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Business ethics

From oxymoron to defining issue of 21st-century business

Business ethics is not a new concept, but since the Enron and WorldCom scandals of 2002, more attention has been paid to ethics in business (or the lack thereof) than ever before. Although minor changes were subsequently legislated regarding corporate governance, disclosure and accounting procedures, it has been generally recognized that business ethics is more than compliance with the law and requires a major shift in corporate culture. Business ethics now means conducting all aspects of business and dealing with all stakeholders (employees, partners, clients, shareholders, suppliers, the communities, and natural environments in which businesses operate), in an ethical manner. The broad term *business ethics* thus includes the concepts of corporate social responsibility (CSR), corporate sustainability, and corporate citizenship.

Since a separate article could cover ethics in each area of business practice (accounting, human resources, marketing, etc.), the resources selected here are some of the best general sites with an international focus and significant free content of interest to students, researchers, practitioners, and the general public.

Gateway sites

These sites provide mainly links to online resources in business ethics.

• **Business Ethics.** Created by Librarian Sharon Stoerger, this starting point, although not recently updated, still provides useful annotated links to business ethics resources organized by type: articles and publications, case studies, corporate codes of ethics, professional organizations and associations, resources, and centers. *Access:* http://www.web-miner.com/busethics.htm.

• **BusinessEthics.ca: The Canadian Resource for Business Ethics.** Administered by Chris MacDonald, a philosophy professor at Saint Mary's University in Canada, this site provides links to Canadian and international business ethics organizations, case studies, articles, and consultants. It is part of his larger EthicsWeb.ca site, which links to other ethics-related sites. *Access:* http://www.businessethics.ca/.

• **CSR Directory.** Available on the CSRwire Web site, this directory provides contact information and links to more than 1,000 organizations concerned with CSR, searchable by organization name, type, contact name, and location. Also on the CSRwire site are corporate CSR reports, news releases, job opportunities, and events. *Access:* http://www.csrwire.com/directory/.

Informational sites

These sites by nonprofit organizations go beyond lists of links to provide significant free content, such as background information, practical tips, etc.

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• **Business & Human Rights Resource Centre**. This is an independent, international, nonprofit organization—in partnership with Amnesty International and academic institutions—working to promote greater awareness of issues relating to business and human rights. The site has information on thousands of companies, more than 160 countries, and 150 issues. It links to thousands of publications, reports, and guides, including reports of corporate misconduct and examples of "best practice." It also has extensive annotated lists of related sites. *Access:* http://www.business-humanrights.org/Home.

• **Business for Social Responsibility (BSR).** BSR is a global nonprofit organization that helps promote corporate social responsibility. The resources available on their site include more than 50 free *Issue Briefs* on CSR-related issues. Each publication has a summary of the issue, its business importance, key developments, external standards, steps for implementation, leadership examples, sample policies, awards and recognition, and well-annotated links to further resources. An excellent, informative site. *Access:* http://www.bsr.org/.

Business for Social Responsibility

• **Canadian Business for Social Responsibility (CBSR).** A globally recognized source for CSR expertise in Canada, CBSR is a nonprofit, peer-to-peer learning organization. The Web site includes information useful for any company wishing to improve its CSR. A 14-page summary of the publication *GoodCompany Guidelines* includes checklists for companies to assess, improve, and report on their social, environmental, and financial performance. Other CSR papers, reports, speeches, and presentations are also available. *Access:* http://www.cbsr.ca/.

• **Ethics Resource Center (ERC).** This nonprofit organization works to strengthen ethical leadership by providing research, education, training, and consulting services. The Web site includes the *Ethics Toolkit,*

links to other ethics sites, articles, books, and other publications on organizational ethics, including the ERC newsletter "Ethics Today" and summaries of ERC's most well-known research project, the National Business Ethics Survey, which examines workplace ethics from the employee's perspective. *Access:* http://www.ethics.org/.

• **European Corporate Governance Institute (ECGI).** An international nonprofit research association disseminating research and promoting best practice in corporate governance issues, the ECGI Web site includes links to corporate governance codes, principles, and recommendations by country (not just European). A database of working papers, searchable by title, author, keyword, and year is available in full text via the Social Science Research Network eLibrary. *Access:* http://www.ecgi.org/.

• **GreenBiz.com.** This is an information-rich resource intended to help companies integrate environmental responsibility into their business practices. GreenBiz.com is a program of the private, nonprofit National Environmental Education and Training Foundation. The Web site provides a wealth of information, including daily news feeds, newsletters, briefing papers, reports and

how-to guides, an organization directory, a database of sites selected as the best on business and the environment searchable by topic, sector and environmental issue; a directory of U.S. awards and recognition programs; and a link to the GreenBiz Leaders database, which has hundreds of examples of corporate environmental practices and reports, listed by company and searchable by keyword, sector, and type of initiative. *Access:* http://www.greenbiz.com/.

• **International Business Ethics Institute.** This is a nonprofit, educational organization that promotes global business ethics and corporate social responsibility. Through its Web site, the institute provides

selected articles from *International Business Ethics Review* (its flagship publication), tips and guidance in FAQs, a "Top 10 Mistakes" list, a brief business ethics primer, and a good selection of annotated links to other business ethics sites. *Access:* http://www.business-ethics.org/.

Watchdog / advocacy sites

These groups play a vital role in exposing and researching corporate abuses, educating the public, and encouraging companies to improve their ethical behavior.

• **Better Business Bureau (BBB).** A private, nonprofit membership organization created in 1912 to monitor and influence business ethics in the marketplace, BBB acts as an intermediary between businesses and consumers in the United States and Canada to resolve disputes and provide information on ethical business practices. The business ethics section of their site has the BBB standards and codes of practice. Users can also search for more than 2.5 million companies or national charities and receive the "BBB Reliability Report," a brief report on a company's record in dealing with customer complaints and government actions against the company, or the "Charity Report," which shows whether a charity meets the BBB standards for accountability and provides details on the charity's programs, governance, etc. Complaints against companies and charities can also be filed online. *Access:* http://www.bbb.org/.

• **Business Ethics Network.** A network of environmental, labor, health, and community organizations working to improve the business conduct of the world's largest corporations. The Web site has information on conducting effective campaigns to influence and change the behavior of corporations, and case studies and press releases of companies that have made positive changes. The Corporate Campaign Toolkit includes tips for activists, such as how to avoid a defamation suit, planning a media strategy, negotiating with a company, etc. *Access:* http://business-ethicsnetwork.org/.

• **Corporate Accountability International.** Formerly known as Infact, this is a membership organization that challenges irresponsible corporate behavior around the world. The Web site includes news releases, fact sheets and more in-depth reports on the issues of their major campaigns, the group's standards of political conduct for corporations, and information on how to get involved. *Access:* http://www.stopcorporateabuse.org/.

• **Corporate Research Project.** This is a nonprofit center that assists activists in researching corporations to encourage business to behave in a socially responsible manner. The Web site has several online publications, including a helpful guide, *How to do Corporate Research Online,* and the newsletter "Dirt Diggers Digest" (edited by the Director of the Corporate Research Project, Philip Mattera, archived from 2002 on), and the "Corporate Research E-Letter," archived from 2000 on. Articles are on sources of information for corporate research and trends in corporate and government disclosure policies and practice. *Access:* http://www.corp-research.org/

• **Corporate Watch.** A small, independent, nonprofit research organization based in the United Kingdom, which examines the social and environmental impact of large corporations, especially multinationals. The Corporate Watch Web site has detailed profiles of some of the world's largest corporations, overviews of major industry sectors, news, research reports, and other information, including a 16-page guide on how to research companies. *Access:* http://www.corporatewatch.org/.

• **CorpWatch: Holding Corporations Accountable.** This is a U.S.-based organization of independent journalists that investigates and exposes corporations profiting from war, fraud, and environmental and human rights abuses around the world. The Web site has lots of articles on issues involving

corporate power and corruption and guides on how to research a company and industry. *Access:* http://www.corpwatch.org/.

Ethics codes and CSR reports

The following sites have good collections of corporate ethics codes and nonfinancial reports.

• **Business & Social Initiatives Database (BASI), ILO.** This International Labour Organization database contains summaries of and links to private sector policies, reports, codes of conduct, accreditation and certification criteria, etc. It is searchable by organization; country; region; business sector; or specific labor, employment, or CSR issue. *Access:* http://www.ilo.org/public/english /employment/multi/basi.htm.

• **Business Ethics Links, Schulich School of Business.** The links page of this business school at York University-Canada provides a good set of updated links to codes of conduct and other instruments and resources for corporate responsibility organized by industry and topic. There is also the extensive *Compendium of Ethics Codes & Instruments of Corporate Responsibility,* created in 2003. *Access:* http://www.schul-ich.yorku.ca/ssb-extra/businessethics.nsf /allwebdocuments/links.htm

• **CorporateRegister.com: A Register of Steps Towards Sustainable Business.** Established by Next Step Consulting, this is considered the world's most comprehensive online directory of international corporate nonfinancial (CSR, environmental, social, and sustainability) reports. It includes thousands of reports, archived from 1990 on. Access is free, although registration is required to see more than a few sample reports. *Access:* http://www.corporateregister.com/.

More Internet Resources online

Additional resources for electronic journals and news related to business ethics can be found in the online version of this article at www.acrl.org /c&rlnews.

International standards and guidelines

A significant recent development is the acceptance of international standards and guidelines by businesses operating in the global marketplace. The following are some of the most cited as informing the ethics codes and CSR reporting of multinational corporations.

• **AccountAbility.** The international nonprofit Institute of Social and Ethical Accountability is responsible for the AA1000 Series of assurance standards, principles-based standards for improving the sustainability performance of organizations in all sectors, of all sizes, anywhere in the world. The standards and related guides are available on this site along with research reports, news, and primers on social and ethical accountability. *Access:* http://www.accountability. org.uk/aa1000/.

• **Global Reporting Initiative (GRI).** Working in cooperation with the United Nations Global Compact, GRI is an independent institution with a mission to develop and disseminate globally acceptable reporting guidelines. The widely accepted GRI guidelines incorporate reporting principles applicable to most companies of any size, sector, or location. The guidelines and related information are available on this site for voluntary use by corporations reporting on economic, environmental, and social dimensions of their activities, products, and services. The site also includes a GRI Reports database of sustainability, environmental, and other nonfinancial reports searchable by country, organization, and sector. *Access:* http://www.globalreporting.org/.

• **International Fair Trade Association (IFAT).** A global network of fair trade organizations, IFAT promotes fair trade and greater justice in world trade. The Web site includes information on the concept and history of fair trade, the IFAT Code of Practice and Standards for Fair Trade Organizations and their monitoring system, and links to other

fair trade organizations. *Access:* http://www.ifat.org/.

• **OECD Guidelines for Multinational Enterprises.** These widely accepted guidelines, endorsed by OECD governments, including Canada and the United States, are recommendations to multinational corporations operating in or from all 30 member countries. They are voluntary principles and standards for responsible business conduct in many areas, including employment, industrial relations, human rights, the environment, information disclosure, competition, taxation, science, and technology. The OECD Directorate for Financial and Enterprise Affairs Web site has the text of the guidelines and information about them, implementation procedures, and links to national contact points. *Access:* http://www.oecd.org/department/0,2688,en_2649_34889_1_1_1_1_1,00.html.

• **Social Accountability International (SAI).** SAI is an international nonprofit human rights organization dedicated to the ethical treatment of workers around the world. Their SA8000 Social Accountability Standard is a widely recognized standard for workplaces. It is based on ILO and UN conventions and is used by corporations and governments worldwide to ensure ethical labor conditions in the production chain of suppliers. *Access:* http://www.sa-intl.org/.

• **United Nations Global Compact (GC).** A voluntary initiative involving hundreds of companies from all over the world and international labor and civil society organizations, GC's objectives are to promote responsible corporate citizenship and support universal social and environmental principles. The GC "Ten Principles" cover human rights, labor, the environment, and anti-corruption and are the base for ethical codes of conduct intended to address inequality in the global marketplace. The Web site includes these and related guidance documents, cases, academic publications, information from GC conferences, workshops, meetings, and more. *Access:* http://www.globalcompact.org/. ✐