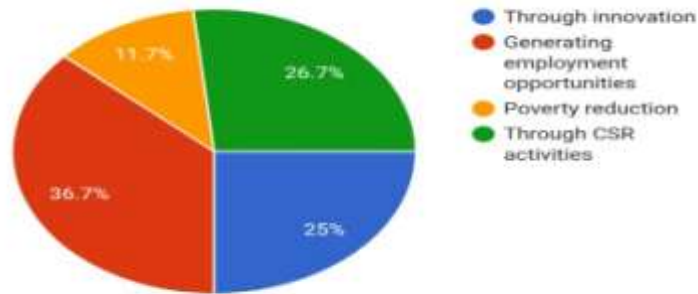


As per the above table, majority of the respondents opined that building customer loyalty is more important followed by positive work environment (24.5%), enhancing company's reputation.

Table-7: Contribution to the society by the business firms

Methods of contribution	No. of respondents	Percentage
Through innovation	15	25
Generating employment opportunities	22	36.7
Poverty reduction	7	11.7
Through CSR activities	16	26.7
Total	60	100

Source: Field Survey



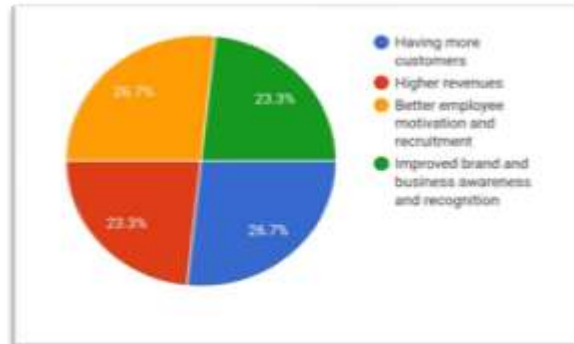
As per the above table it is evident that 36.7% of the respondents stated that generation of employment opportunities, through CSR activities

(26.7%), through innovation (25%) and through poverty reduction (11.7%) firms contribute to society.

Table -8: Distinctiveness of companies following ethical practices

Distinctiveness	No. of respondents	Percentage
Having more customers	16	26.7
Higher revenues	14	23.3
Better employee motivation and recruitment	16	26.7
Improved brand and business awareness and recognition	14	23.3
Total	60	100

Source: Field Survey



As per the above table, having more customers and better employee motivation and recruitment were the majors distinctive factors followed by higher revenue and improved brand recognition.

Table -9 Opinion regarding possibility of earning short term profits by the firms practicing ethics

Response	No. of respondents	Percentage
Yes	10	16.7
No	30	50.0
May be	20	33.33
Total	60	100

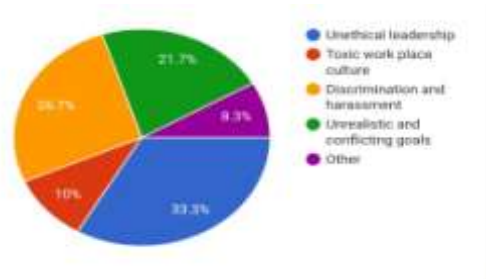
Source: Field Survey

It is evident from the above table that majority of the respondents were of the opinion that firms will not earn sufficient profits in the short run.

Table-10 Core Issues influencing business ethics

Core Issues	No. of Respondents	Percentage
Unethical leadership	20	33.3
Toxic work place culture	6	10
Discrimination and harassment	16	26.7
Unrealistic and conflicting goals	13	21.7
Other	5	8.3
Total	60	100

Source: Field Survey



As per the above table, 33% of the respondents considered unethical leadership was one the core issues influencing business ethics, 26.7% discrimination and harassment, 21.7% unrealistic and conflicting goals and 10% opine that toxic work place culture as the issue.

IV. FINDINGS OF THE STUDY:

1. From the study, it is very clear that business ethics plays a very important role in the success of any business.
2. It is understood from the study that the business, having ethical practices would survive in the business for a longer period of time.
3. It is interesting to note that compared to other business firms, ethical practicing business firm could be seen as having more customers, higher revenue, better employee motivation, improved brand and business awareness and recognition.
4. It is realized that by practicing ethics in the business even though unable to make more profits in the short-run, in the long-run definitely will be able to make more profits.
5. The study reveals that building customer loyalty is very important aspect in the business as a part of ethical -practices of a business firm.
6. It is found that there is a positive association between ethical practices and business success.

V. LIMITATIONS:

1. The study is restricted only to Mangalore city.

2. The sample size is limited to 60 respondents only.
3. There may be the chances of bias in the opinions of the respondents.

VI. SUGGESTIONS:

1. Government should make mandatory practicing ethics in the business.
2. Business firms should focus on long- term survival by practicing ethics in the business instead of making immediate profit and losing its existence within short period of time.
3. Firms should imbibe with ethical standard in order to have good public image.
4. Firms should uphold ethical standard so that they may have strong competitive advantage over their fellow competitors.
5. Firms should include business ethics in a company's strategic planning and should conduct ethical training for its employees.

VII. CONCLUSION:

Finally, it is concluded that business ethics is the need of the hour. Business ethics is vital in the contemporary business environment, as it affects not only its reputation, brand, employees, and bottom line; they can impact on the entire industry, as well as investors, Government and consumers. A healthy and sustainable business must follow ethical business practices. Business owner may have to face a wide variety of issues, but acting responsibly and for the good of customers will lead him in the right direction.

Risk is always a part of business but ethical business practices gives a competitive edge.

Consistently doing the right thing will come out in reputation, and that will lead more quality people to the business and ultimately leads to good business performance, which results in business success.

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