

## TRAINING PROGRAM BY LECTURERS FOR STUDENTS ABOUT ETHICS AND SOCIAL RESPONSIBILITY IN INTERNATIONAL BUSINESS

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Received: 22 October 2024

Published : 30 December 2024

Revised : 07 November 2024

DOI : <https://doi.org/10.54443/irpitage.v4i3.2447>

Accepted: 28 November 2024

Publish Link : <https://radjapublika.com/index.php/IRPITAGE/>

### Abstract

Business ethics is everything about guiding norms for a company in making decisions. Business ethics has several theoretical explanations, namely the theory of virtue, theory of rights, theory of deontology, theory of teleology. Ethics is defined as an individual's beliefs about whether certain decisions, behaviors or actions are right or wrong. Ethical behavior in cross-cultural and international contexts is how organizations treat employees, how employees treat organizations, how organizations and employees treat other economic agents. Social responsibility is a collection of organizational obligations to protect and promote the community in which the organization works. . Some organizations recognize that they have all three areas of responsibility and strive to achieve this, others emphasize only one or two areas of social responsibility. And very few do not know social responsibility at all.

**Keywords:** *Ethics, Business, Responsibility*

### 1.INTRODUCTION

International business occurs one of them because of the inability of a country to meet all the needs of its country, therefore the idea arose to establish cooperation between one country and another in order to meet the needs of goods or services that cannot be produced and obtained within a country due to certain factors. International business provides changes and new colors in the business world. Because the scope of business is getting wider and involving two or more countries, and avoiding the emergence of fraud or things that can cause conflict, business ethics is needed so that the world economic order is getting better.

Basically the role of business ethics in economic activity is not only aimed at getting big profits but also being able to provide a better life in the business environment. The perpetrators of business ethics will provide services and be responsible for the community around the company environment both externally and internally. Business ethics is the behavior of entrepreneurs in running their business. South Korea is one of the wonders of humanity. In a short time, South Korea has succeeded in becoming a modern industrial country and at the same time has an economic power that is reckoned with by the world.

South Korea's success in economic development has become a model for other countries. The success of the economy in South Korea cannot be separated from the role of Park Chung-hee as the founder of economic development in South Korea. Park Chung-hee was the president of South Korea during the time when Park Chung-hee became president, he was very intense with development programs.

South Korea's economic growth since independence and after the great damage caused by the Korean war is an example of success in the economic development of the most extraordinary country in the world. from its lowest point in 1953 the Republic of South Korea has achieved what has been called the "economic miracle on the Han River". After the end of the war between the Koreans in 1953, per capita income only reached 67 dollars, lower than before the war and is one of the lowest incomes in the world. 40% of structures have been destroyed, 2/3 of them from the industrial sector. Agricultural production was 27% lower than before the war, so many South Koreans were starving.

Then South Korea started economic development in 1962, its economy has grown to be one of the fastest in the world. The economic transformation in South Korea is extraordinary. in less than 30 years South Korea began to move rapidly from an agricultural country to an industrial and trading country. Park Chung-hee as president at that time was very responsible for his country to become a developed country from a small economy to a country with an extraordinary economy with its development.

## 2. LITERATURE REVIEW

Business Ethics is an unwritten rule but it is important for you to pay attention and apply it for the good of the company. Business ethics is everything about guiding norms for a company in making decisions. By maintaining good relations between the company and stakeholders through the implementation of ethical principles, the business potential for growth is also increasingly guaranteed. According to Josephus, business ethics is the application of morals in the economic field, especially the business industry. Ethics in language are values related to a good way of life or it can also be interpreted as rules or habits that are adhered to and passed down from one generation to the next.

Business ethics is a value about good, bad, right and wrong in the business world in the principle of morality. And here business people must follow and commit to the ethics that exist in the business. Business ethics has principles that are used as guidelines in carrying out activities and achieving the intended business goals. As for these principles, among others, the Principle of Autonomy is the attitude and ability of humans to make a decision and act consciously about what must be done that can produce positive results or good things.

The principle of honesty, the core of the company's strength is honesty. Whether in terms of business or other things, honesty is very important, to maintain consumer confidence in our products, never cheat or deceive consumers. Because a business will not last long without being based on honesty. International business is trade that has a very broad scope, namely trade that occurs between or across countries which in trading activities include exports and imports. This international business is a form of cooperation between two or more countries that can provide direct benefits, in the form of meeting the needs of each country which cannot be met solely by relying on domestic production alone.

Business ethics several explanations of the theory, namely:

### 1. Theory of Virtue

Virtue theory is about the virtue of looking at how a person behaves, behaves or whether a person will create morally good character and character as well.

### 2. Theory of Rights

The theory of rights talks about something that is appropriate and must be obtained by an individual. So if you look at it from a business perspective, all decisions taken by the company should not violate someone's rights.

### 3. Theory of Deontology

The theory of deontology in business ethics emphasizes a person's obligation to behave in accordance with the responsibilities given.

### 4. The theory of teleology

The theory of teleology is that which succeeds in creating a balance well up to the final destination. So in other words, this theory is based on the concept of goodness.

## Kinds of ethics and social responsibility in international business

The basic reason for the existence of a business is to create value for the owners. Apart from that, most of the people work to earn income for themselves or their families. Consequently, the goal of any decision made in the best interests of the business or individual in a business is to increase revenue and reduce costs. In most cases, managers make decisions and conduct for themselves and for their companies in ways that are accepted by society. Incidents of unacceptable behavior by businesses or people within the business that have escalated. Therefore, just as the business world is becoming increasingly international, there is also increasing attention to ethics and social responsibility carried out by managers and their businesses.

Ethics is defined as an individual's beliefs about whether certain decisions, behaviors or actions are right or wrong. Therefore what determines ethical behavior differs from one person to another. For example, someone who finds money on the floor of an empty room may believe that it is okay to take it, while another thinks that they should return it to the person who has the money. The concept of ethical behavior usually refers to behavior that is accepted by general social norms. Unethical behavior is behavior that is inconsistent with general social norms.

## Ethics in cross-cultural and international contexts

To describe ethical behavior in a cross-cultural and international context is based on:

### 1. How the organization treats employees

One thing that is important in cross-cultural and international ethics is the treatment of employees by the organization. On the right side, organizations can try to employ the best people, expand opportunities and career development, provide compensation and so on.

## 2. How employees treat the organization

Important issues related to this matter include conflict of interest, confidentiality and honesty. A conflict of interest occurs when a decision has the potential to benefit or possibly harm the organization.

## 3. How the organization and employees treat other economic agents

The ethics involved in the relationship between a company and its employees and other economic agents include consumers, competitors, shareholders, suppliers, dealers and unions.

## Social responsibility in international business

Social responsibility is a concept that organizations, especially companies have a responsibility towards consumers, employees, shareholders, communities and the environment in all aspects of the company's operations such as issues that have an impact. Social responsibility is a business strategy that is closely related to the sustainability of the company in the long term. Social responsibility is a related concept, but refers to all ways of doing business that try to balance commitments to groups or individuals in their social environment. We often know these groups and individuals with the parties with an interest in the business. These interested parties, namely; employees, investors, customers, suppliers and local communications.

### 1. Employees

The form of social responsibility given by the company to employees is usually like providing justice and considering employees part of a team and respecting and welfare of employees. The company seeks to find, recruit, train and promote employees who have good quality work.

### 2. Investors

As a sense of responsibility given by the company to investors, the company is obliged to follow accounting procedures in accordance with the agreement, provide information that is in accordance with the company's financial performance and manage the company and protect the rights of investors. Companies must be honest and forthright in assessing the profitability and growth of profits and company shares and avoid inappropriate actions in sensitive areas such as insider trading, manipulating share prices and concealing financial data.

### 3. Customers

The form of corporate responsibility to its customers by providing the best and honest service in promoting its products. Companies must also set appropriate prices, guarantee security in the delivery of goods, respect guarantees, and maintain the quality of the products sold.

### 4. Suppliers

The relationship between managers and suppliers must be well established. For example, companies should not take advantage of suppliers by setting unrealistic delivery schedules for raw materials and continuously reducing profit margins and keeping prices as low as possible. Today many companies recognize the importance of mutually beneficial alliance agreements with their suppliers. So the company always provides information about future plans, negotiates delivery schedules for raw materials and prices obtained by both parties based on mutual agreements and so on.

### 5. Communication

Local Apart from being a sense of responsibility, it is also the company's gratitude to the people who are in the company's environment and for maintaining its existence in the community.

## Social responsibility in cross-cultural and international contexts

Social responsibility is a collection of organizational obligations to protect and promote the community in which the organization works. The complexity for the international business manager is obvious: the ideal continuity between global social responsibility and local conditions may force different approaches to those in the different countries in which the company does business.

## Areas of Social Responsibility

The organization implements social responsibility towards interested parties, towards the natural environment and social welfare. Some organizations recognize that they have all three areas of responsibility and

strive to achieve this, others emphasize only one or two areas of social responsibility. And very few do not know social responsibility at all.

### 3. RESEARCH METHOD

This study uses a qualitative approach, namely to describe and describe the role of ethics and social responsibility in international business. The data collection technique used in this study was a literature study, where this research was conducted by collecting research-related data from books, scientific journals and other publications that are worthy of being a research source.

The descriptive qualitative method is in the form of research using a case study method or approach (Sugiyono, 2017). Researchers determine research subjects with purposive sampling technique. According to Sugiyono (2017) purposive sampling is a data sampling technique based on certain considerations. The literature study method is a series of activities related to methods of collecting library data, reading and recording, and managing research materials (Zed, 2008:3).

### 4. DISCUSSION

The occurrence of international business cannot be avoided in any country, because this international business has spread widely and is a source for both companies and countries to make ends meet. In addition, the community also enjoys the benefits of these activities. So no wonder especially if every country in the world is competing to enter the international market. But now, international business not only aims to meet needs that cannot be met in their own country but also to become a mutualist symbiotic relationship between several countries. How could this not happen, export and import activities in international business are able to create new jobs, encourage industrialization, progress in the field of transportation and the presence of international companies in our country, and so on. Doing international business must be accompanied by proper business ethics, because every country has different cultures and rules. The following are reasons for the importance of ethics in international business, including:

1. To avoid conflicts from employees and business partners of different cultures.
2. Minimizing the risk of fraud that may be committed by foreign companies.
3. Avoid excessive exploitation on the part of the company
4. Protect the rules or norms that have been mutually agreed upon by both parties.

Many things may happen in the business world, so the role of ethics in this business is very important, because "a business that has many partners cannot be separated from good ethics". The point is that if we want to get a partner in a business matter, then we must have good ethics so that a partner is interested in doing business with us. In addition, in international business there are often differences of opinion on an issue, this is due to cultural differences in each country.

There are several solutions from ethics and social responsibility in international business, namely:

1. Modeling strict ethical standards, companies must have clear and strictly enforced ethical policies throughout their international operations.
2. Involving independent third parties, companies can engage independent third parties, such as certification bodies or auditors, to ensure compliance with ethical standards.
3. To promote transparency and accountability, companies must commit to transparency in their financial reports and business practices.
4. Implementing sustainable business practices, companies must promote sustainable business practices, including responsible environmental management, efficient use of resources.
5. Agree with local communications, companies must interact and collaborate with the local communities where they operate.
6. Respect human rights Companies must respect and support human rights in all aspects of their operations.

The strategies for dealing with issues in ethics and social responsibility in international business are:

1. A clear ethical policy model, in this case a comprehensive and clear ethical policy covering core values, standards of conduct, and business practices that are applied throughout the organization.
2. Building an ethical culture, in this case the company must build an organizational culture that encourages integrity, responsibility and openness.
3. Collaborate with stakeholders, this involves stakeholders, interests, such as government, local communities, non-governmental organizations, and shareholders can help companies to understand needs.

4. Measuring and reporting social impact, companies must adopt a systematic approach to measure and assess their social impact.

## 5. CONCLUSIONS

Business Ethics is an unwritten rule but it is important for you to pay attention and apply it for the good of the company. Business ethics is everything about guiding norms for a company in making decisions. There are several theories in ethics, namely the theory of virtue, rights, deontology, teleology. In conducting international business, it must be accompanied by proper business ethics, because every country has different cultures and rules. The following are reasons for the importance of ethics in international business, including:

1. To avoid conflicts from employees and business partners of different cultures.
2. Minimizing the risk of fraud that may be committed by foreign companies.
3. Avoid excessive exploitation on the part of the company
4. Protect the rules or norms that have been mutually agreed upon by both parties.

Social responsibility is a concept that organizations, especially companies have a responsibility towards consumers, employees, shareholders, communities and the environment in all aspects of the company's operations such as issues that have an impact. The descriptive qualitative method is a research using a case study method or approach.

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