

ENTREPRENEURSHIP EDUCATION FOR VET SCHOOLS

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DEFINITION AND
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BUSINESS ETHICS

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“Morality is generally defined as a set of prescriptive principles that form a code of behavior that explains what is right and good or what is wrong and bad.”

However, given that business today operates in a dynamic environment, this traditional definition is too static to be useful. According to these thinkers, morality is essentially “the study of what constitutes human well-being and the promotion of these.

It is a process that explains the types of behavior and decisions required to achieve Business ethics covers the moral principles and standards that guide our behavior in the business world. In other words, business ethics is "a set of rules of conduct that is based on being right and just and goes beyond obedience to laws and regulations." “Business ethics is a discipline that examines the principles and values that guide us in making prudent choices in line with the opportunities provided by the economy and business world.”

INSTITUTIONALIZATION OF BUSINESS ETHICS

Institutionalization of business ethics is becoming increasingly important. Institutionalization is not a phenomenon that will happen overnight. The institutionalization of business ethics on a business basis takes place within a certain process. Institutionalization means making the business known to the public. A business; It is the adaptation of social values to the organizational structure. Institutionalization helps people determine what they have to do and how they should behave, and strengthens the balance of the social system. Institutionalizing business ethics involves explaining the principles, values, and ideas about what kind of code of conduct should be implemented. It allows to facilitate the operation of laws and regulations in a manner that takes into account the functioning of the economy and the public interest. Business ethics rules

It is a set of formalized rules aimed at defining the objectives and principles of the business to employees. They are generally prepared based on two main structures. These are a) business principles and b) business policies. Business ethics rules are a set of rules that determine the problems that may arise in a business and the attitudes towards these problems.

Elements of institutionalized business ethics; It can be expressed as a culture based on psychological agreement, organizational commitment and morality. Determining the rules of business ethics in writing is inevitable in terms of creating psychological pressure between the parties. In case of failure to comply with the determined rules, there will be legal sanctions, and the individual and the business will be obliged to adhere to the rules they have agreed upon.



THE ROLE AND IMPORTANCE OF ORGANIZATIONAL CULTURE IN THE INSTITUTIONALIZATION OF BUSINESS ETHICS

Organizational culture plays an important role in the institutionalization of business ethics. According to some thinkers, the management of cultural differences and organizational culture will become a much more important factor in determining the success or failure of companies in the future. For this reason, it is useful to focus on the supportive effect of organizational culture on moral behavior, which has a significant impact on the economic and social performance of businesses. Organizational culture is; It is a set of core values, norms, assumptions and beliefs shared by the members of an organization and guiding their behavior, often derived unconsciously, and defined in a way that is "accepted" as a basis for an organization and its environment. Every organization has its own unique culture and set of values. Culture conveys the understanding of organizational members and provides them with rules on how to behave within the organization. What many organizations need and emphasize today is to operate with a more positive and moral culture. Institutionalization of organizational culture and business ethics basically contain the same values. Because it has a defining role; It reveals the distinguishing features of a business from others. It creates a feeling of integration with the business in employees. It teaches that the assurance provided for the benefit of the business is more important than the individual benefit. It provides continuity to the social structure of the business. Businesses aiming to institutionalize in accordance with the adopted moral facts must understand the importance of organizational culture. A moral organizational culture means that social goals and social responsibilities are always based on a person's personal
It reflects the belief that it carries more weight than one's earnings. Such a culture begins with strong and principled leadership, dignity and farsightedness.

- Work Ethic

Business ethics refers to the rights and wrongs in the production and consumption process of goods and services in the business world. The issue of what is right and what is wrong is a moral issue. Just as there are right behaviors and actions in the business world, there are also wrong behaviors and actions. As can be understood from these explanations, business ethics refers to the rights and wrongs in the business world. Business ethics generally emphasizes the importance of private enterprises acting ethically in the production and sale of goods and services. Business ethics is also defined as “company ethics”, “company ethics”, “business ethics”, “business ethics” and other names. Undoubtedly, it is possible to evaluate "tradesman ethics", "producer ethics", "employer ethics" and similar definitions within the scope of business ethics.

There is also a close relationship between the concept of business ethics and the concept of "social responsibility". Undoubtedly, all individuals and institutions have duties and responsibilities towards the environment they live in. For example; A business has responsibilities towards its own employees, shareholders, partners, as well as the external environment (state, nature and environment, society, etc.). Social responsibility is essentially a requirement of business ethics. In other words, business ethics has a meaning that includes social responsibility. A business owner's being truthful and honest, keeping his word, and not resorting to fraudulent means in production and sales are moral behaviors that should be highly appreciated. However, the business must be aware of its duties and responsibilities towards both the internal and external environment while producing.

Within the framework of these explanations, we can list the main areas of responsibility of a business as follows:

- **Responsibility towards employees,**
- **Responsibility towards customers (consumers),**
- **Responsibility towards shareholders,**
- **Responsibility towards nature and the environment,**
- **Responsibility towards the state,**
- **Responsibility towards suppliers,**
- **Responsibility towards competitors,**
- **Responsibility towards society etc.**



We should emphasize that business ethics and the concept of social responsibility, especially towards the external environment, sometimes conflict and may not be compatible with each other. The main purpose of a private business is to make a profit. In this respect, it is a rational choice for the business to make decisions that will maximize its profits. For example; Although it is a correct decision and choice in terms of rationality for the business to want to pay less wages to its employees in order to maximize its profit, it is also a "moral" and

It may not be correct in terms of "long-term profitability and efficiency". There is no doubt that a business employing uninsured workers or employing workers below the minimum wage in order to maximize its profits are behaviors that are incompatible with business ethics. On the other hand, in companies that provide higher wages and social opportunities to their employees, at first glance it can be said that this is a cost for the business. However, there is also the other side of the coin. It can be said that if the business values its employees more, the employees will strive to contribute more to the business. In summary, there is a two-way relationship between intra-organizational social responsibility and the profitability and efficiency of the business. Responsibility outside the organization (responsibility towards society, the state and nature) conflicts more with the purpose of the organization. To be more precise, compensation for the damages caused to nature and the environment, providing social assistance to low-income segments of the society, etc. It increases the organization's costs or results in a decrease in its net profit. However, we should emphasize that social responsibility is an important and integral part of business ethics, even though it conflicts with the main purpose of the organization.



Entrepreneurship studies have attracted great attention in both academic and economic circles, especially in the last decade. Looking at the background of this, it can be seen that various political, economic, social and cultural events taking place in the world play a major role. The increasing importance given to entrepreneurship education and its inclusion in curricula all over the world constitutes a good example of this trend that is making great progress. An entrepreneur is a person who establishes a new business with the aim of making a profit and growing by identifying new opportunities in an environment of risk and uncertainty and bringing together the necessary resources. The first studies in the field of entrepreneurship focused on the entrepreneurial characteristics that distinguish entrepreneurs from non-entrepreneurs. Numerous studies; It has revealed consistent relationships between individual factors such as need for achievement, risk taking, motivation and entrepreneurship. Research has revealed a number of key characteristics attributed to successful entrepreneurs. The factors underlying entrepreneurship have been studied extensively. The main claim common to most of these studies is; Successful entrepreneurs' previous work experience, industry knowledge, having been in the senior management team of an entrepreneurial business, age and education could form their background. Apart from these, it has been determined that issues such as age, education and good analysis of the environment also play a positive role in business success.

There is disagreement in the literature about exactly what the qualities that make up the entrepreneur profile are. When we look at the literature, we encounter a long list of many different features. The features in these lists can generally be divided into three parts: first The second one is related to the entrepreneur's personality, the second one is related to the skills of the entrepreneur, and the third one is related to the experience and infrastructure of the entrepreneur. However, in general, researchers limit themselves to the qualities related to the entrepreneur's personality and work on this subject.

When the literature on entrepreneurial characteristics is reviewed, many factors stand out. To summarize these briefly, the typical characteristics of a successful entrepreneur include; risk taking ability, innovation, knowledge of market functions, knowledge of production usage, marketing skills, business management skills and the ability to cooperate. It is a fact that the entrepreneurial spirit exists as a potential in individuals in the society and that the social structure and social culture affect the entrepreneurial activities in that region. It has been argued that the foundations of the entrepreneurial initiation process exist in personal intuition and society and culture. However, accuracy and reliability, that is, the ethical dimension of the work, seem to be neglected. As it is known, in business life, investors, partners, customers and creditors highly value these qualities. Integrity and reliability help build and strengthen trust.