

JAPAN SOCIETY FOR BUSINESS ETHICS STUDY

1. Genesis of the Society

During the 1980s a number of big corporations behaved unethically and unlawfully especially in the USA and Japan. Taking the ethical debacles of the business society into consideration, Masaichi MIZUTANI, the president and founder of the Society, then a professor at Kanagawa University, now a professor Emeritus of the University, founded the predecessor of the Society, the Group for Considering Business Ethics in 1991 with more than 20 members.

Since the members of the Group increased and the Group became very active in studying business ethics and promoting it to the public, including business firms, MIZUTANI decided to change the Group into an academic association. On April 1, 1993 the Japan Society for Business Ethics Study (JSBES) was established. The president was Masaichi MIZUTANI. The Executive Committee consisted of six members. The main purposes of the Society are the study of business ethics, the development of an ethical organization and international cooperation with foreign academic and business organizations.

Since its establishment the number of members of the Society has significantly increased as follows:

Number of members

Year	Number
1993	75
1994	106
1997	185
1998	260
2001	313
2003	383

In 1997 the Society started cooperation with the newly founded organization, the Business Ethics Research Center (BERC), which has its bimonthly magazine, *Business Ethics*. Masaichi MIZUTANI also has been the chairperson since then. On May 24, 2003 the Society celebrated its tenth anniversary, publishing *The 10-Year History of the JSBES*. During the decade the Society held 11 annual research meetings and published 11 issues of *The Journal of the Japan Society for Business Ethics Study*. The Society has also held national and international symposiums on business ethics. Now the members of Society have spread all over Japan, so two local divisions, the Kansai and Nagoya divisions have started.

As the list of the number of members shows, the Society had a successful decade and gained solid status in the academic world of Japan.

Main Themes of the Past 12 Annual Research Meetings

1. Significance and roles of research in business ethics (1993)
2. Business ethics in the period of changes in corporations (1994)
3. Japanese management and business ethics (1995)
4. Business and corporate social responsibility (1996)
5. Business ethics and globalization (1997)
6. Business ethics and environmental problems (1998)
7. Business ethics and corporate governance (1999)
8. Business ethics in the 21st century (2000)
9. Information age and business ethics (2001)
10. Retrospect and prospect for business ethics in Japan (2002)
11. Revival of corporations and business ethics (2003)
12. Business ethics and CSR (Corporate Social Responsibility) (2004)

The program of the 12th annual meeting held on November 20 at Waseda University (Tokyo) had the following themes.

(1) Main Theme: Business Ethics and CSR

The main theme was broken into the following five sub-themes. Each topic was reported by one member and discussed with participants.

Research on the Enron case, global business ethics and corporate social responsibility, the goal of CSR management of Shiseido, CSR of Benesse, business ethics and CSR.

(2) Nineteen Free Discussion papers:

- Apology advertisements appearing in the newspapers and CSR
- Business ethics and CSR
- What is philosophy of management? Toward effectiveness of audit by corporate auditors
- From “Business to Society” to “Business in Society”
- A site for conversionable views about recapitalization measurability and CSR management accounting scheme. — A study of accounting marginality of business ethics elements which should be eliminated as ‘resume and mezanine’ recapitalization element
- Business ethics seen in the management ideal of the non-life insurance company
- Appointment of outside auditors seen from business ethics

- Group consolidated statements and three CSRs in IT society
- Study on the dialog for managing practice of business ethics
- The charitable work and charitable assistance activities supported by donations from Chinese-Thai-owned enterprise groups
- The theory of axis of management theory and ethics
- Socially responsible investment and corporate social responsibility
- The duality of reverse logistics in circulation-oriented SCM

JSBES has held a Research Exchange Meeting every other month since 1995 and the number of the Meetings held now amounts to 48 times. Various current topics such as sexual harassment, business ethics in China and corporate misconduct have been discussed in the Meetings and famous foreign business ethicists and business persons as well as Japanese guests have been invited as guest speakers.

Many members have taken advantage of the Meetings to keep touch with new trends of business ethics in the world.

3. Publishing activities by JSBES

JSBES has published *The Journal of the Japan Society for Business Ethics Study* every year since 1994. Now we have published 12 issues. The average volume has about 250 pages.

The *Journal* has always carried the annual presidential address by Masaichi MIZUTANI and presentations made at the Annual Meetings. A referee system was started from the twelfth issue to level up the quality of the articles appear. The submitted manuscripts have to be reviewed by the editorial review board. The *Journal* also carries research notes written by the members.

JSBES has published *The Newsletter of the Japan Society for Business Ethics Study* every four months since 1993. The newsletter is edited by a trustee member. The newsletter carries the official announcement of JSBES such as the date and place of the annual meeting and other interesting essays written by the members.

4. Publications under the supervision of JSBES

JSBES has supervised three following books written by members of the Society: Hiroo TAKAHASHI (ed.), K. TANAKA, T. OYAMA, J. FURUHATA and T. KONO (all authors were members of the Code of Ethics Study Group.), *The Establishment and Practice of a Business Ethics Code of Conduct according to a Case Study of Japanese Corporations and American Corporations*. Sanno University, 1998

Management Philosophy and Spirit Study Group (ed.) T. FUKUDOME et al. *The New Century: the Spirit of Management and 16 Pioneers*, Eijishuppan, 2001

M. MIZUTANI (ed.) *Business Ethics*, Dobunkan, 2003

JSBES (ed.), *The 10-Year History of the Japan Society for Business Ethics — Toward a Uniting of Economy and Ethics*, JSBES, 2004

Stakeholder Study Group, *A New Axis for the Evaluation of Corporations in the 21st Century SMIX21 (Stakeholder Management Index in the 21st Century), The Proposal of Stakeholder Management Index 21*, 2003

This year we started to edit a *Dictionary of Business Ethics Terms*.

5. Essay Contest

JSBES started an essay contest for the young generation 35 years old and under in 1999. We held a special academic essay contest on business ethics to commemorate our tenth anniversary in 2003. with the cooperation of the BERC (Business Ethics Research Center). Business Ethics in the New Century was selected as the theme of the contest. Applicants should be 45 years old and under. The awards comprise a top prize of ¥200,000 for one person, a second prize of ¥70,000 for one person, and prize for distinguished work of ¥30,000 for three persons.

Since the contest was publicly open, we had many applicants. As a result of the fair and rigorous examination by the examining committee chaired by T. FUKUDOME, no first prize was awarded. The second prize winners were, H. YAMASHITA, prof. of Meiji Univ. and M. MURAYAMA, associate prof. of Tokiwa Univ. We believe that the contest has significantly contributed to the progress of business ethics research and its application to the praxis of management in Japan.

6. International activities

As the only academic association devoted to the study of business ethics and to enlightenment of the public on business ethics in Japan, our activities have spread all over the world in 1994, we exchanged a memorandum of cooperation with the Society for Business Ethics (SBE), which is based in the U.S.A. and leads the global community of business ethics study. Since then we have cooperated with SBU to hold symposiums and other activities. We have had a good relationship with business ethics researchers in South Korea. In the case of Europe we send members to the annual meeting of EBEN

(European Business Ethics Network). We also have developed a good relationship with Chinese scholars of business ethics.

Now we are trying to build a global network of business ethics researchers and business persons who are interested in business ethics.

7. The activities of the Study Groups

Today JSBES has the following seven study groups and two local divisions.

Management Philosophy and Spirit Study Group, Tamio FUKUDOME, chairperson

The goal of this study group is to research on business ethics and the philosophy and the idea of the corporation, based on the idea of agreement between economics and morality. It aims at constructing and proposing a leading philosophy for Japanese corporations in the new century. The study group also researches the relation among Confucianism, Buddhism and Japanese business ethics. As mentioned above, it published the book, *The New Century: the Sprit of Management and 16 Pioneers*, Eijishuppan 2001.

The Stakeholder Study Group, Koji TANAKA, chairperson

The goal of this study group is to investigate stakeholder management and to make a criterion of evaluation of stakeholder management. The group published a report, *A New Axis for the Evaluation of Corporations in the 21st Century SMIX21 (Stakeholder Management Index in the 21st Century), The Proposal of Stakeholder Management Index 21*, 2003.

The report is based on a deep and wide-ranging investigation and has been very favorably received in both of the academic and the business world.

The Ethical Auditing Practice Study Group, Masataka SHIMAMURA, chairperson

The goal of this study group is to research on every field in which is necessary to prevent and treat of corporate misconduct from the auditing point of view. To attain the goal the group has made many empirical studies on corporate governance, compliance, risk management and others.

The group stresses the responsibility of directors and auditors of corporations. The chairperson SHIMAMURA developed and completed a pledge statement to ensure that directors and auditors should keep the law and rules. The pledge statement has been adopted in ethical corporations.

The Corporate Ethics Behavior Study Group, Muneo HAZAMA, chairperson

The goal of this study group is to research into corporate behavior from the point of

view of social norms and to contribute to discovering ethically desirable corporate behavior and social norms. It then tries to build up such corporations and society. The group consists mainly of persons at present or previously in business. The group has studied much of the unethical conduct of famous corporations. It has also studied the management thought of outstanding business and social leaders such as Sontoku NINOMIYA and Konosuke MATSUSHITA.

Empirical Study Group, Chiaki NAKANO, chairperson

The goal of this study group is to make empirical research of into Japanese business ethics.

The group has investigated three times (1996, 1999 and 2002) the situation of Japanese business ethics. Research has also on the attitude of college students toward business ethics and other business ethics related issues.

The result of these investigations has greatly influenced the research, practice and education of business ethics in Japan.

Gender Equality Study Group, Yōko HAYASHI, chairperson

The goal of this study group is to research new evaluation systems of corporations and their code of conduct from the gender point of view. The group has studied gender related problems such as equality in the workplace, sexual harassment, work-family balance, and a case study of the rights of contingent workers and the child-care holiday system.

Both men and women members of JSBES have participated in the research meetings and discussed the theoretical and practical issues considering the related laws.

CSR (Corporate Social Responsibility) Study Group, Junichi MIZUO, chairperson

The goal of this new study group is to study CSR and make a proposal on the ideal CSR considering the sustainability of corporations and society. The members of the group consist of businesspersons and academicians. The group's plan also includes the gathering of information and data on CSR globally and contributes to promoting the welfare of society and corporations. As a result of its activity the group can contribute to the growth of JSBES. The group researches the theory as well as the practice of CSR.

Kansai Division, Teruzo TANIGUCHI, representative

The division has more than 50 members among academicians and businesspersons who live or work in the Kansai area, and has conducted a lot of fruitful research activities. The group has also held three symposiums. The themes of the symposiums were

Environment Oriented Management, IT Revolution and Business Ethics, and School Education and Business Ethics. In the Kansai area such global oriented corporations as Matsushita and Osaka Gas have their headquarters. So the division has a close relationship with the corporations in this area and has greatly contributed to the development of a business ethics system in the real business world.

Chubu Division, Yasuari TAKAURA, representative

The division has more than 20 members who live or work in the Chubu area. Since the establishment in 2000, the division has held about 10 research meetings. The themes of the meetings have included Compliance Management, Social Entrepreneurs – Present and Future, and Collaboration between Different Kinds of Organizations – in the case of NPOs and business firms. Nagoya Commercial College has performed the role of headquarters. In the Chubu area such global oriented corporations as Toyota and Suzuki have their headquarters. Therefore, as in the case of the Kansai Division, the division has a close relationship with the corporations in this area and has contributed greatly to the development of business ethics systems in the real business world.

8. Conclusion

Recently the Japan Society for Business Ethics Study has changed its administrative system to cope with the growth of members and the enlargement of the area of its activities. The new organization has one president, three vice presidents and four executive trustees, eight trustees and three auditors. The board of councilors has nine members.

Since the establishment of JSBES in 1991 this academic society has contributed to the progress of research in business ethics and the propagation of ethical business behavior in Japan. Now JSBES is a member of the Union of National Economic Associations in Japan, and the Japan Science Council. We intend to continue to research business ethics in collaboration with the Business Ethics Research Center from the global point view.

(Shunji KOBAYASHI, Waseda University)