

Business Ethics - compromise to compliance

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Business Ethics - Compromise to Compliance

Abstract

Upbringing and Education entails 'thought-process' and often serves as a launching pad for good behavioural practice. Conscious parents help their children in judiciously choosing between good and bad while managing appropriate upbringing. Similarly dedicated teachers guide the students to differentiate between right and wrong while providing good education. They bring forth variety of scenarios including best practices and role models. This learning phase with peers develops 'process of thinking'. The *ethicality (or lack of it)* in decision making sprouts due to such influences and in course of time gets cultivated.

As educated youth enters professional life through Start-ups or SME's (Small and Medium Enterprises) or Corporates, etc., he may face volatility of market, vagary of business and still require delivering results. In short, challenge of facing real life experience begins. Can one deliver results by following ethical practices? Will that performance, satisfy the leaders of the organization? Is it practicable, to strictly adhere to the principles of ethical behaviour in all the situations? That's the key question.

To understand the situation, we (Business Ethics Foundation in India) initiated a project to carry out a 'survey based study to assess and analyse the status of business ethics today and predictions for tomorrow'. It implied the status by the year 2015 and prediction by year 2020. We decided to conduct semi-structured interviews of CEO's in the business world as they play vital role, in steering profitable business. The CEO's were from manufacturing, services, IT industries and a few from research and academics institutes. We sought their views as they were at the helm of affairs and, perhaps, role models for today's youth and impacting their thought processes. We devised a questionnaire, sent them in advance and then conducted audio-visual interviews. Since the CEO's had decades of successful experience, we also included open-ended questions to provide them adequate space for genuine expression.

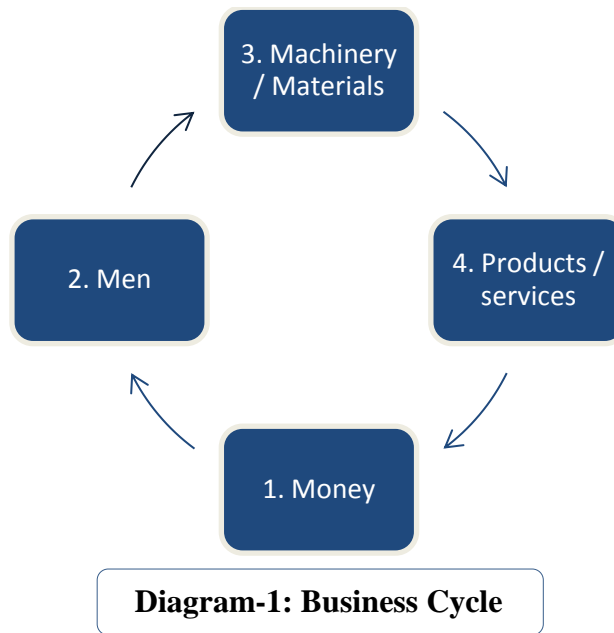
The present level of ethics averaged to 2.87 and the 2020 prediction stood at optimistic 4.5, on the scale of 1 to 7 (7 being the best). We also asked CEOs, reasons for present poor rating, optimism for 2020, the causes behind present status and of course the remedial measures.

The major reasons included pressure to achieve results, especially short term results and greed, which results in misuse of official power. Poor knowledge of laws and degeneration of values also lead to erroneous roles. The remedial measures included value education from schools/colleges, good parenting and mentoring, and training to inculcate spirit of ethics by due exposure to real life happenings in the business world. They strongly stated that '*Business without ethics is like life without character*' and added that ethical behaviour is not just an option but a must to avoid disciplinary action.

The paper shall present the detailed analysis of interview of the leaders. The analysis will help engineering education researchers to develop a view of the ethical practices and help educators in India to educate their students appropriately.

Introduction

Business means money (investment) generating more money (profits). In other words, money is used with the help of men, machinery & materials to generate products/services and that in turn, generates money. It is a continuous cycle.



Companies attain good reputation and build brand value by utilizing their strengths. In this process, a successful business unit generates profit. For a business to run successfully, it is necessary to earn the profit on a continuous basis and be in the direction of sustainability. It thus protects the interests of all stakeholders viz.

- The Employers, Investors, Shareholders
- The Employees
- The Customers
- The Suppliers
- The Government
- The Society

As such, lot of importance has been given world over, to the concept of generating profit by a business. The supporters of this strategy take an extreme view. They find an endorser in Milton Friedman, the Nobel Prize winner for Economics (1976) and fierce advocate of free economy. He said *“There is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits”*.¹

In that situation, the profit becomes the *only* motive of the business. It implies that ‘the end’ becomes more important than ‘the means’ to achieve the end. At times, this philosophy justifies use of unethical means. The result is the turmoil that is widely seen today around everywhere. However, it appears that there is another side to this view – which strongly advocates doing the business ethically.

Ethics

Ethics can be defined in any / all of the following: It is

- A] The study of what is good and right for human beings,
- B] The code of moral principles and values,

¹Business Ethics – Chris Moon, Clive Bonny and Others

- C] The obedience to the un-force-able/s and
- D] The process of learning what is right or wrong and then doing what is right

While the scope of ethics is universal, this paper discusses business ethics.

Business Ethics

It is about *giving* fair value to all stakeholders in exchange of fair *contributions* from all stakeholders. It is conduct of business that ensures an equitable exchange of value among all the stakeholder of the firm. It thus implies that a business should not only behave according to certain moral standards but also should demonstrate a level of social responsibility to various stakeholders.²

Now here, the real dilemma emerges. Those supporting the concept of profit as the only motive of a business, say that the very words 'Business Ethics' are *contradictory* and *diagonally opposite*. For them 'any business by nature is unethical'. They go to the other extreme and maintain that 'business is invariably exploitative, self-centred and immoral' and thus justifying the use of unethical means to achieve the desired end.

Bhide and Stevenson carried out a survey of CEOs and published the survey findings in in Sept-Oct 1990 issue of Harvard Business Review³. The very title was '*why be honest when honesty does not pay*'. The findings were quite surprising. Various top executives confessed resorting to unethical ways, e.g. "Philippe Kahn of Borland International, in an interview with Inc. magazine, described with apparent relish how his company got its start, by deceiving an ad salesman of BYTE magazine". The authors did not subscribe to the use of unethical means but only revealed the reality. Interestingly, it has been observed that many such companies (that followed unethical means) thrived initially but failed miserably afterwards and many CEOs kept their word because they wanted to, and not because honesty paid.

There are many who believe that ethics and business must go hand in hand. They never compromise on the ethical and moral issues and are even prepared to bear setback and/or loss in the business. They say that *honesty and integrity is the business*. Honest people make an honest organization and in the long run ethical organizations are more profitable than unethical ones. In fact, as per Sir Adrian Cadbury (British Olympic rower and Chairman of the Cadbury & Cadbury Schweppes for 24 years) "*The glue which holds a company together is its beliefs and values, rather than its systems and structures*"⁴

Today, in the highly competitive globalized environment, the bottom line has acquired great significance but it does not mean that it is to be accomplished by *compromising* the principles. While speaking in public, no one denies "Absolute necessity to observe ethics - not only in business but in every aspect of life". However, when it is to be translated in practice, problems *occur*. When they are on cross roads, and/or stakes involved are high, it is seen, that mostly they take the easy way-out. They are not prepared to face the consequences of following the *just* and *righteous* path - except a few, who stick to the core values and desist

²Business Ethics – Chris Moon, Clive Bonny and Others

³Sept-Oct 1990 issue of Harvard Business Review

⁴The Essential Guide to Internal Auditing -By K. H. Spencer Pickett

from use of unethical means. As a result, cases of corruption, bribery, nepotism and corrosion of moral values, are seen all over the world.

Transparency International [TI], and like-minded agencies have been fighting a crusade against this. It publishes ‘Corruption Perception Index’ and ranks the countries on this scale. India, with a score of 38 out of 100, is placed at the 76th rank (and USA at 16th rank) out of 168 countries⁵ (diagram 2 and 3). It says level of spread of Corruption and severity is very high here. It hurts when we read the remarks like “*Corruption is embedded in India’s collective soil. It is like water and finds a way*”.

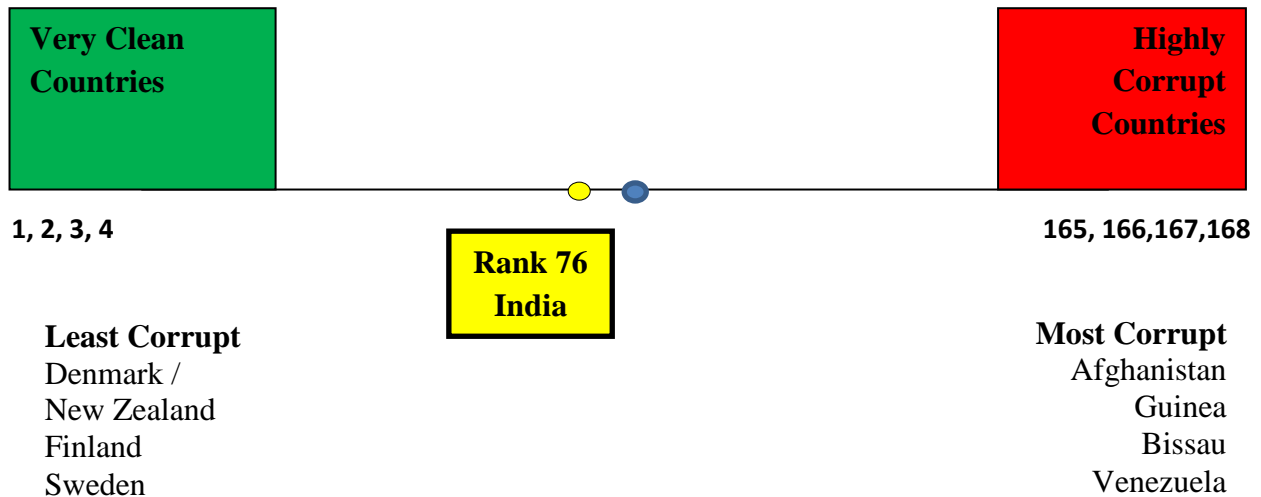


Diagram-2: CPI – Corruption Perception Index (Year 2015), Ranking of the Countries

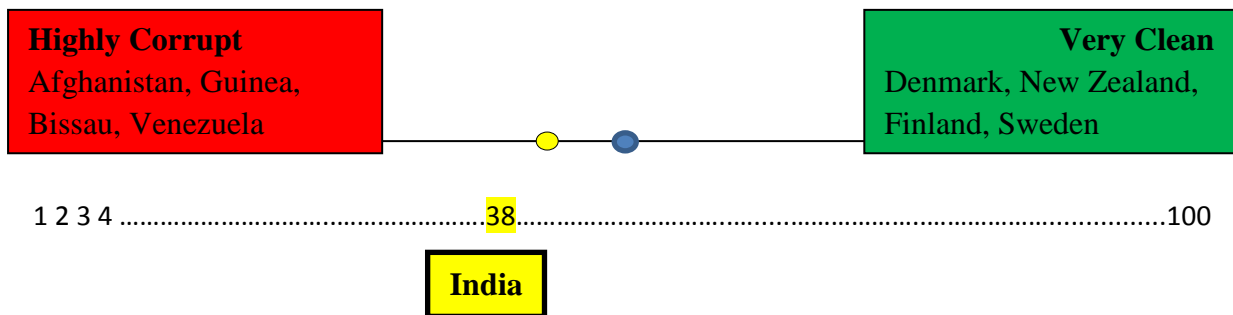


Diagram-3: CPI – Corruption Perception Index (Year 2015), Score of the Countries

Business Ethics Foundation decided to analyse the situation by ascertaining views of the CEO’s on the crucial issue. As leaders CEO’s provide vision and direction and that makes a difference. We were aware that the success of a CEO is measured on the scale of profits. In that case, it becomes a *Tug of war between profit on one side and ethics on the other* (diagram 4). How do CEO’s face such situations? Whether they succumb to the pressure or go steadfastly adhering to the core values of the business.

⁵Times of India dated 26.01.2017



Diagram-4: Tug of War between Ethics and Profit

We devised a questionnaire, mailed it to them, sought their prior appointments, and interviewed them. The questionnaire had both – open and close ended questions. In that sense, we conducted semi-structured interviews. We prepared a draft report, which was reviewed by them.

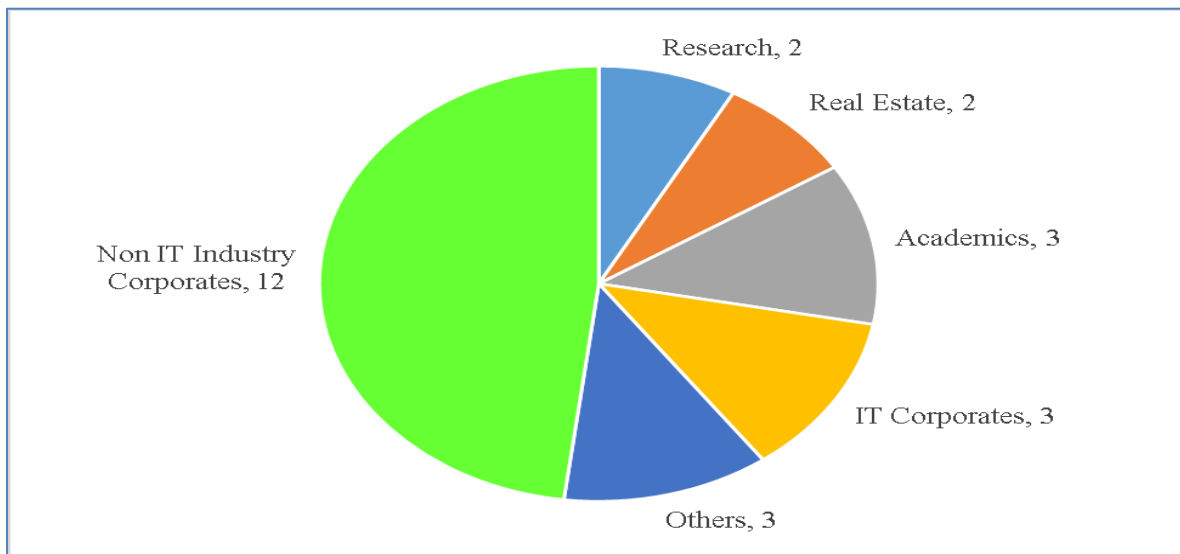


Diagram 5: Distribution of Total of 25 Interviewees

These are 25 such exclusive interviews with the CEO’s. The break-up of interviewees is depicted in diagram-5.

Method

Our first step was to prepare appropriate questionnaire, which was neither too short to make qualitative& quantitative analysis difficult after the interview, nor too long, to risk losing CEO’s patience in answering it.

A team of senior members of Business Ethics Foundation from different disciplines drafted a questionnaire. After a series of reviews, the team finalized the 16 points questionnaire (appendix 1)⁶.

1. Nearly half the questions were aimed for closed ended answers in the form of yes / no / not sure and remaining half were subjective questions to get to know the experiences and deeper thoughts of these top executives.

⁶Reference: Appendix-1

2. Consent as well as willing participation was ensured apart from finding the time slot in view of busy schedule.
3. Approach of E-mailing the form upfront to the interviewees helped in seeking the appointment for meeting cum Interview
4. CEO's gave due importance and priority to address the points. Most of the interviews held, lasted more than an hour. It has uniqueness to get to know their feel about present status of Business Ethics and prediction for future.
5. Interview for an hour or two exhibited care and concern to the core topic
6. Each of the team members of Business Ethics Foundation carefully wrote the script summarising viewpoints discussed in good detail and expressed with deeper involvement.

Last but not the least; the reports were reviewed by the interviewees prior to publication

Results

The following section provides analysis of each objective question.

Q-1. Present level of ethics. Please refer diagram 6.

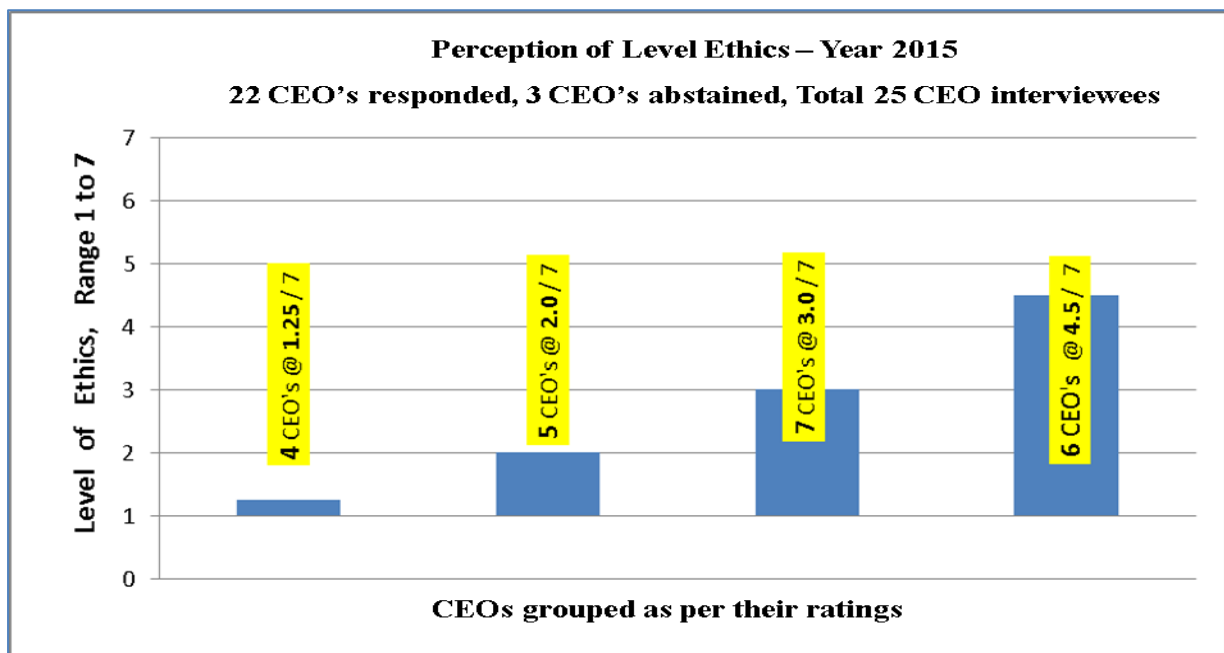


Diagram-6: Perception of Ethics at CEO level for the year 2015

Almost all the respondent CEOs expressed concern about the lower level of ethics and perceived the following reasons for that;

1. Focus is mainly on the products, services and earning money out of them. However, the statutory aspects such as taxes, duties and such other government levies both at state and centre are neglected, perhaps due to disliking.
2. Government inspectors take undue advantage of ignorance of newly formed companies leading to compulsive pay-offs without clarity of reason.
3. Till the company is caught in a wrong act, they consider what they do is right; and consider this penalty aspect as unavoidable burden.

4. Consultants provide required services, if invited to do so. However, the ambiguity in laws leads them taking a safer option of payment of full tax (as well as demanding their hefty fees), which deters individuals from following the rules

Q-2: Estimation of Level of Ethics for the year 2020. Please refer diagram 7.

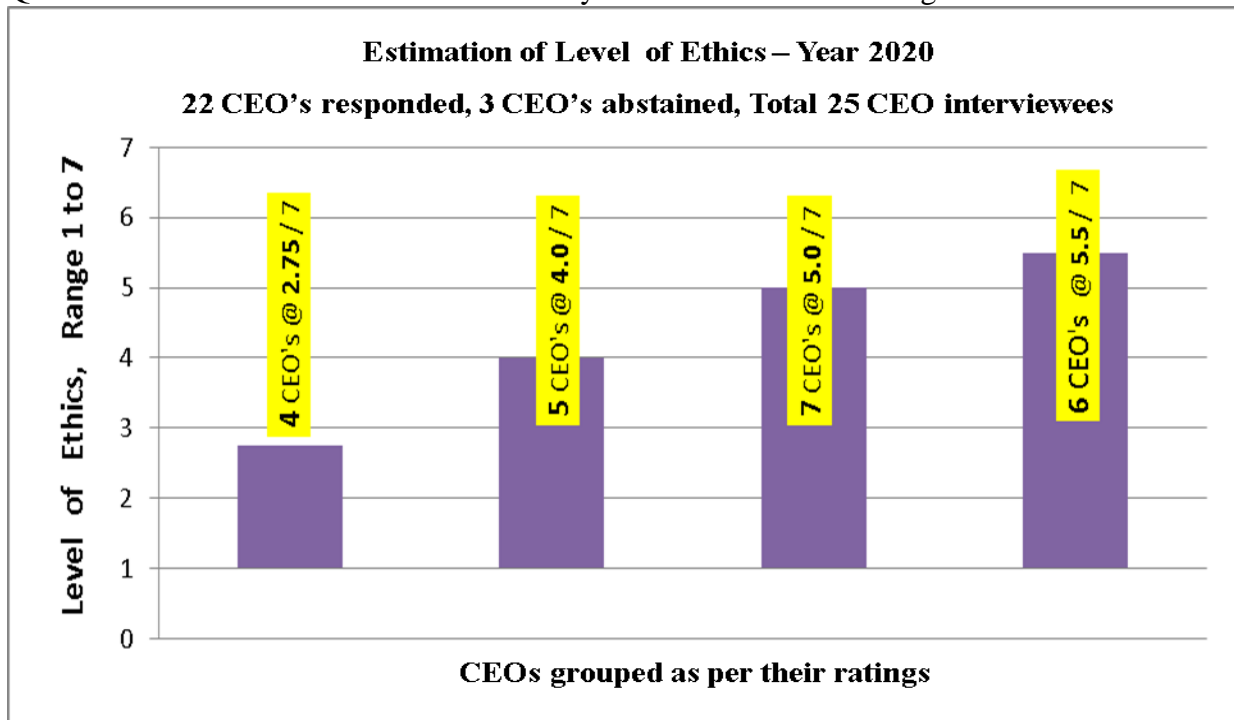


Diagram-7: Estimation of level of Ethics at CEO level for the year 2020

It is really heartening to see that all the CEOs, who participated in this estimation cum prediction, felt strongly about better future. Rise in estimation of ethics level is for following reasons.

1. Both State and Central Government basically realize the problem
2. Effects of Right to Information (RTI)* are visible and businesses as well as public are slowly realizing the benefits of RTI as a basic watch dog mechanism.
3. Rationalization in Central Excise Duty and Sales Tax in the form of GST- Goods and Services Tax – uniformly applied all over the Country is forthcoming
4. Almost full abolition of levies like Octroi at the border of city limits (Those which came in effect from British Raj times over hundred years ago)
5. Industry associations have begun to play better role in making good understanding of the rules and regulations and lobbying for further simplification as well raising concerns about undue taxation burden for a set of businesses

* An act to provide for setting out the practical regime of right to information for citizens. It provide access to information under the control of public authority to promote transparency & accountability in their working. It is a fundamental right under article 19 (1) of the constitution of India. It is intended to contain corruption & hold the Government & its agencies accountable to the people who are governed.

Thus, almost all CEOs feel that - by appropriate training and awareness as well as major policy changes at the Government Level coupled with stricter application of RTI kind of mechanism – the future is for better. Diagram 8 below provides the comparison.

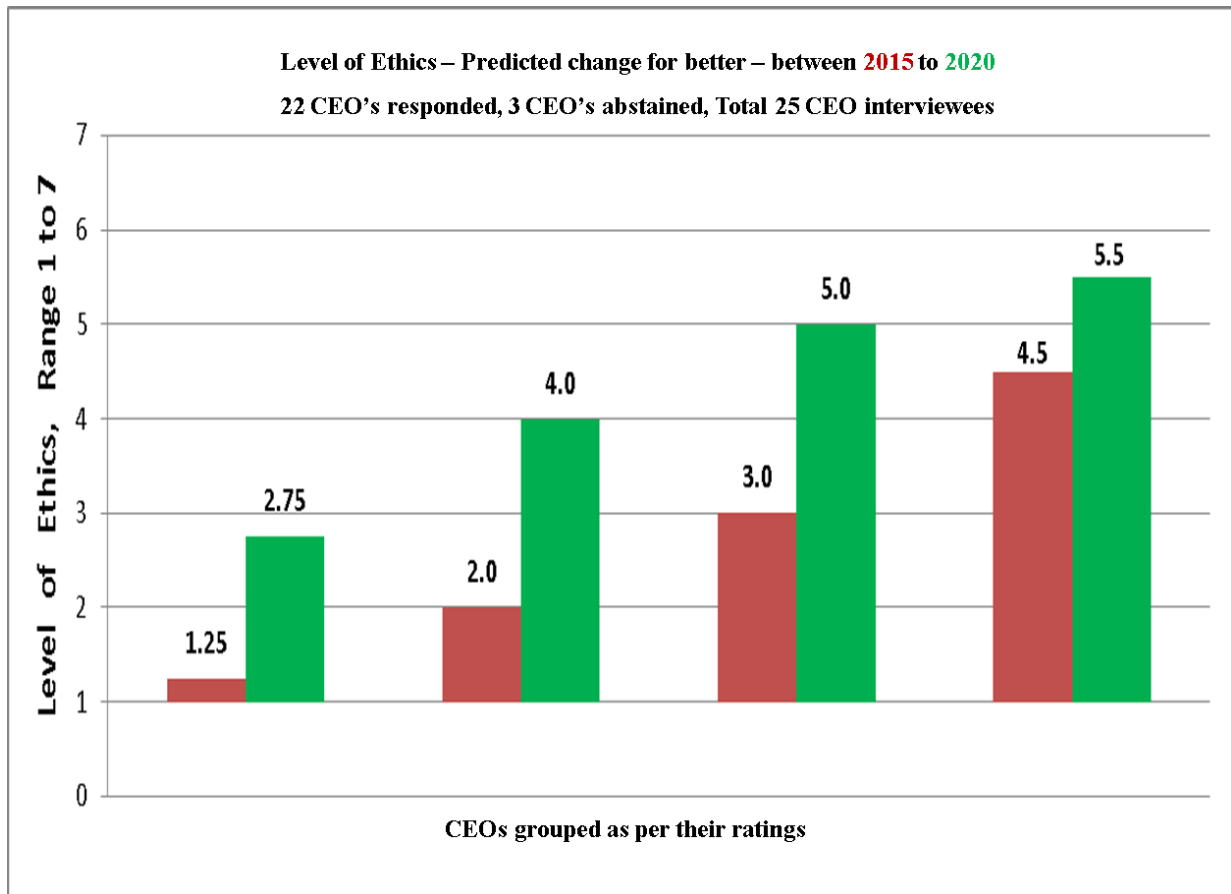
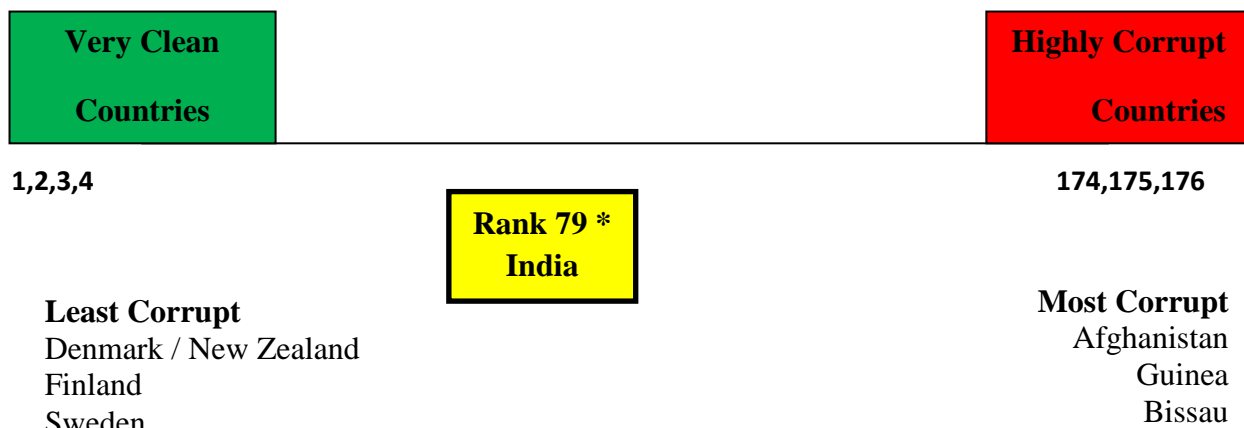


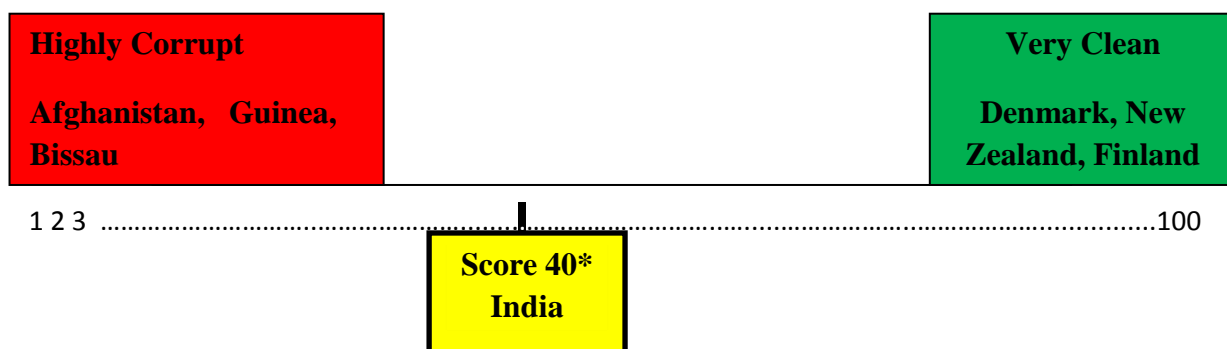
Diagram- 8: Comparison of level of Ethics between Year 2015 & 2020

This optimistic view is also reflected in the CPI Ranking for the year 2016. The trend is in the direction of improvement and hence the optimism for year 2020 looks reasonable.



* The ranking as compared to 2015 (76) appears to have gone down but it will be seen that the number of countries has gone up to 176

Diagram-9: CPI – Corruption Perception Index (Year 2016), Ranking of the Countries



* The score has improved from 38 (2015) to 40 (2016)⁷

Diagram-10: CPI – Corruption Perception Index (Year 2016), Score of the Countries

As regards Q4 on Corporate Governance the views stand divided in the percentage form 61% feel that it has taken roots in India, while 39% feel otherwise.

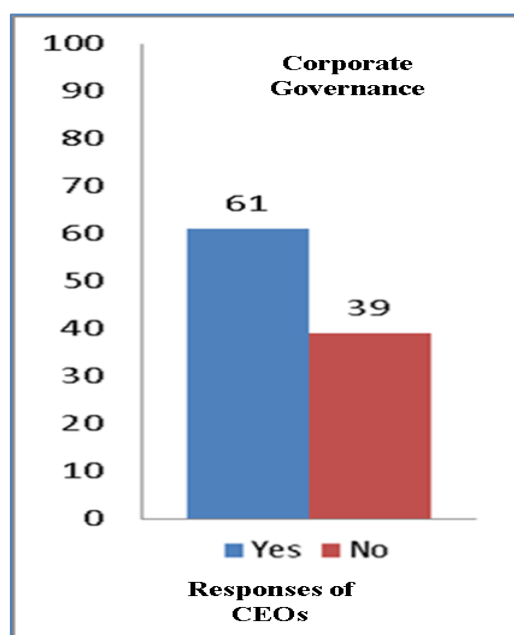


Diagram-11: Has Corporate Governance taken roots in India?

Corporate Governance is a system of rules, practices and processes by which a company is directed and regulated. It essentially involves safeguarding the interests of the stakeholders of the company. In short, it is a process set up for the companies based on certain systems and principles by which a company is governed.

Statutorily, in India the companies Act 1956 has laid down various rules and regulations to safeguard the interest of all the concerned stakeholders. However, a need for its revision and

⁷Times of India dated 26.01.2017

better implementation was seriously felt in 1992 when Harshad Mehta's* securities scam surfaced. After that the Government and other regulatory bodies (like Securities and Exchange Board of India- SEBI) have implemented recommendation of various committees set up in this regards e.g.

1. Cadbury Committee 1992 ;
2. Organizations for Economic Co-operation & Development (OECD) -1999 ;
3. Kumar Managalam Birla Committee -1999;
4. Nareshchandra Committee -2003;
5. Companies Acts Amendment 2013;
6. Accounting standards issued by- the Institute of Chartered Accounts of India (ACAI);
7. Secretarial Standards issued by - Institute of Company Secretaries of India (ICSI)

Thus, by and large corporate governance has certainly taken roots in India.

Questions 9 (Can Ethics be taught?) and 10 (Can Ethics be learnt?) fetched universally same answers.

CEOs were of the view that peer to peer sharing of good experiences can play a major role in changing the perception at the businesses who feel that it can neither be taught nor be learnt. During the last decade both government as well as Non-government organizations have begun better interaction on the ethics through Seminars and Conferences.

Q.12 About adequacy of legal structure, the respondents universally strongly criticized with the following views;

- a. We have too many laws and very poor implementation. We need to work on those to bring down to fewer laws with stricter enforcement. Point of concern is, if the law is ambiguous, it is left to interpretation to suit one's purpose (by business) or to harass (by the government).
- b. Despite liberalisation, we continue with the inspection raj which breeds corruption and bribery. We need to deal with this seriously. In sector like power – corruption is so prevalent among public and private sector that *unless we overhaul the entire process things will not change.*
- c. Can the cleaning up process start with the members of parliament? Can the government appoint fast tract courts to try criminal charges against MPs? If found guilty they must be punished and be asked to leave the parliament and their party. *If we clean up our parliament, people will start having faith in our government.*

Q.13 'Can Youth in the country face ethical challenges' fetches strong optimism; contrary to above. Hopes mainly emerge from academics who strongly believe that Indian

* Harshad Mehta was an Indian stockbroker. He undertook a massive stock manipulation which culminated in 1992. This securities scandal which took place at Bombay Stock Exchange (BSE) amounting to US \$740 million shook the nation. It exposed the loopholes in the Indian Banking & BSE transaction systems. As a result Securities and Exchange Board of India (SEBI) introduced new rules to plug these loopholes. In a long court trial Harshad Mehta was suitably punished.

youth if moulded well can learn and follow ethical practices. The argumentative youth once rationally convinced about their queries and questions can in fact spread better world with the closer friend circle. On a better forum such as Rotary Youth the message is more authentically pronounced.

Q.15 Can President of India* play important role in promoting and strengthening ethical standards? This led to good memories of some past presidents of India who gained global recognition and who were role models by way of the character, actions and achievements. CEOs mentioned these names with certain notable contributions to ethical standards, while other Presidents though no disregard to any of them, were opined to be more of political nominees.

- Dr. Rajendra Prasad- The 1st President of India – the *only* President who served two consecutive terms in the office.
- Dr. S. Radhakrishnan – 2nd President of India – 1962-67 and *Professor of Eastern Religion and Ethics at University of Oxford (1936–1952)*
- President remembered the most by CEOs is the past president Dr. A. P. J. Abdul Kalam– the 11th President of India (2002-2007), more popularly known as *Missile Man of India*. He is credited to have put up vision of India 2020 before the country. He motivated people and advised them to keep aside small differences and work for big things.

He has certainly played a major role in promoting and strengthening ethical standards by his own behaviour. To illustrate, we quote an incident: in May 2006, his relatives numbering to 52 ranging from his elder brother age 90 to his great grandson age 1-1/2 years (great grandson of his brother as Dr. Kalam was unmarried), came to New Delhi stayed with him in Rashtrapati Bhavan (Presidents House) for a week. During this stay he did not use any government vehicle and facilities. Moreover, he took care of entire expenses from his personal account, refusing usage any funds allocated to President of India for expenses at the Rashtrapati Bhavan⁸.

The following section provides analysis of each subjective question.

Q.3: American Management Association has identified following reasons for Unethical behaviour among the corporates. How do you rate them in India? Here CEOs agreed with all 5 reasons viz.

- a) Pressure to meet unrealistic business objectives/deadlines,
- b) Desire to further one's career,
- c) Desire to protect one's livelihood,
- d) Working in environment with cynicism or diminished morale, and
- e) Improper training/ignorance that the act was unethical.

*India has a parliamentary democracy; where the members of parliament (MP) elect the prime minister, the head of the government; and the MPs and elected representatives of states i.e. Member of legislative assemblies (MLA) elect the President, the head of the state.

⁸The Kalam effect – PM Nair- Dec 2011- Harper Collins India

Depending on class or cadre of the employee reasons varied from c] to b]; Reason such as e] came up mainly from the organizations, which started during last five years and not yet stabilized.

Instances of reasons like a] cropped up in Organizations striving for high speed growth such as year on year doubling of revenue/profits. Single most highlighting reason came up during the discussion was those who behave unethically rarely get punished and if the environment is full of such people, why I alone should be an exception?

It is interesting to see that Alliance for Integrity formed with German Cooperation have come up with 10 commonly given excuses⁹ for corrupt behaviour as per table 1 below

1	I didn't know this was corruption!
2	I didn't do it for me; I did it for my organization!
3	No one gets hurt; it is actually a win – win!
4	You don't understand how business is done here...
5	If we don't do it, someone else will.....
6	We cannot make a difference on our own....
7	We need local partners to get the job done
8	We cannot afford an anti-corruption programme
9	They are only going for the big companies anyway
10	I don't know how to respond to corruption

Table 1: Ten commonly given excuses

Q.5. Narrate an experience where it is almost impossible to maintain ethical standard. Though this question got less response CEO's had mostly skipped this as passing phase for a developing country, wherein Government Inspectors pose themselves to be powerful enough to stop the activity or terminate the same altogether. A CEO shared his experience of paying higher electricity bills even though they had required certificates to avail concessions. Point which strongly came up from most of the CEOs is hold ups created by mainly Government officials at the instances such as customs duty payment, wherein the time is essence of the project. Late delivery of the project may cause more harm than the unethical demands of the Inspector.

Q.6 As regards Role models of ethical behaviour such as Mahatma Gandhi, Ratan Tata, Mother Terressa, Peter F Drucker, Henry Ford to just name a few – CEOs were in full agreement with the names mentioned. A few CEOS also mentioned that the coming century may not provide such role models of international acclaim and emergence of heroes in social life and leaders in STEM and similar other growing fields may emerge for Indian youths to admire and follow.

For Jamshetji Tata, the founder of Tata Group, the ends of entrepreneurial success were always secondary to how they were achieved. As such, he genuinely believed in the principles of integrity, honesty, trust, caring and transparency. These principles have become an integral part of the 'Tata Way'. Ratan Tata – Chairman of Tata Group from 1991 to 2012 has, like his predecessors, ensured consistent practices of

⁹Alliance for Integrity -www.allianceforintegrity.org

these principles. In an interview, he said “Business, as I have seen it, places great demand on you. It needs you to enforce the framework of ethics, values, fairness and objectivity on yourself at all times. It is easy, not to do this: you cannot impose it forcibly because it has to become an integral part of you. What has to go through your mind at the time of every decision, or most decisions, is: Does this stand the test of public scrutiny? As you think the decision through, you have to automatically feel that this is a wrong, incorrect or unfair”.

It was consistently reflected and illustrated in all the activities of Tata Group even when the stakes involved were very high. During the tribulations of Tata Finance, Ratan Tata assured that interests of every depositor would be fully protected so that no one who had trusted Tata name, lost on account of ill-advised actions by some members of Tata Finance Management. Even a helicopter was kept in readiness so that funds could be transferred quickly by air if necessary. Secondly, he saw that a thorough investigation would be completed so that guilty could be pursued and punished. This shows the adherence to these principles of Tata way and get integrated and internalised in every action of the employees¹⁰

- Q.7 Specific steps taken to maintain ethical standards in the companies to which CEOs belong – almost all 4 answers provided in the questionnaire form have been accepted and mostly practised, specifically ‘whistle blowing’ process is prevalent in many companies. In the Government sector, it is mostly through the vigilance department while in private sector it is handled differently. There are some notable and transparent practices in certain public sector organizations such as declaring awarding of purchase order and even releasing of payment to the vendors on company website.
- Q.8: Value education through conscious parenting apart from schools, colleges and management institutes has been fully endorsed by most of the CEOs. The education should inculcate ethical values, which can happen through case studies and real-life examples in their environment and not by mere advices about being ethical. The trainers or teachers prevailing upon the trainees or students to be ethical will not be effective as it may simply appear to be proclamation or a sales talk. Managing to create ‘self-realization’ is one of the harder tasks. Proactive effort of being ethical is more important than just ‘virtually’ thinking about it. “Thinking is good but doing is better”. The task for the trainer is to effectively bring this to the attention of trainees.
- Q.11: Almost all CEOs have opined positively on the government role in maintaining ethical standards. The society in general and the corporate / institutions in particular have to operate under respective municipal corporations. The large context is with state and central government. At all three levels, public at large and the corporates / institutions face problems on account of bribery, corruption, negligence and nepotism. Government can do a lot more on that front. The ray of hope experienced by almost all members of society is from tools such as RTI, demonetization, and digitalization. The head of the governments such as city mayors, state governors, and Indian presidents can bring about the improvement at respective levels.
- Q.14 CEO’s do feel professional bodies within their capacity are certainly helpful in collectively taking up the problems faced by corporates and institutions, with the

¹⁰Tata LOG – Harish Bhat- Penguin Books India 2012

government authorities for suitable solutions. This is just not feasible at the individual company levels as that would be considered as only a problem for that specific entity. Accounting and financial matters are dealt on a professional level by Institutes of Chartered Accounts and Cost and Works Account of India. Their standing and reputation in the eyes of authorities is indeed useful. Similarly, industry association like CII – Confederation of Indian Industry - with more than a hundred years of presence is able to create a forum with government authorities to deal with the problems of Industry.

Q.16 CEOs have suggested improvements in enhancing the standard of ethics at the national level in following manner;

1. Transparency in the dealings at the local, state and central government is necessary to hold cleaner image of government officials.
2. Discretion and parity in implementation of rules & regulations with ethics friendly laws
3. It is certainly worth mentioning that huge resources have become available to carry out socially and ethically relevant projects due to a legal framework under the Companies act 2013 (Reference: Corporate Social Responsibility- ‘An Engine for Inclusive Growth’ – ISBN 978-93-82207-24-5 by The Institute of Company Secretaries of India – Statutory body under an Act of Parliament). That can be utilized to bring in the required social changes by companies and non-government organizations. Similarly, the power of RTI – ‘Right to Information’ is gradually realized by the public and society in general and NGO’s in particular – especially those actively participating in raising appropriate queries.
4. CEO’s do show optimism in bringing about the betterment in level of ethics though they all feel, it is a huge task. One must come out of cosy space of individual vested interests, though. Training and mentoring can play useful role provided the same is dealt with confidence and authenticity.

Conclusions

1. The present level of Ethics in India averaged at 2.87 and the year 2020 prediction stood at optimistic 4.5, on the scale of 1 to 7 (7 being the Highest). This is based on the semi-structured Interviews held during the year 2015 with 25 CEOs in respect of 8 objective questions and other 8 subjective questions.
2. The Interviewee’s optimism for betterment in level of Ethics from 2.87 to 4.5 stands well justified due to several initiatives of the government of India e.g.

A] Demonetization to help check black money, anticipated by the CEO’s
B] GST- for standardization of Goods and Services tax across the Nation,
C] Legalizing Corporate Social Responsibility (CSR)
D] Right To Information (RTI) etc.- to just mention a few.
3. Transparency International’s Score for India has marginally improved from 38/100 to 40/100 respectively for Year 2015,2016, This is ranking of a total of 168, 176 Countries in respect of Corruption Perception Index (CPI) (Ref: Times of India:26-Jan-2017)

4. The present state of Business Ethics from ‘*Compromise to Compliance*’ is positively heading to next higher and better state viz. ‘*Compliance to Commitment*’ by the Year 2020

Following are the obvious limitations of the study carried out

1. The sample size of the study is limited to twenty-five numbers
2. Perception of Business ethics by only six types of Industry Sectors.
3. No serious ethical deviation faced by any of the interviewees.
4. Twelve percent CEO’s abstained from rating the status and predictions

Some of these limitations can be overcome by scaling up such studies at local, state, and central Government level through statutory means of deployment.

Future directions include the need for better understanding of ethical practices in the business at all levels of the stakeholders on the basis of willing participation. Every truth today needs a fancy dress for adequate realization. Ethical practices are no exception. In fact those are more difficult to highlight. The ethics education needs to be an integral part of formal education and include relevant case studies, especially where unethical practices were penalized and proved to be counter-productive. Development of well-designed programmes for ‘Train the trainers’ need be on priority for engineering and other faculty.

Acknowledgment

We thank the whole team of interviewers and supporting crew of Business Ethics Foundation, Pune (India) led by the Founder President, Dr.S.G.Bapat, for valuable contribution in successfully completing the project. We also thank Indira Institute of Management, Pune (India) for entrusting such a pioneering work to Business Ethics Foundation and appropriately funding the same. Special thanks to all the twenty-five CEO’s, who in spite of their busy schedule agreed to spare their valuable time for this noble cause and without whose co-operation the task couldn’t have been ever completed. We also thank anonymous reviewers for their valuable comments that improved quality of the paper.

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Appendix-1

Questionnaire Form for 25 CEO's (Year 2015)	
Q#	Text of the Question
1	The present i.e Year 2015 Level of Ethics in India
	1-poor to 7- Outstanding
2	Prediction /Estimation by Year 2020
	1-poor to 7- Outstanding
3	American Management Association identified reasons for Unethical behaviour among the corporate. What's your rating
A	Pressure to meet unrealistic business objectives/deadlines
B	Desire to further one's career
C	Desire to protect one;s livelihood
D	Working in Environment with Cynicism or Diminished Morale
E	Improper Trainig/ Ignorance that the act was unethical
4	Do you think Corpoarate Governance has taken root in India
	Yes or No or Not sure
5	Narrate an experience whereit is almost impossible to maintain ethical standard
6	Do you accept that there are following Role Models
A..D	Mahatma Gandhi, Azim Premji, Ratan tata, Narayan Murty
E..H	Mother Teresa, Barak Obama, Bill Gates, Stephen Covey
I,J	Peter Drucker, Henry Ford
7	Tell us which specific steps your orgnization takes to maintain ethical standards?
A..C	Training on regular Basis, Counselling & Mentoring, Punishment
D,E	of unethical behaviour, Allowing freee/frank discussion,Any other
8	What are your suggestion for "Value Education" at School/ College/ Management Institute Level
9	Can ethics be taught ?Yes/No
10	Can ethics be learnt? Yes/no
11	Do you feel that government has a role to play in maintaining ethical standards?
	Pl specify
12	Do you feel present legal structure is adequate to deal with ethical challenges?
	Yes, No, Not Sure
13	Do you feel that youth in the country will be able to face ethical challenges?
	Yes, No, Not Sure
14	Do you fel that following professional bodies are handling implications of ethics reasonably well? (Add if you like)
A	All India Management Association
B	Insitute of Chartered Accounts of India
C	Insitute of Cost and Works Accounts of India
D	Chambers of Commerce
E	C.I.I. Confederation of Indian Industry]
F	Rotary Clubs
G	Indian Medical Assocation
H	Any other(specify)
15	Do you believe that the President of India can play very important role in promoting and strengthening ethical standards?
	Pl specify
16	On the basis of your rich experience, what are your suggestions for improving the standards of ethics in India?
	Pl specify