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**HISTORICAL ASPECTS OF RUSSIAN LARGE CORPORATIONS'
ETHICS**

Ethics, according to Santa Clara University lectures [1], is a set of standards contributing to human well-being, or, if we are talking about large corporations – contributing to well-being of all their structural units and their environment. The word "leadership" in given context means imposing the making of final decision on somebody. Therefore, by ethical leadership we mean leadership model that takes into account not only and not so much the interests of the company as a whole, but also the interests of shareholders, creditors, hired employees, customers, suppliers, states, trade unions, local communities, the public, ecology and, in a sense, even the interests of their competitors [2]. Ethical and responsible decisions will sometimes differ from generally accepted practices. Obviously, ethical leadership is part of corporate social responsibility, which, while meeting standards (ISO 26000), is a factor that increases the cost and profitability of the company.

The influence of each stakeholder given above and their business goals vary depending on the area in which leaders of the corporations operates – that is what separates a responsible leader in a healthcare industry of a responsible leader in IT industry and others. Leaders of large corporations, unlike most other organizations, will inevitably face more intense interaction and interference of much wider circle of stakeholders and their interests; the state, public and environment would have higher priority.

Ethical leadership in large corporations should be applied to every structural level: personal leadership responsibility in the small company, the company's leadership among other companies, leadership (in terms of influence) at the state level and leadership at the world level (when corporations' decision affects on several States, or even the entire market sector).

Moving to Russian corporations it is necessary to highlight those ethical features that are obstacles to strengthen the ethical side of the business:

- Lawless regulation - the law does not always have the power that global marketing expects it to have;
- Strength of informal relationships – Russian businessmen often step over formalism, which can harm the reputation of corporation and its partners;
- Multilevel ethics in a group – level of ethics differ depending on the position of the employee;
- “Marriage of convenience” with the authorities – decisions are made to benefit government officials, while disregarding other stakeholders;
- Technocratic leadership and paternalism;
- Risky decisions and broad diversification of business - frequent risky decisions hardly contribute to establishing trust between corporations and their partners;
- Lack of charity - western corporations tend to show their social responsibility through charity, which rarely happens in Russia;
- Piety towards foreign companies and traditional hospitality – foreign companies sometimes take advantage of this two facts;
- High confidence in education - diploma of higher education is still considered enough reason to give person a job, while for more developed markets its value is much lower;

The origins of these issues lie in the yet young economics of Russia, unpredictable legislation, the residual (after 90'th) illegal market and in Russian mentality and traditions. Samartseva E.A. [5] made an interesting observation

concerning Russian corporations - corporation should be cautious in pursuing high ethicality, as it could become a victim of unethical competitors. Moreover, stakeholders themselves in case of decreasing of too high level of ethicality could make attacks on its reputation. Still, there are positive preconditions for establishing ethics in Russian business - the strong connection of the market and the state during the Soviet era, the moral core formed by Christian religion, collectivistic traditions of labor.

Overall, corporations are moving away from “profit at any cost”, “money does not smell” and “everything is permitted in commerce” strategies and trying to build a business on all the same principles that were approved in 1912 by Russian Union of Industrialists and Entrepreneurs [6]:

1. Respect the authority.

Authority is a necessary condition for the stable business. Everything needs an order. In this regard, show respect for the officers in legalized echelons of power.

2. Be honest and truthful.

Honesty and truthfulness is the foundation of entrepreneurship, a prerequisite of healthy profits and harmonious relationships in business. Russian businessperson should be a carrier of virtues of honesty and truthfulness.

3. Respect the right of private property.

Free enterprise is the basis of the welfare state. Russian entrepreneur is obliged to work up a sweat for the benefit of their homeland. This zeal can only be fulfilled by relying on private property.

4. Love and respect human rights.

Love and respect for the worker on the part of the entrepreneur generates reciprocal love and respect. That is the source of harmony of interests, and it creates an atmosphere for developing a wide variety of skills, encourages employees to do their best.

5. Be true to your word.

Businessperson must be true to his word: "You can lie just once. No one will believe you next time". Success in many respects depends on the extent to which the surrounding trust you.

6. Live within your means.

Do not be wasteful. Always be aware of your capabilities range and act accordingly.

7. Be purposeful.

Follow your goals and act appropriately. Having a clear goal is necessary for businessman. Do not get distracted by other things. However, do not cross the line of what is permitted. No cause should overshadow moral values.

All of the above shows that Russian corporate environment do have sources, lying in the past, for achieving high level of ethics in modern worldwide markets.

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