

**READINGS IN STRATEGIC
MANAGEMENT AND BUSINESS
ETHICS FROM ISLAMIC
PERSPECTIVES**

Edited by
Suhaimi Mhd. Sarif



IIUM Press

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CHAPTER 11

BUSINESS ETHICS, SOCIAL RESPONSIBILITY, AND ENVIRONMENTAL SUSTAINABILITY IN STRATEGIC ENTERPRISES' MANAGEMENT

Suhaimi Mhd Sarif
W Nabila Najwa W Kamaruddin

ABSTRACT

This chapter explains the roles of business ethics, social responsibility and environmental sustainability in strategic management stages. Business ethics provides the understanding to determine acceptable or non acceptable business conducts from the stakeholders' views. Environmental sustainability is essential for business continuity and maintenance of supplies. Social responsibility reminds enterprises that they have other important responsibilities to the society and other stakeholders.

INTRODUCTION

Now the competition is very fierce in the business world. In order to move forward, a company must ensure that the quality of the products introduced, strategic product market, the best way to get products to customers so as not to increase further the cost of affecting the price of the product. However, concern about the product alone will not guarantee success of a company and gain competitive advantage. other factors such as labor, management systems and other should be taken into account because it helps improve the company peretasi either directly and indirectly.

How about business ethics, social responsibility, and environmental sustainability? How these are important to the glories of the companies or other organization? Thus this article will discuss more regarding to the business ethics, social responsibility and environmental sustainability in terms of their concept; vital business ethics, social responsibility, and environmental sustainability in today business activities; and related current issue.

BUSINESS ETHICS

Good ethics means goods business. Literally, ethic means values & guidelines to be followed and business means activities about trading, buying and selling. Business ethics can be defined as written and unwritten codes of principles and values that govern decisions and actions within a company. In the business world, the organization's culture sets standards for determining the difference between good and bad decision making and behavior.

Moreover, when business people speak about "business ethics" they usually mean one of three things: (1) avoid breaking the criminal law in one's work-related activity; (2) avoid action that may result in civil law suits against the company; and (3) avoid actions that are bad for the company image. Businesses are especially concerned with these three things since they involve loss of money and company reputation. In theory, a business could address these