

LEVEL 6 ASSESSMENT SPECIFICATION

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Submission method:	All written assessments, where practical and possible, must be submitted via Turnitin unless otherwise instructed by the Lecturer. (Please DO NOT put this assessment specification into Turnitin or it will match many similarities with other students' submissions.) Alternative submission method (if applicable): Late submission of the assessment will result in a late penalty mark. Penalties for late submission: Up to one week late, maximum mark of 40%. Over one week late, 0%. Only the Extenuating Circumstances Panel may approve a change to submission dates.		
Academic honesty / referencing:	Academic honesty is required. In the main body of your submission, you must give credit to authors on whose research and ideas your work is based. Append to your submission a reference list that indicates the books, articles, etc. that you have used, cited or quoted to complete this assessment.		
Module Learning Outcomes (from module syllabus)			
• Explore critically the response of management functions to ethical challenges and the ways in which business is constrained by its cultural, political and social environment • Analyse facts and circumstances to determine the cause of a problem and identify and select appropriate solutions.			

Research on the Ethical Responsibility and Sustainable Development of Global Enterprises from the Perspective of Cultural Differences

Abstract

With the acceleration of globalisation, enterprises face the challenges of ethical responsibility and sustainable development brought about by cultural differences when operating across borders. With regard to critical thinking, how global enterprises must understand and take on their ethics in other cultures. Through comparing cases, the article will analyze the conflict between cultural relativism and universalism as well as stakeholder theory's flexibility across cultures. Pay special attention to the balance enterprises need to strike when it comes to confronting global common ethical standards and acknowledging local cultural practises. The study found that solving the cross-cultural ethical conflicts is to develop an integrated practice system that combines the universal ethics principle and the local practises flexibly. The framework of "situational universalism" mentioned in this article can help the global enterprises to maintain the uniformity of ethical behaviour and global consensus on responsibility with respect to cultural diversity.

Keywords: cultural differences, corporate ethics, sustainable development, situational universalism

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Introduction

Globalization's process has caused the operation of enterprises to exceed the boundaries of their nations, and at the same time, it displays the significant disparities in the realm of business ethics. Different cultures view what is 'correct' business behavior differently (Donaldson, 1996). It is that diversity which represents the main obstacle in the realm of ethical practices of global corporations. The basic problem of an enterprise is how to define its ethical responsibility under the background of the conflict of cultural values. At the same time, global sustainability challenges such as climate change need to be addressed through joint action beyond cultural borders, thus creating a kind of contradiction.

Does the aim of the enterprise should just be to make profit? Or does it have to be part of the religious, political and cultural considerations in the society that it is a part of? When science agrees that when a company's actions damage the environment, what should businesses be held accountable for (Legg, 2021). These questions cannot be answered from a single cultural perspective. For example, the shareholder-led model originating from the West often emphasises profit and legal compliance (Friedman, 2010), while the concept of "symbiosis" in East Asia attaches more importance to the long-term harmony between enterprises, communities and the environment (Dore, 2000). This difference leads to the same behaviour being given different ethical evaluations in different cultures.

This article aims at criticizing these ethical conflict. The study selects the case by the method of comparing different kinds of ethics dispute over different kind of business

practices of a culture. Theoretical framework. I will use cultural relativism and ethical universalism for discrimination (Hofstede, 2001) and the scope of corporate responsibility with the help of stakeholder theory (Freeman, 2010). To analyze the main ethical conflicts and their cultural origins by using particular cases, evaluate the flaws in the current solutions, and provide an enduring path for development.

1. Corporate Ethical Responsibility under Cultural Differences

1.1 The tension between cultural relativism and ethical universalism

Cultural relativism claims if a moral judgment is right or wrong it is right or wrong within that culture or society that that moral judgment is (Tilley, 2000). For example, depending on “relationship” is regarded as a necessary trust-building in the East Asian business environment such as China, whereas in the West, where transparency and formal contract are emphasised, this practice may be criticised as “nepotism” (Tan, 2002). Ethical universalism argues for basic moral principles that apply universally. These principles apply to all of us, all of our societies. (Gewirth, 1988). For example, the business world is seeing that things like trying to fight against corruption, stopping the use of children to work, and making sure the workplace is safe are now being seen as part of how you act properly on the global scene, no matter where a person lives or what their country's laws and things they do are like. The two tensions made it a problem for the multinational company to solve. Universalism requires enterprises to maintain the moral bottom line of global unity. Cultural relativism says to companies go see what people in different parts of the world are doing, and leave other cultures alone. .

1.2 Cultural Adaptability Analysis of the Stakeholder Theory

The main idea of stakeholder theory is that a firm manager must be responsible for all of the parties affected, or capable of affecting the organisation (Freeman, 1984). but the specific practices may be quite different depending on culture and deciding who those important parties are and how to treat their interests.

In more individualist cultures such as the USA the emphasis is on a balance of rights under formal contract and law and the interests of shareholders and customers stand out strongly (Hofstede, 2001). The collectivist societies like the Japanese enterprises are perceived as a social group (Dore, 2000). Their stakeholder networks are wider and vaguer, ranging from staff, business partners and communities, and the management is concerned with keeping the long-term harmony of the relationship network. Thus the theory is not culturally neutral. Applying for a job, global enterprises must do a culture adjustment to respect the local relations' ethics and the global ethics.

2. Case Analysis of Core Ethical Conflicts: Profit, Culture and Sustainability

2.1 Cultural Differences in Corporate Goals

The setting of the fundamental goals of the enterprise is the foundation of business ethics. Different cultural areas have significant differences, which are mainly reflected in the comparison between the two models of “shareholder interests first” and “coexistence with society” (Bai et al. 2024).

The “Anglo-Saxon” model represented by the US and Britain, which takes maximizing shareholder wealth as the primary goal. It is deeply rooted in an individualistic culture. Enterprises are seen as the link of legal contract, and it is the manager’s duty to seek for profits within legal boundaries (Herd, 2024). In contrast is the “social symbiosis” model of the East Asian economies like Japan and South Korea. Its aim is for the long-term prosperity of the community, and its ethical roots are Confucianism’s (Khiawnoi et al. 2025) collectivism and relational responsibility. So enterprises would prioritize employee employment and stable business network, and even abandon short-term profit. Layoffs can be regarded as a typical example, the quick layoffs of US companies for shareholder benefits is reasonable behavior according to their ethical framework. But the same behavior is considered to be extremely immoral in Japanese and South Korean society.

The difference comes from different cultural rankings of “efficiency” and “fairness”. These two models are different focuses of a corporation's responsibility. Global companies need to understand that the presupress they have for basic goals are not universal truths, but are strongly influenced by certain cultural logic.

2.2 The commercial integration of religious and political factors

Religious and political factors are important for shaping business ethics and how it is integrated within a company differs between the Middle East and South-east Asia. The shariah provides a transparent and enforceable set of corporate ethics. For example, the “Vision 2030” of Saudi Arabia clearly needs foreign money to be strictly religiously compliant and to open its economy. Thus the ethical responsibility of

enterprises here is compliance with a set of agreed upon rules by religion and the state.

Meanwhile, Southeast Asia business ethical climate can generally be viewed as a pluralistic and religiously mixed environment. The area is a combination of different religions like Islam, Buddhism and Christianity, and the countries have different main ones. Enterprise's ethical responsibility is about respecting and adapting flexibly to the different cultures. Global enterprise ethical responsibility of enterprises is identified based on the premise that they are responsible for ethical responsibilities.

2.3 Cultural differences in the perception of environmental responsibility

The practices of fulfilling environmental responsibilities by the global enterprise are highly affected by the cultural perception of operating area. This is an opposition between the two models of “radical transformation” and “gradual coordination” (Papanicolaou, 2016), which are caused by the differences in history, development and cultural values.

Swedens and Norwegian's Nordic countries treat addressing environmental issues as an order. Its social culture is very much forward-looking (Altstaedt, 2024), so the society can accept great changes for long-term ecological benefits. So the policy has set strict carbon emission reduction targets and is clearly putting pressure on companies to green. Represented by China and India, major emerging economies mostly tend to the “gradual coordination” path. This isn't to discount the severity of the problem, but to place it in a more complex order of development priorities. It's culture background is high in uncertainty avoidance (Broeder, 2022).

These two senses of difference, respectively and together, will bring an ethics clash in international business. Nordic enterprises might feel high-carbon assets should be shut down immediately by the morals in their home countries. And the enterprises from developed countries in emerging economies will more likely consider the enterprise responsibility for environmental responsibility as an issue that they have to deal with gradually. This is the difference in the current state of the global policy to fight against climate change. This also needs global companies to conduct thorough cultural and situation analysis on how to make environmental strategies; know the perception logic of the environmental responsibility of different cultures; and find a kind of practical coordination point of universal care for ecology and local development ethics.

3. Analysis of the Root Causes of Ethical Conflicts

3.1 The differences in responsibility attribution under the individualism-collectivism dimension

An essential source of business ethics conflict on a global level results from fundamental contrasts among cultures with regards to their definition of “responsible subjects.”. Hofstede's cultural dimensions of individualism and collectivism offers an important analysis perspective on the following: (Hofstede, 2001). Individualistic cultures like the US and Australia have clear definitions as the center of ethics and responsibility. Business field shows in clear personal responsibility, being directly responsible to decision makers and following the law strictly. A problem arises, focusing on “who decided” and “did they violate the rule”. Collective cultures such as

China, Japan and South Korea hold that responsibility is the group's first. When there are ethical issues, one's first reaction may not be to punish a specific person, but to preserve the general harmony, reputation and repair external relationships of the organization.

Dimension individualism-collectivism defines, if it is focused on specific "actors" or if the scope is spread over the "network of relations". To distinguish both of them is a key step to establishing an ethical governance system on this world that is wise with culture.

3.2 The shaping of business ethics by religious traditions and secular values

The legitimacy of a company's behavior is founded in two different system of rules: the religious traditions and the secular ones. Religious traditions provide a sacred teleological context for business ethics. In addition, for example, the concept of “Dharma” in Hindu culture sees business activity as the means of performing the universe and social duties (HAVRYLIUK, 2024). In these systems the highest ethical standard of a business decision is its conformity with the sacred principle. The secularized society is based on a rational utilitarianism and universal human rights. The ethical base of a business stems from human reason, well being and rights, and ethical debate occurs in the public space based on science and logic. It is talked about in terms of non-sacramental factors like climate science and the health and flourishing of other generations (Gough, 2021).

Therefore, the main difficulty for a global enterprise is finding the “dominant value grammar” of its place of operation. Areas where religion is deeply rooted mean awe

and the following of the divine rules, areas where secular values are predominant require convincing arguments in the scope of reason and law.

3.3 The interactive relationship between the political system and the autonomy of corporate ethics

In a liberal pluralistic system (the United States, EU, etc.), the game of pluralistic social forces forms corporate ethical autonomy. Governments, NGOs, media, and so forth, are all a part of this network. (Matten and Moon, 2008). Enterprises' ethical responsibility is often a reaction to social pressure, such as the adoption of ESG standards in order to cope with the pressures from the capital markets and consumers. enterprises may choose some plans, but the freedom is always strictly bounded by the outside forces. In state-led systems (like emerging economies like China) government is deeply embedded in the economy via industrial policy and planning (Witt, 2019). To start with, it is defined according to how much of the national strategic goal an enterprise is trying to accomplish in terms of their moral obligations. The autonomy of a company shows itself in how to more effectively realize the macro-ethical direction that has been set by the country. It plays the role like the strategy "executive partner".

And that difference is at the heart of the ethical situation they face, but differently, in different jurisdictions. enterprises have to figure out and fit into the "game rules" formed by politics in order to successfully take on their social responsibilities in hard situations and get a balance between business and being good, they need to find and fit into the game rules that political systems make.

4.Solutions to Cross-Cultural Ethical Conflicts

In order to solve cross-cultural ethical conflict we need to create an integrated practice. It's about creating a kind of "universal ethics for the particular". enterprises have to stick to a firm universal ethical core relying on fundamental human rights as the ethical bottom line for worldwide operations. We must allow businesses to be able to adapt universal principles into a specific set of cultural, economic and social circumstances. It needs managers with context reasoning ability to discriminate the nature of the ethical issue and to creatively design schemes between universal principles and local norms, thereby transforming a value confrontation into a real dialogue.

The framework can only work effectively with a stakeholder dialogue across levels. enterprises need to create a network of institutionalized dialogue at the global strategic level, the regional/national level of governance, and the local operational level. Form of dialogue must be informed by cultural intelligence – if the culture is relationship-based, then informal community contact; if institution-based, formal meetings. It's that you want to have two way street and actually be able to have an influence on what the choices are, and then it can actually feed back into a modification of the global plan.

Ultimately, it needs to be in the daily operations. It requires that companies to form a cultural intelligence-oriented ethical decision-making process. this makes the transformation of cultural analysis from the background of decision making to an important component, so as to promote enterprises to turn the cultural diversity from

management challenge to the source of innovation.

5.A sustainable development strategy towards cultural inclusiveness

If global corporations are to fulfill their obligations towards the environment they have to convert general ideas into definite activities that are in sync with the specific requirements of a locale's culture and society. Localisation implementation's core is to find and respond to local environmental priorities. Take for example Europe and emissions are an issue. Also protecting their ecological biodiversity. The Middle East requires them to focus on saving water and stopping land desertion. Localisation is a process for a company to evolve from a "global standard implementor" to a "local sustainable development co-builder".

The creative integration of the Global Standard and Local Values is a difficult problem that businesses need to deal with during their sustainable development. It needs enterprises to treat global ethical norms as an ethical guideline, drive companies to do ethical management and upgrade the paradigm of enterprises from passive adaptation to active creation.

The forward-looking firms must proactively take part in cross-cultural ethical bridges, by means of their global networks, value dialogue and synthesis should be promoted. Enterprise dynamism is to convert cultural differences from challenge to resource, to build the two-way channel of "global" and "local", and to actively shape a better business ecology.

Conclusion

This study is mainly concerned with two matters. First, how to define the corporate ethical responsibility in the cultural values conflict background? Second, when the scientific community's opinion supports the existence of the environmental damage caused by the company's actions, what responsibility should the enterprise bear? In accordance with cross cultural comparative analysis, the article has obtained the following moral judgements and boundaries.

Regarding the ethical boundaries of corporate objectives. The enterprise's goal should not be to maximize the shareholders' profits, yet the enterprise does not have to obey all the religious and political concerns of a particular culture. The ethical line is enterprises have to stick to the core principles on the basis of the most basic human rights. enterprises have a "moral freedom space", and they can arrange the order of stakeholders and business practises flexibly based on the local cultural features.

Judgement of environmental responsibility from an ethical standpoint. When the scientific community agrees on the fact of environmental damage caused by the enterprise, the burden of environmental responsibility falls on every enterprise and is not mitigated by cultural or developmental stage factors. enterprises in developed countries should take on a greater level of responsibility, both in terms of the greater levels of historical emissions and technologies they have. Emerging economy enterprises can take the path of gradual improvement, but it must be real, genuine improvement and improvement that can be verified. Key to the boundary of ethics is that companies should not expand the damage to the environment under the name of

cultural difference and right to development, they should treat sustainable transformation as a necessary trend.

In short, the success of a global enterprise is not just based on its economic profit, but it should also be able to carry out the ethical responsibility to promote sustainable development in different cultural environment. Enterprise could realize its global strategy by understanding and respecting cultural differences, at the same time, they can also promote sustainable local development and continue to develop and prosper in the world market.

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