

Ethics And Entrepreneurship

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Abstract: Entrepreneurship his that it is the running of a business for oneself. Entrepreneurship has attracted increasing attention for its contribution to new products and services, employment, and the economy more generally. Entrepreneurs should not break the rules regarding truth telling and promise making. Entrepreneurs who are regarded as creative innovators are praised for their contribution to the development of society by creating new products, employment opportunities and thus opening new possibilities for all of us. On the other side, Entrepreneurs are often criticized for compromising moral values for their success. In today's competitive world, to succeed in their business, entrepreneurs should not break the rules just for their success.

Keywords:-Entrepreneurship, Society , Entrepreneur , Ethics , Economy.

1. INTRODUCTION

“Even if your ambitions are huge, start slow, start small, build gradually, build smart”.-Gary Vaynerchuk

Entrepreneurship is a process of designing, launching and running a new business which is often initially a small business. The people who create this business are called entrepreneurs. It is an act of creating a business or businesses while building and scaling it to generate a profit. Entrepreneurs can change the standard of living by increasing their own wealth from their ventures and at the same time they facilitate for improvement of the living conditions and provide more job opportunities for the society. They create new business which leads to increase in GDP of our country and they also pave way for community development which leads to positive changes in the society. The system of moral and ethical beliefs that guides the values, behaviours and decisions of a business organisation and the individuals within that organisation is known as business ethics.

2. ETHICAL ELEMENTS

“Ethics is doing the right things in life and acting accordingly”. As a good entrepreneur, Some ethical elements to be followed in this competitive scenario as there is focus on Corporate Social Responsibility by every concern to compete and succeed in their business. The ethical elements to be followed by entrepreneur although it is hard not to preach a bit

when it comes to ethics and morals. There are some elements that comprise the ethical bedrock of an effective organization. They are:-

❖ **Respect**

The entrepreneur can develop his business rapidly only by mutual respect and trust which results in effective management of human resources. If the relationship weakens, business cannot be established.

❖ **Honor**

Great performers and achievers and producers who are the backbone of an organization should be properly recognized, Entrepreneurs should acknowledge their strengths and hard work who are responsible for the success of business even by crossing the limits and should always make them feel good.

❖ **Integrity**

Entrepreneurs must always have the integrity and don't compromise it for any reason. Learn to accepts faults so that people around also starts practicing which opens the gate of success.

❖ **Customer Focus**

A company's motto should be always for the people and by the people. Any deviation results in failure to capture market. Emphasize more on products that people like and make modifications accordingly.

❖ **Result oriented:**

The results attained without giving up company values is a long term benefit. Entrepreneur choose a path which finally ends up in giving the best product to the customer at a reasonable price. The companies

play an important role in identifying the potential of the employees and help them to bring out their best that leads to success.

❖ **Risk Taking:**

Top organization grow by taking risks. Entrepreneurs cannot be very cautious at all times, deviate from safe paths, ready to take risks, learning during the period, face more challenges and at last tackle them efficiently. Big companies motivate employees who are willing to take risks and they extend full support to overcome risks, but what ever they do, it is only within the ethical boundaries.

❖ **Passion:**

Entrepreneurs should have people who work passionately for be development. More involvement in work should be the nature and not by force, Ready to works witout time cautions leads to achieve the goals.

❖ **Persistence**

Entrepreneurs will never give up until they succeed without bothering about the results or risks. These ethical element are to be given due importance for becoming top achievers in business and always remains in the minds of people years together.

3. UNETHICAL PRACTICES OF ENTREPRENEUR

❖ **Act of deception or dishonesty**

Today's business world try to surprise customers by their act of dishonesty but now a days customers have more awareness due to their exposure to social media.

❖ **Manipulation of Accounts:**

It is common to manipulate the accounts there by profits are minimized which is one of the important unethical behaviour (Eg., **SATHYAM COMPUTER LIMITED**)

❖ **Wages and Working Condition:**

Child labour, Lower wages, unsafe or unsanitary working conditions are some of the unethical practices.

❖ **Environmental impact and Risk**

Producing a Product that is exposed to environmental risk, polluting air, water , affecting masses of people in the society, inadequate safety measures while releasing harmful toxins which has greater impact on environment.

❖ **Tax Loopholes:**

Tax Evasion is one of the major unethical practices which affect the economy.

By considering all these unethical practices which has negative impact on our society, Entrepreneur always being an ethical person in his business.

CASE STUDY I BARBIE DOLL COMPANY:

Barbie doll was every child's prized possession in 1980's. However, Mattel went a little too far to optimize the operations costs. The company outsourced manufacturing to China. This move seemed disastrous for the company, The latest Chinese shipment of their dolls had 180 times the legal limit of lead content. Also, small magnets found in the doll which reportedly by perforates the intestines of some of the children. Due to their unethical behavior, Barbie Doll Company lost their market.

CASE STUDY II MAGGI NOODLES OF NESTLE INDIA:

Before Maggie an instant noodle was launched in India in 1983, nobody had imagined that a snack could be prepared in two minutes. Ushering in "two minute revolution" this product was initially towards middle class working women who struggled between their official duties and personal duties. But more than Maggi moms, the product appealed to children and youngsters.

For three decades, it was a smooth sailing for Maggi but a storm struck in 2014 when a laboratory in Gorakpur proved that samples of Maggi contained lead and monosodium glutametal (MSG) much beyond the permissible limit. Nestle India challenged this decision but the results by Kolkata central laboratory in 2015 corroborated the previous results. Consequently, several state Governments began testing samples and banned the product. Within a few days, Maggi was off the shelves.

When Nestle India realized it had landed in a soup, it knew it was a time to hand over the reins to an expert crisis manager Mr. Suresh Narayanan, former head of Nestle's operations in Philippines and Egypt, was asked to "**bring company back on track**" in India. He had to now recalibrate, renew, rebuild the brand from scratch. He had to bring Maggi back. In June 2015, Nestle announced a recall of all its instant noodles from the markets. It began to be executed within two days. At the same time, the other step was confidence building measures. Finally, by taking lot of efforts and measures, it can bring back its market. Now the Maggi Noodles again play a dominant role by following the footsteps of ethical behaviour.

4. CONCLUSION

A person not only become an efficient entrepreneur but also must be an ethical entrepreneur is need of the hour due to severe competitions in business world. Moral entrepreneurship contributes to the

development of both society and the trust of stakeholders. Improving ethics is a struggle accompanied by conflict and resistance for every entrepreneur but the ethics is strictly followed, there is a move towards transition and the capability to gain power and share the market. The intersection of entrepreneurship and ethics is receiving increasing scholarly attention in current scenario. Entrepreneurs face uniquely complex moral problems related to basic fairness, personnel and customer relationships, distribution, dilemma and other challenges. In spite of various struggles, if ethics is strictly followed by considering the social responsibility, there will be a development in business which in turn to development of economy too. **“Being good is good Business”**

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