

RELATIONSHIPS BETWEEN SUSTAINABLE DEVELOPMENT OF THE FUTURE CORPORATE ETHOS AND EXTERNAL ENTITIES IN A GLOBALIZED ECONOMY

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Relationships between sustainable development to the future corporate ethos and corporate decisions, globalization and competition, profit and aspiration to benefit are ordinary standard problems of business world behaviour in a globalized economy.

This paper formulates a positive association between a changing external environment – factors of macro-level influences on corporate ethos and the tendency of more ethical and legal corporate decisions on original theory of ethics', strategic management based on integrated socioeconomic and ethical responsibility.

Key words: corporate ethos, globalized economy, relationships, sustainable development.
JEL kodai: M200, M140.

Introduction

The world is becoming a global village. In a village, in which business corporate and people from different continents with different culture, social welfare and various interests, as well as limited natural resources and labour opportunities in the world economy are made to feel like neighbors of another market.

New political and globalized economic forces are continually reshaping perception of the highest state of human welfare and altering this conduct accordingly. The corporate ethos and the macro-level factors decide what is good and right or bad and wrong in such a dynamic environment in a global marketplace.

A marketplace is a forum in which people come together for the purpose of exchanging the ownership of goods or money.

According to W. M. Hoffman and J. M. Moore (1990), that there are economic relationships, created by the exchange of goods or service, but they are also moral relationships. Corporate is an economic institution, but like our economy and corporate decisions as a whole it has a moral foundation. And also competition on a globalized economy worsened due the fact that at some time corporate decisions are ethical and unethical, legal and illegal.

The corporate ethos provides the basic conditions of acceptance for any activities. The human and the legal sides of corporate ethos are assumed to have increasing importance as the roles and tactics have become complex and unresolved disputes-numerous.

The problem is that despite of the existence the Organization for Economic Co-operation and Development (OECD), World Trade Organization (WTO) and other organizations, helping governments to tackle the economic, social and governmental challenges of a globalized economy, there are differences in the business world: some countries have much more unequal income distributions than others, regardless of the

way in which inequality is measured (OECD 2008a). Also, the reason for differences across countries are, at least in part, due to different governmental policies, either through more effective distribution, or better investment in the capabilities of the population to support themselves (OECD 2008b). The scientists of different countries, researching the problems of sustainable development, give most of their attention to indicate the rules, which shall be obeyed by a modern enterprise, especially to draw attention to the link between company development strategies and the environmental protection (Sitek, 2010), or to evaluate the state's policy and measures of preserving of biodiversity in context of agri-environment (Melece, 2010) etc.

Scientific literature, international scientific conferences, journals, proceedings of Social and Humanitarian sciences "Rural development. Globalization and integration challenges to rural development in Eastern and Central Europe" (2003, 2005 at. all), documents of rural development (Lietuvos..., 2007–2013) discusses sustainable development and rural development from economical, social (Jansik, 2005), ethno cultural (Čiegis, 2005; Povilaitis, 2010) and managerial positions (Brzozowski, 2005).

Hence, this theory and practise providing guidelines which evident a new position to sustainable rural development enhance a missing link relationships between integrated socioeconomic and ethical responsibility.

The object of this study is the relationships between a domestic corporate ethos and external entities in a globalized economy.

The aim of this research (article) is to analyze the assessment of the environment, which takes place in possible external relationships between a domestic corporate ethos and external entities of macro-level factors, which influences the corporate ethos in a globalized economy and to prepare and to present a conceptual model of the future corporate ethos.

Methods. The major research methods adopted by the author's scientific work are the descriptive method, typical for social sciences, the method of analysis and synthesis. Goals and methodical ground:

1. To characterize the relationships between a domestic organization and external entities using the possible external relationships of a multinational organization by J. B. Dilworth (1986).

2. To describe the macro-level factors for assessing the external environment of corporate taxation in globalized economy beginning from PEST analysis (Cole, 1994; Bowie, 2004) – PESTEL analysis, and in this case including three today's important additional factors – of environmental protection (E) and Law- Law and order (L) and cultural.

3. To analyze the classified decisions using the conceptual framework according to V. E. Henderson (1990).

4. In conclusion, the author of this article prepares and presents a conceptual model of integrated socioeconomic and ethical responsibility for future corporate ethos in a globalized economy according to A. Lohrie and J. Merck's) research on the principle of sustainable development in the environmental and social management.

Consistent with the methods of this study submitted by author of this article, the aim and the major goals considering future corporate ethos is applies in the following ways/dispositions prepared by the author and presented in the figures

(1,2,3,4), which of a scientific literature and theoretical propositions methods characterize today's situation and the future corporate ethos in a globalized economy. End the comparative method of study was employed.

Practical value of this article research is formation of the modern basis of the relationships between sustainable development of the future corporate ethos and external entities in a globalized economy. According to results of theoretical, empirical and practical analysis taking into attention expediency to develop new conception and to integrate its basic factors of macro-level influences on corporate ethos could also reflect such components/columns of the integrated socioeconomic and ethical responsibility.

Relationships between a domestic corporate ethos and external entities.

Changes in a globalized economy (changes in technology, population trends, competition, labour movements, personal desires for goods and services, personal job expectations, and domestic and foreign governmental action) may have serious affects on an corporate ethos. J. B. Dilworth (1986) states, that "a glance at the big picture", that is a multinational corporate has relationships with two or more governments and two or more cultures. Besides multinational corporate must consider customs, culture, and language in addition to monetary exchange rates, tariffs, and trade quotas. Manuel G. Velasquez (1992) points out, that most large corporations today are multinationals firms that maintain manufacturing, marketing, service, or administrative operations in several "host" countries. In fact, that multinationals operate in more than one country produces ethical dilemmas for their corporate ethos. Also, today's authors (Bakanauskas, 2010) researching the establishment of business relationships with foreign partners have found that the factors influencing the establishment of relations with foreign partners are national culture, potential partner business culture and factors influences of the behavior of the potential partners.

scientific literature, international conferences "Rural development. Globalization and integration challenges to rural development in Eastern and Central Europe" (2003, 2005), documents of rural development (Lietuvos ..., 2011; Žalioji ..., 2011) discusses sustainable development and rural development from economical, social, ethno cultural and managerial, rural implications of food and service industry positions. But in this case there are not many articles where the attention on the relationships between sustainable development of the corporate ethos and external identities is focused. Relationships between domestic multinational corporate and external entities are shown in Figure 1.

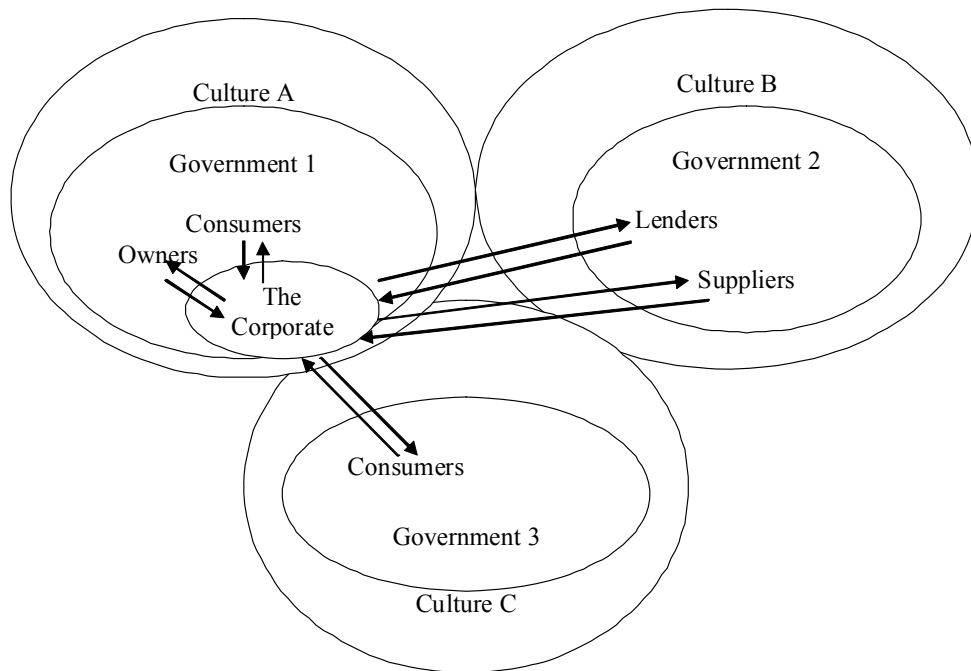


Figure 1. Possible external relationships of a domestic multinational corporate ethos and external entities (James, 1986)

The factors of macro-level influences on corporate ethos.

The corporate ethos takes place in a complex external changing environment of macro-level factors (economic, social and cultural, technological, environmental and political) influences. The macro-level factors which are effectual measures for to corporate ethos in a globalized economy are prepared by author of this article (Vitkienė, 2008) and presented in Figure 2.

According to J. Stoner and R. Freeman (1989), G. A. Cole (1994) and D. Bowie and F. Buttle (2004) defines the international dimensions strategy, as the changing external environment, that in recent years several factors contributed to the importance of the strategic dimension of management. These mostly arise from the changing external environment in which corporate operates and include the following variables: changing political situations in major markets; economic – increased competition in domestic and world markets; sociocultural, technological; environmental; government and the law.

In addition the corporate ethos in a globalized economy is settled influences of macro-level factors of the changing macroeconomic environment.

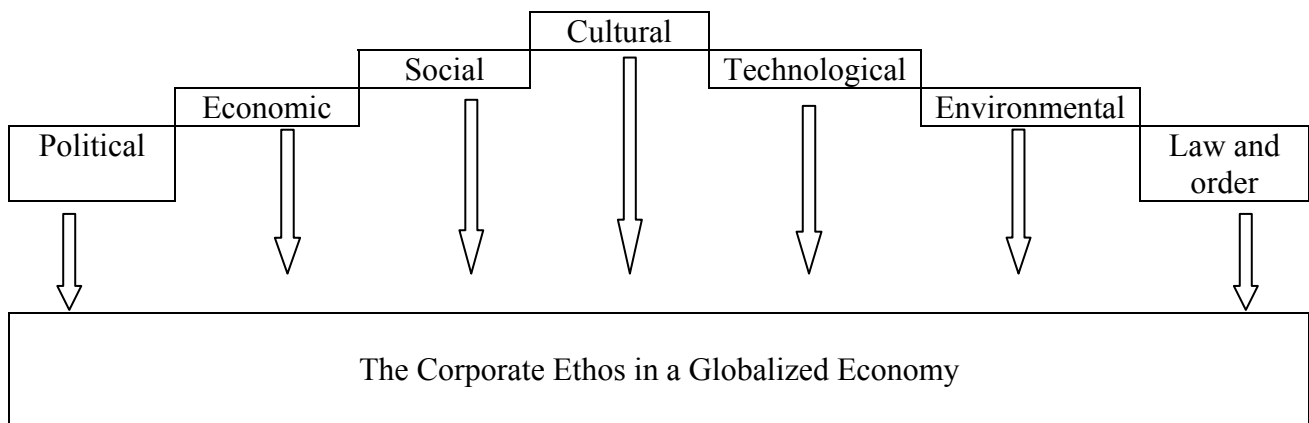


Figure 2. The factors of macro-level influences on corporate ethos

They not only produces ethical dilemmas and macro-level variables, but also other legal or illegal, ethical or unethical corporate decisions exposed to public scrutiny.

The Corporate decisions

The aspiration for ethical corporate decisions in a globalized economy raises many irresponsible actions. The tendency of irresponsible actions manifested itself in legal and illegal, ethical and unethical decision – making of corporate ethos. The classification decisions using the conceptual framework of corporate ethos is presented in Figure 3.

According to V. E. Henderson (1990), business executives regularly wrestle with the new factors of the business environment: multiple clients and goals, shifting values and cultural contradictions, and increasing dependence on legal staffs. And at the same time the challenges posed by the globalization demands accuracy/ethical decisions and considerations or from the Global governance, or from the international and national governance.

The issue of foreign payments illustrates how ethical questions develop from political economy considerations and from the states and Institutions' decisions that are privately conceived and executed in advance of public scrutiny and without clear legal or ethical precedent. Aside from blatant corruption and dishonesty, the above process describing the emergence of ethical issues accounts for much of the consternation and confusion about corporate ethos today. And at the same time it is the failure to understand and anticipate this process that creates the waste majority of ethical dilemmas.

The inner circle of this figure represents corporate decisions challenges posed by the changing external environment macro-level factors. However, they in turn are influenced by political and economical, social and cultural, technological and environmental, and the law variables, which themselves must be influenced by international macro-level factors.

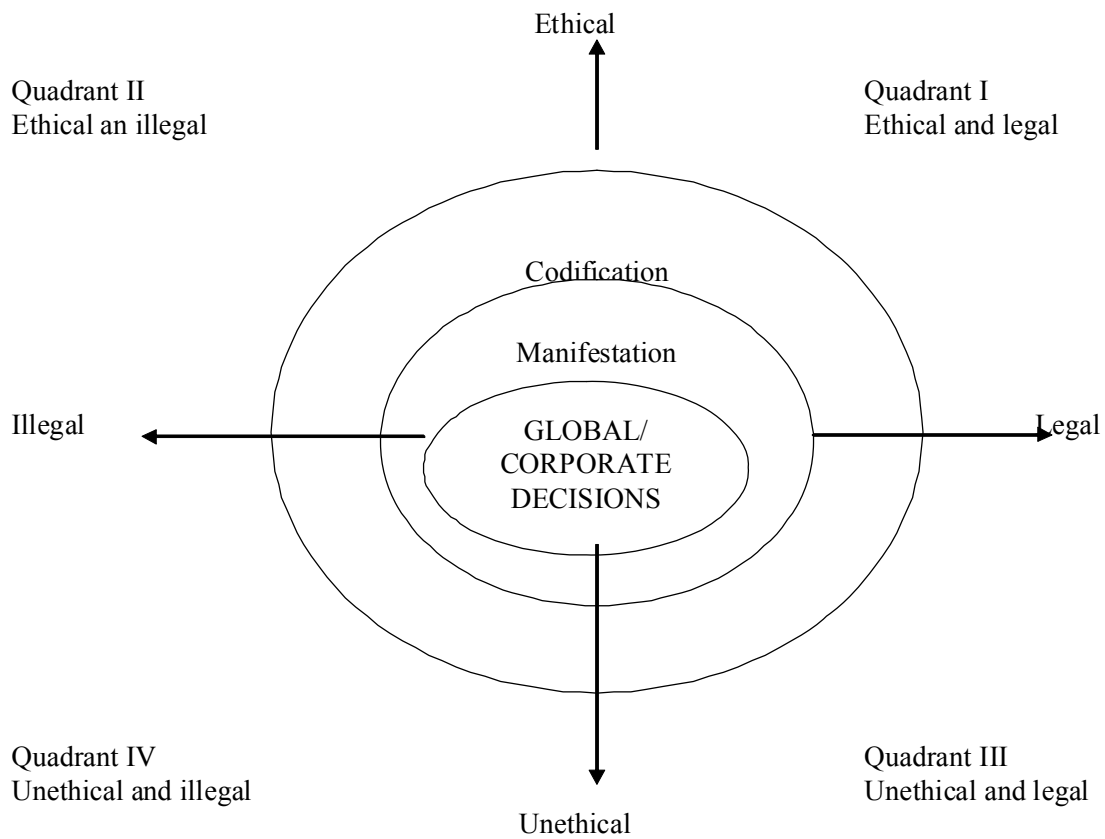


Figure 3. The classification decisions using the conceptual framework (Hoffman, 1990)

Conceptual model for the future corporate ethos sustainable development

Conceptual model of the integrated socioeconomic and ethical responsibility for the future corporate ethos in a globalized economy prepared by the author of this article is presented in Figure 4.

The conceptual model of integrated socioeconomic and ethical responsibility shows, that future corporate ethos on sustainable development is important these have possible relationships between primary columns: government careful economic policy; government and corporate juridical, ethical and legal decisions; social sensitiveness for social and health welfare; moral norms and business ethics standards, and philanthropic behaviour.

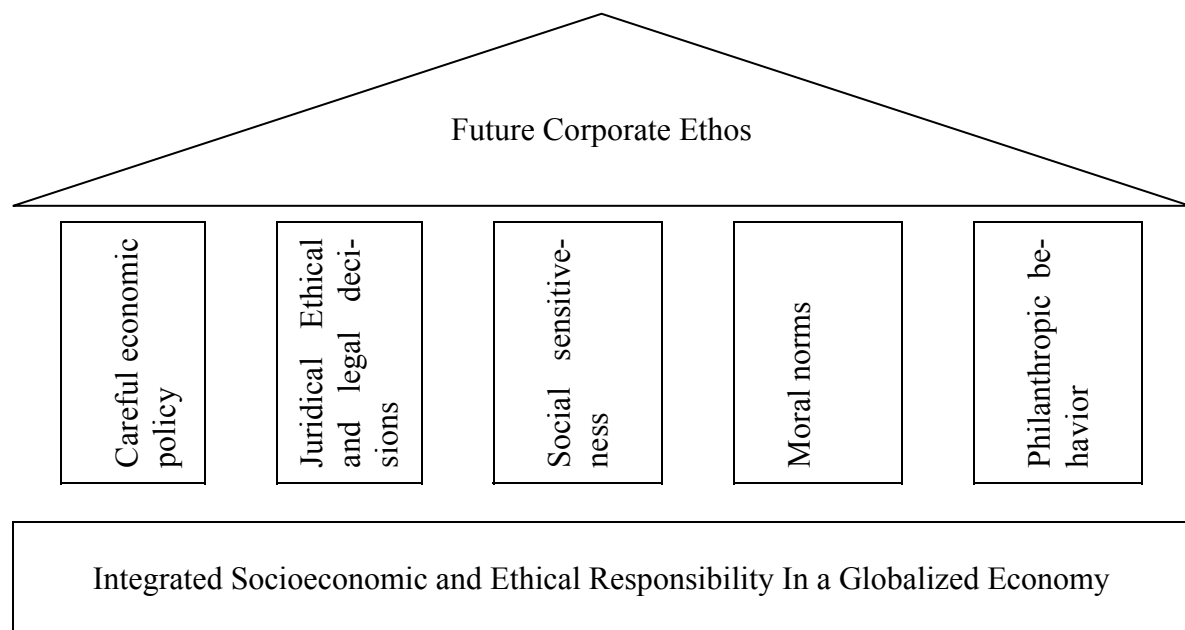


Figure 4. Conceptual model of integrated socioeconomic and ethical responsibility for the future corporate ethos sustainable development in a globalized economy – global village house with support columns

And in same time the conceptual framework model, which has to help to sustainable development the future corporate ethos in a globalized economy.

Conclusion

The corporate ethos in a globalized economy is influenced by macro-level factors and the relationships between a domestic corporate decisions and external entities. The world marketplace of globalized economy within competition purposes are affected by unethical and illegal corporate decisions.

Hence, this theory and practice provides guidelines which evident a new position to sustainable rural development, but lacks scientific attention to a missing link between relationships and corporate ethos, as well as external entities.

The possibility of the future corporate ethos in a globalized economy is to have the conceptual framework model of integrated socioeconomic and ethical responsibility in the corporate ethos decisions.

The possibility of sustainable development of the future corporate ethos in a globalized economy is inherent within takes places on conceptual framework model of integration socioeconomic and ethical responsibility for the future corporate ethos between sustainable development.

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RYŠYS TARP ATEITIES KORPORACIJOS ETOSO DARNIOS PLĖTROS IR IŠORĖS REALYBĖS ATITIKMENS GLOBALIOJE EKONOMIKOJE

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Santrauka

Globalizuotos ekonomikos įtakoje pasaulis tampa dideliu kaimu, kuriame skirtingų kontinentų, kultūrų, interesų bei šalių, turinčių ribotus socialinius, ekonominius išteklius, netolygią socialinę gerovę, verslo korporacijos siekia naujų, prekybos mainams tinkančių ir patogių rinkų.

Tačiau šio didelio kaimo prekyvietėje verslo korporacijos turi suvokti, kad jų sėkmingo įvaizdžio kūrimas ir išlaikymas priklauso ne tik nuo korporacijos etoso (moralinio veido), etiškų ir legalių sprendimų, bet ir nuo šalių vyriausybių, priimančių ir skelbiančių etiškus ir neetiškus, teisėtus ir neteisėtus susitarimus, sukeliančius iššūkius verslo aplinkai. Problema yra ta, kad mokslininkai, tyrinėjantys darnią plėtrą, taip pat ir kaimo, neskiria pakankamai dėmesio ryšiui tarp ateities korporacijos etoso darnios plėtros ir išorės realybės atitikmens globalioje ekonomikoje. Straipsnio objektu pasirinktas korporacijos sprendimų ryšys tarp išorės realybės globalioje ekonomikoje. Taikant aprašomąjį, analizės ir sintezės metodus pasiektas tikslas. Išanalizavus makroaplinkos poveikį, daromą korporacijų sprendimams, pateiktas integruotos socioekonominės ir etikos atsakomybės modelis, kuris padėtų išspręsti problemas, susijusias su ateities korporacijų moralinio etoso darnios plėtros ir išorės realybės atitikmens globalioje ekonomikoje.

Raktiniai žodžiai: darni plėtra, globalinė ekonomika, korporacijos etosas, ryšys.

JEL codes: M200, M140.