

ETHICS IN ORGANIZATIONS – A KEY-VALUE MAKING A DIFFERENCE

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ABSTRACT

Business ethics are a field with a dynamic evolution in organizations, with key-values shaping the corporate culture of companies and as well the profile of employees. Business ethics become more and more important as an element of the corporate culture to be shared and promoted by each employee. This is the consequence of the fact that nowadays companies rather hire an attitude than technical skills which can be anyway trained on the job. Ethical behavior in compliance with ethical codes, moral in business and reliability become key-values of the corporate culture and of the assessment of employees. The present paper gives new perspectives regarding the role of ethics in organizations as a key-factor making the difference as a competitive advantage for standing out of the line and for delimitation from other competitors on the market. The present paper proposes an interdisciplinary research approach, based on the assessment of business, economics, psychology and legal aspects related to business ethics in organizations and their importance for the human resources management. In accordance with modern trends in academia, qualitative methods, such as the questionnaire and the SWOT-analysis are used in order to investigate the research hypothesis and to formulate research results. The research findings can be developed and used in human resources departments dealing with this interesting issue.

KEYWORDS: *ethics in organizations, business ethics, ethical behavior, ethical codes, key-values of corporate culture, human resources, social responsibility*

1. INTRODUCTION

In the context of increasing corporate social responsibility as a global trend, ethics play a key-role in ensuring the correct attitude at company level. In order to create a proper corporate culture, the values promoted must be supported by each employee. Given these developments, ethic principles are being integrated in the corporate culture of the company and define the mission and the vision of the company.

The goal of the present research is to illustrate the increasing role of ethics in business in ensuring a proper working environment and in creating trust among business partners. Ethic principles guide the behaviour in companies and their importance is stated in ethic codes, which are part of the corporate culture of the company. Acceptance towards an ethic based corporate culture is needed in order to make it possible to implement this strategy.

The issue of ethics is related to new dimensions in the era of a digital economy, based on platforms, on online tools and on artificial intelligence, which represent new challenges both for companies and

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for consumers at global level. The trend of artificial intelligence used in the business environment comes along with new challenges to be solved in order to comply to business ethics. The protection of personal data becomes a key-issue in the context of the increasing importance of data as a source of power. Awareness raising regarding this topic is needed in order to better understand the complexity of this subject and its impact in our society, both for employers and for employees.

The present paper deals with the analysis of the perception of young people regarding the importance of business ethics in organizations using qualitative research methods, such as the semi-structured interview. The respondents are chosen among students at the Bucharest University of Economic Studies enrolled in Human Resources Programs, thus reflecting the vision of the future Human Resources Managers. New developments, measures and values are being assessed in the present research, analysing the research hypothesis that there is acceptance towards the researched subject.

The novelty and originality of the present paper consist in providing an interdisciplinary view on the research topic, combining elements of business, economics and psychology. It presents the perception of young people in Romania interested in working in Human Resources towards the debated topic and assesses the impact of this topic on the Romanian working environment.

2. REVIEW OF THE SCIENTIFIC LITERATURE

The studied literature (Kvalnes, 2016) identifies the importance of a new orientation in the business environment, based on ethic principles which become part of the corporate culture. These principles help employees to better understand the corporate culture they are part of, to share these values and to solve possible moral dilemmas related to their job tasks. Such principles are important as well in order to deal with implementing newest technologies based on machine learning and artificial intelligence within a company.

New tasks are related to these new developments for the management level of organizations (McMurray and Pullen, 2020). New ethics come as well with new responsibilities at corporate level. Social challenges, ecological criteria must be taken into consideration in the new business environment (McMurray and Pullen, 2020).

This new view can create a new value for corporations, which is integrity as an assessment parameter for employees and for business partners (Collins, 2009). Moral courage is another new value promoted in corporations according to these new trends of enhancing the importance of ethics in companies (Pope, 2018). Respect as well is a value to be shared by each employee in treating coworkers and business partners (Pope, 2018).

A new value becomes important in the corporate environment besides business ethics – care, a value that makes organizations more human (Fotaki et al., 2020). Moral emotions are a concept which defines the behavior in corporations in the context of promoting business ethics (Lindebaum et al., 2017). Codes of ethics as part of the corporate culture reflect the increasing importance of ethics in companies in economics in a broader view (Singh et al., 2018)

Behavioral ethics can provide the solution for avoiding scandals which affect the reputation of companies and have a negative impact on the activity of the company (Treviño et al., 2006). Especially ethical dilemmas in areas where the proper behavior is not clearly defined, called gray areas are a challenge to deal with in organizations (Bruhn, 2009). Both research and practice try to find solutions in order to consolidate the role of ethics in organizations and to define a new dimension of corporate culture taking into consideration the role of ethics (Pope, 2015).

3. RESEARCH METHODOLOGY

Qualitative research methods are used in the present paper, bringing an interdisciplinary view as an element of novelty and originality and considering aspects of business and psychology.

The research in the relevant literature (books, scientific articles, journals) is used, where the previous approaches of the researched topic are analyzed.

The semi-structured interview is as well used as a qualitative research method. The assessment evaluates the answers of 80 respondents chosen among students at the Bucharest University of Economic Studies enrolled in Human Resources Programs, thus reflecting the vision of the future Human Resources Managers.

The research is based on a qualitative case study at the Bucharest University of Economic Studies, at the Faculty of Administration and Public Management. The data collection took place between February 2020 and May 2020.

Metadata has been as well used in the present research for analysing conclusions drafted based on quantitative research.

4. RESULTS AND DISCUSSION

A main result of the present research refers to the importance of a new orientation in the business environment based on ethic principles. These ethic principles become part of the corporate culture of organizations. The new developments are related to new tasks for the management level, coming along with new responsibilities at corporate level. Such new responsibilities are connected to social challenges and to new criteria to take into consideration, such as ecological criteria.

Another important research finding refers to new values gaining increasing importance at corporate level, like integrity, moral courage, respect, care. Morality and integrity are new dimensions shaping the profile of the employee in such an ethic-based working environment. Attitude becomes much more important than technical skills, as technical skills can be trained easier on the job, while character belongs to the personality of the individual and cannot be changed. Although character cannot be changed, persons can at least be trained in order to comply to a certain ethical policy in accordance with the ethical principles of the organization. Awareness campaigns pointing out the importance of this topic are necessary. Hiring ethical people becomes an important aspect of human resources activities and of human resources policies.

New values shape business transactions, the working environment and the attitude towards business partners. As an instrument supporting the implementation of ethics in organizations are codes of ethics (Singh et al., 2018). A KPMG study showed a negative correlation between ethical codes and unethical behavior (Singh et al., 2018). Ethical codes are an effective instrument in order to promote corporate social responsibility and to implement behavioral ethics. This solution is helpful in order to avoid scandals and to provide answers to ethical dilemmas.

The enforcement of ethical codes is a very important aspect. In this context, the importance of communication is essential. The transfer of the ethic principles to the corporate culture of the organizations is very important, according to the research findings.

The conducted research validates the research hypothesis stating that there is acceptance towards the researched topic. The case study at the Bucharest University of Economic Studies, at the Faculty of Administration and Public Management shows that implementing ethics in organizations is important at that it is considered to be important. Taking into account the role of ethics, there are new dimensions of corporate culture emphasizing this aspect.

An important issue would be how to raise awareness regarding the importance of business ethics and ethics in organizations in the Romanian working environment. The performed SWOT-analysis reveals a weak point in the Romanian business environment in the lack of enough awareness regarding this topic, so there is still potential in organizing and improving this field.

4. CONCLUSION

Ethics in organizations is a topic of great interest, given the increasing importance of this field. Further research will for sure be needed, as it is a dynamic area. Possible limitations regarding the researched topic can be seen in the divergent opinions at management level regarding the practical implementation of a corporate culture based on ethics, the operationalization of this concept in order to achieve best results.

The research findings of the present paper can be further developed, they can be used for future research that will for sure be needed given the developments in this field at global level and the international trends.

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