



8

CORPORATE CODES OF ETHICS, INFLUENTIAL FACTORS

Rui Caldeira, Alfonso Infante Moro & Miguel Varela

Abstract: Companies increasingly interact with stakeholders through multiple relationships, based on the Code of ethics (CE). CE and standards of professional conduct are important management instruments whose main objective is to transform social power and morality. That is why the use of the codes of ethics maintains the novel awareness about ethics and serves as full guidance to the desirable standards. Today, all areas of professionalization and beyond require ethical standards that are necessary to guide the major impacts of the results of individuals' practice on the community and environment. The main objective of this article is to identify which are the influential factors of business codes of ethics. As for the methodology, a quantitative methodology was used in the application of a semi-structured questionnaire to a sample of 515 answers where 49.9% of the answers came from people working in large companies, considering large companies those with more than 250 people, 30.1% from medium-sized companies, 11.7% from small companies between 10 and 49 employees and 8.7% from micro-companies with less than 9 employees. The results of the study determined that in companies where employees have access to the corporate ethics initiatives, they exert a positive influence on the ethical behavior of the organization.

Keywords: *Ethics; Business; Code of Ethics; Influential Factors*

1. INTRODUCTION

Ethics corresponds to a personal and coherent conception of life, and translates into a requirement of systematization of principles, and is originated in metaphysical research, as exemplified by Aristotle's ethics. Deontology corresponds to the "code of duties" and consists of the implementation of duties on a specific level, that is, deontology is the ethics and morals of social roles and professional roles.

The relevance of building a favorable organizational climate was highlighted decades ago. In the 1970s, Schneider (1975) defined the atmosphere in an organization as the perceptions of organizational practices and procedures shared among its employees. Even when there are different types of climates in the workplace, the one that is related to organizational systems is considered the ethical climate (Kozáková & Kozáková, 2021).

The "ethical dilemma" involves all associates in an organization and a multitude of issues, such as individual morality and integrity; the daily choices of all participants in the organization; the use of power and authority; interpretations of rules and standards, and social influences (Kozáková & Kozáková, 2021). In this regard, the premise of ethical climate was developed by Victor and Cullen (1988), and identified the normative systems that guide organizational and systemic decision-making in response to ethical dilemmas (Skripak, 2018).

There is a difference between what should be and what is in reality, and in this article we will try to demonstrate that ethics is more than a theory — it is an obligation.

The ethical behaviour of an organization can be described by performing various activities. Ethical activities include the criteria of treating stakeholders fairly, transmitting fundamental values and principles to all employees, and holding them personally accountable for their actions (Bassell et al. 2015).

Ethics is "a transversal dimension that can penetrate all the company's fields of activity" (Mercier, 2003, p.7).

2. LITERATURE REVIEW

Both managers and researchers have focused on promoting ethical behaviour within organizations (Kacmar, Andrews, Harris & Tepper, 2013). Leaders of some of the largest companies in the world, such as

Johnson & Johnson, IBM, and Goldman Sachs, have been reinforcing the idea that a conduct guided by high moral standards represents a high-value asset (Drummond & Bain, 1994). Business decisions are not only made according to economic constraints, but are also influenced by the values that the organization favours and defends, often making these values its motto. The most practical way for an organization to disseminate its moral values is by creating a code of ethics for the organization, through which it can transmit its values, formalising it into an instrument that will also serve to distinguish itself from other organizations (Cortina, 1994). Organizational codes of conduct are now seen as the norm rather than the exception (Berenbeim, 1988). In organizations, decisions are made every day that affect the rights and interests of those who work there as well as those from outside. The unethical and irresponsible behaviour of managers and their organizations is believed to cause pain in society (De Cremer, 2011).

Codes of conduct serve as pragmatic management tools intended to shape social power dynamics and moral standards (Agheorghesei, 2011). Off conduct deontological codes offer distinct advantages by perpetuating ethical awareness and offering a compass for desirable benchmarks, thereby fostering critical thinking for novel scenarios (Reber, 2013). In the contemporary landscape, it is challenging to identify sectors devoid of the imperative ethical principles required to navigate the ramifications of practice outcomes on individuals, communities, and organizations (Sandu, Caras, 2013). These codes stand as indispensable instruments for upholding organizational stability, particularly in instances where products and services could potentially engender discrimination or discomfort among individuals and groups (Sandu, 2012).

In practice, codes of ethics are treated in the same way as codes of deontology, without being influenced by the minimum standards required and recommended for good practice. These codes often combine minimum regulations with rules aimed at excellence (Sandu, 2012).

According to Reber (2013) there is a distinction between the code of ethics, which refers to desirable standards and is based on ethical principles, deontological codes, which represent a minimal tool for ethical self-regulation, and codes of conduct, which regulate desirable behaviour. The main difference between codes of conduct and ethical standards is represented by the fact that the content of codes of conduct is rather general, while the content of ethical rules is rather specific. The purpose of codes of conduct “is to outline and drive the general principles of good practice.”

Thus, no historical age has led to so many reasons for humanity to rethink its condition and its problems. The technical and scientific development, which enables international integration, and the neo-liberal process, have resulted in the astonishing amplitude of the risks of human activities. In this context, in his fundamentation of morality, Kant defends the need to rely solely on a priori principles, which are founded on pure reason, without any interference from principles of experience¹.

The word ethics has become vulgarised and widely used in our environment as a meaning of correctness. Among the medical community, the term has become associated with the Code of Medical Ethics, by creating its own language, which is universal, comfortable and of false interpretation. According to Cole et al. (2014) it “contains the ethical standards.”

Businesses increasingly interact with stakeholders through multiple relationships in accordance with the CE. This can provide an instrument that will assist an organization and its members to avoid or resolve ethically problematic issues that may affect the company’s reputation (Lee et al., 2014).

Social pressures increasingly demand ethical professionals. At an organizational level, ethics is intended to determine a specific group of values and approaches towards stakeholders, demanding a certain level of ethical education, which becomes part of the culture. Organizational culture or company philosophy includes management culture, but also traditions, attitudes, incidents and events, thus representing its own ideology (Larkin & Pearce, 2015). According to the authors, the most pressing ethical challenge is the capacity of managers to put efficiency and justice, and profit and the interests of employees on an equal level,

¹ “All, therefore, that which is empirical is, as an addition to the principle of morality, not only useless, but highly injurious to the very purity of manners; for what constitutes the particular value of an absolutely good will, a value superior to all price, is that the principle of action should be free from all the influences of contingent motives which experience alone can supply. Every precaution will be few against this sloppiness or even this vile way of thinking, which leads one to seek the principle of conduct in empirical motives and laws. For human reason is prone to rest from its labours on this pillow, and, in the dream of sweet illusions (which make it embrace a cloud instead of Juno), to put in place of the legitimate son of morality a bastard composed of members of the most varied provenance, who resembles whatever one wishes to see in him, only he does not resemble virtue in the eyes of one who has once seen it in its true figure” (Kant, 1995, p. 63).

but also those of the community in which the organization operates (Wisegeek, 2015).

An efficient code of ethics increases social responsibility and clarifies the norms and values that the organization seeks to defend. It is visionary and transformational, it provides guidance in difficult circumstances. It sets the mood for the organization and can be the strategic corporate document on which all decisions are based. The adherence to the Code of Ethics in organizations is a compromise that an organization can make to secure a strong ethical climate, and when codes are imbedded in the climate of the organization, leaders and staff will embody the codes with speech and action, and can help to establish and maintain successful ethical organizations. Integrating the code means prioritising strategies and policies so that the code takes a central stage in the organization (Galvão, 2013; Fetiniuc & Luchian, 2014).

Ethical codes can significantly enhance a company's reputation and minimize the need for governmental intervention, fostering a self-regulated business environment. European enterprises, in particular, have been leveraging these codes to streamline labor relations and preempt governmental oversight. Reynolds (2019) articulates that ethics serve as a guideline, dictated by the community to which an individual is affiliated. Consequently, ethical practices align themselves with the widely accepted norms, which are fluid, adapting over time to cater to the shifting needs of societies or collectives that are bound by common laws, traditions, and values. These shared principles lay the foundation, enabling them to coexist harmoniously.

Furthermore, research by Roche (2019) and Borysowski et al. (2020) underscored the significance of fostering desired behavioral shifts within groups and individuals, and delving into the elements shaping an organization's ethical code. Reynolds (2019) also emphasizes that a clear understanding of ethics enables community members to comprehend their duties, fostering collaboration for mutual gains like safety, resource availability, and goal realization.

It is crucial to highlight the role of organizational culture as a network of shared values, assumptions, and beliefs that guide members' actions within an entity (Rick, 2015). This culture is not merely a passive backdrop; it actively contributes to organizational performance. It encapsulates the aspirations, ethos, and guiding principles of an organization, manifesting in its self-perception, internal dynamics, and external relations (Rick, 2015; Russell, 2019).

Moreover, organizational culture is not just a nebulous concept; it is grounded in shared perspectives, values, traditions, and both explicit and implicit rules cultivated over time and deemed valid. Notably, when it comes to ethical decision-making and the development of ethical codes, the influence of organizational culture is paramount (Bassell et al. 2015). In this regard, previous studies have indicated when an organization has a high morale and is ethically based on its image, its employees will demonstrate responsible and appropriate behaviour (Erwin, 2011).

As businesses interact with society, an interdependence develops between the company and its stakeholders, and when organizations win public respect and community approval they are able to get a higher return on their investment (Skripak, 2016). Therefore, implementing business ethics can ensure greater maximisation of legal profits and safeguarding the interests of all stakeholders (Skripak, 2016).

An organization's ethical behavior can be effectively demonstrated through a range of activities. According to Bassell (2015), predominant ethical organizational practices encompass treating stakeholders equitably, disseminating core values and principles across all staff members, instilling personal accountability for actions, and upholding integrity across all circumstances.

CE not only enhances reputation and Brand image but also signals the company's unwavering dedication to ethical conduct, fostering growth prospects in emerging economies. Added advantages encompass distinct product positioning, adept risk management translating to lowered insurance premiums, mitigation of adverse consumer actions and bolstered customer relationships (Russell, 2019).

On the flip side, instances of unethical behavior can profoundly impact an organization's reputation and positive image. Such situations can result in dire consequences including loss of clients or investors (Dondé, 2020). Lee et al. (2014) study delved into corporate ethics and philanthropy, examining two variables linked to the antecedents and turnover intentions due to job-related and organizational factors. Their findings corroborate the pivotal role of business ethics as a determinant influencing the contemporary success and profitability of companies.

Currently, conformity has been approached as a factor that improves the effectiveness of codes, but it needs to be seen from the perspective of traditional theory, which includes not just punishment, but also incentives. A person's disposition to engage in ethical and unethical actions through behaviour can influence the acts recorded. In general, staff work harder

to understand and adhere to ethical values and management strategies if the organization compensates people for following high ethical standards, while also punishing those who do not behave ethically (Rahman et al., 2020).

Askew, Beisler & Keel (2015) assume that by establishing and enforcing codes of conduct or ethics will help create an organizational environment that encourages ethical behavior among people. In fact, for ethical decision making, coding assistance, organizational culture play a key role. In addition to this, some previous studies have indicated that if an organization with high morale is ethically based on its image, its employees will behave responsibly (Erwin, 2011).

It is equally important to get data on the alignment of personal values with the values of the organization identified in the culture and the stress they may face. Organizational stress is closely related to the incentive structure. Although originally intended to represent external organizations from factors such as market control and resource scarcity, application stress is a potential result of ethical conflict when an employee's personal business ethics is inconsistent with the organization's ethical standards (Reynolds, 2019).

The corporate landscape has shifted in recent times and the matter of corporate morality has grown increasingly vital for organizations (Cant et al., 2013). Leaders anticipate ethical behavior from their staff, and employees anticipate ethical behavior from their leaders (Phatshwane, 2013). Globalisation has a success factor, leveraging it to achieve a competitive edge (Larkin & Pierce, 2015).

Numerous advantages stem from ethical conduct within the real of business. In this context, Reynolds (2019) notes that a company upholding elevated ethical standards across all its operations fosters an ethical standing. This, in turn, yields heightened customer contentment and loyalty, thereby translating into increased profitability. This propensity for patronage towards ethically sound enterprises is evident, as highlighted by Wiid, Cant and Niekerk (2013).

An ethical code organization, often regarded as a foundational element in business, holds tremendous significance (Jalšenjak and Krkač, 2016). Given the intricate nature of the corporate landscape, it becomes imperative for companies to consistently showcase to prospective customers, investors and partners that the organization operates as a moral entity. This entails a genuine concern for and thoughtful consideration of the broader society, embracing a form of social mission (Sikavica et al., 2014).

The capacity of managers to recognize and address ethical business matters has become a significant priority. Ethical conduct has always been a concern for managers as they hold the greatest responsibility in the company when it comes to business ethics. In this context, interest in business ethics and ethical conduct is steadily increasing, especially in recent years when some widespread corporate ethical scandals have brought the topic to the forefront. In this regard, Buloc & Grancic's (2017) research aimed to analyze the advantages of business ethics and identify the ethical conduct of managers in a large company in Croatia through a qualitative investigation. Their findings determined that the advantages of business ethics are extremely high, being directly related to the company productivity and profitability through employee loyalty and morale, the company reputation in the community, positive public perception, amongst others. While the absence of ethics leads to a series of problems for a company.

The business executive working as a professional manager needs to decide what is ethical or unethical. There are thus many factors that influence this decision, and it is based on:

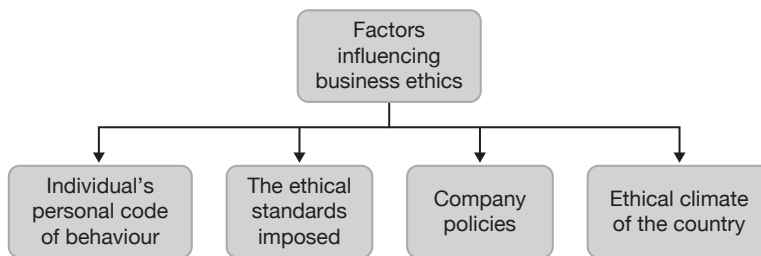


Figure 1. Factors that influence business ethics (Emery, 2016).

Managers bear the responsibility of upholding the utmost standards of ethical conduct. This encompasses the integration of ethical behavior with a leader's capacity to make informed and judicious decisions. (Emery, 2016). In this context, perceived ethical issues are concerned with an individual's recognition of a moral issue and the perception that he or she is a moral agent. It is the degree to which an individual perceives that there is an ethical issue involved in an action. How an individual perceives an ethical issue in a given situation is an important determinant of their decision-making process in that same situation (Sikavica et al., 2014).

Environmental, cultural, industry and organizational factors as well as personal experiences can influence perceptions of the existence of an

ethical problem, alternatives and consequences (Larkin & Pierce, 2015). The prevailing method of culture management has centered on ensuring alignment between the values held by individual employees and those of the organization. (DiStatso, 2017). As a result, studies have mainly focused on individual factors such as age, behaviour, personal values or commitment more often than organizational factors such as culture, policies, rewards or training (Lehnert et al., 2015).

The primary aim of the study was to determine the key factors that influence business Codes of ethics. Previously, a qualitative study by Plinio, Young and Lavery (2010) found that one of the most serious problems facing organizations today is the presence of weak ethical behaviour and almost non-existent ethical leadership.

3. METHODOLOGY

Methodological framing is the same as identifying and describing the methodology to be used for the purposes of an academic-scientific work, that is, identifying the method, technique and instruments and procedures used for collection, treatment, analysis, discussion or interpretation, and presentation of research results (scientific-academic work). Hence the importance of this chapter which, in general terms, combines the theoretical part with the practical part, if we consider that the theme, predicament, objectives and hypotheses of this article admit for their understanding as a component the aforementioned parts (theoretical and practical).

The quantitative method (Fortin, 2009) is a research approach that focuses on collecting and analyzing numerical and measurable data. It aims at measuring specific variables and examine statistical relationships among them. Typically, it involves the use of questionnaires, surveys using rating scales, controlled experiments, and statistical analysis. The primary objective is to produce results that can be generalized to a larger population and to test hypotheses through rigorous statistical analysis.

The qualitative method (Fortin, 2009) is a research approach that emphasizes in-depth understanding and interpretation of complex social phenomena. It relies on non-numerical data sources such as open-ended interviews, participant observations, textual content analysis, and discourse analysis. Instead of seeking numbers, the qualitative method explores the

richness and depth of human experiences, identifies emerging patterns, and provides contextual insights. It is often used to investigate complex issues, explore individual perspectives, and generate theories from data.

Both quantitative and qualitative methods play significant roles in contemporary research and can be combined in mixed-method studies to comprehensively address complex questions.

In this case, the conduct a quantitative study was chosen.

A quantitative study is conducted for various reasons, and the choice to use this method depends on the research objectives and the nature of the questions to be answered. Here are some common reasons why a quantitative study is undertaken:

- a) **Objective Measurement:** The quantitative method is suitable when there is a need to objectively and precisely measure variables. This is particularly important when dealing with numerical data such as numbers, statistics, or measurable information.
- b) **Hypothesis testing:** A quantitative study is useful for testing specific hypotheses. It allows researchers to use statistical analyses to determine if there are significant associations between variables or to assess the impact of an independent variable on a dependent one.
- c) **Generalization:** The results of a quantitative study can often be generalized to a larger population. This is valuable when intending to draw conclusions about a wide range of people or situations based on a representative sample.
- d) **Standardization:** The quantitative approach enables standardization in data collection and analysis. This helps ensure that data is consistent and comparable, which is essential for research reliability and validity.
- e) **Efficiency analysis:** Quantitative analysis is efficient when dealing with large datasets. Statistical tools can process extensive data quickly and effectively.
- f) **Objectivity.**
- g) **Trend and pattern identification.**
- h) **Evidence-based decision-making.**

The questionnaire was made available online across platforms, and subsequently, we specifically targeted individuals who were currently employed and working for others, which constituted our primary target audience.

The questionnaire is composed of thirteen questions, twelve of which about their influence on reputation and one representing the main dependent Y variable, related to the company where you work, code of ethics, ethics mechanisms and behaviour. The questionnaire was administered to the general public online and in person between May and August 2023.

The factors or elements that are being studied can vary in value and category:

Specific primary area of the code of ethics refers to the main or primary focus or domain within a code of ethics. It can relate to specific ethical principles or guidelines that an organization gives priority to.

Extent of the code of ethics, refers to the depth or breadth of the code of ethics. It can indicate how comprehensive or detailed the code is in addressing ethical issues.

Size of the company represents the size of the company in terms of number of employees, revenues or other relevant metrics. It can be categorised as small, medium or large, for example.

Industry sector indicates the specific sector or field in which the company operates. Sectors can vary significantly, and ethical considerations can differ based on the characteristics and practices of the sector.

Reputation refers to the perception and position of the company in the eyes of stakeholders and the public. Reputation can be influenced by various factors, including ethical behaviour, and can have an impact on a company's success and relationships.

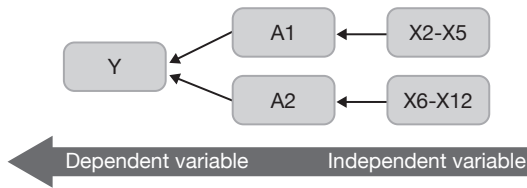
These elements cover key dimensions for studying the interaction between codes of ethics, company characteristics and reputation in organizational ethics research. They provide a basis for exploring how different factors can influence ethical behaviour and perceptions within companies.

After data collection, a multiple regression model considering quality as the dependent variable and twelve independent variables, divided into two dimensions:

Table 1. Operationalization of variables

A1	Business Area	X1 n° of workers	X2 Company area
		X3 Dimension Code of ethics	X4 Trade area
		X5 Growth	
A2	Company Code	X6 Knowledge	X7 Consequences
		X8 Behaviour	X9 Ethical mechanism
		X10 Performance	X11 Commitment
		X12 Reporting	

Y Variable
Y Reputation



Statistical treatment was carried out using the SPSS software.

The term variable or hypothesis is of a quantitative nature, based on the mathematical conceptualization. The term variable leads us to the notion of something or someone susceptible to change, to transform itself through contact or influence of elements inherent to its specific or general environment.

The following, it were put forward as study hypotheses:

H1: The dimensions of the CE have an influence on the ethical behaviour of the respective company.

After isolating the answers, a mean of 3.88 and a standard deviation of 0.64 were obtained.

H2: In companies where employees have access to the CE and this code influences the ethical behaviour of the respective company.

In companies where employees have access to the CE and have an influence on the ethical behaviour of the respective company, the same procedure was followed as hypothesis one and obtained a mean of 4.19 and a standard deviation of 0.64, curiously the same value as the previous hypothesis.

Following our questionnaire, 515 responses were obtained; 49.9% of the responses came from people working in large companies (large compa-

nies are those with more than 250 employees), 30.1% from medium-sized companies, 11.7% from small companies with between 10 and 49 employees and 8.7% from micro-companies with less than nine employees.

4. DISCUSSION OF RESULTS

Based on the concept of Prodanov and Freitas (2013, p. 97) on data collection, we understand that “the phase of the research method, whose objective is to obtain information from reality. (...) It is the phase of research in which data was collected through specific techniques”, was used for data collection concerning this research, the bibliographic research and the survey, by means of using the questionnaire with closed and multiple-choice questions.

Some conclusions can be drawn from the 515 responses obtained., The first on them is that the people working in the food industry were those who contributed the most to our questionnaire, with 21.4% of the responses, followed by 14.6% in purchasing and trade and 13.6% in services. In contrast, agriculture accounted for 1% and construction 2%. This question was asked because in some sectors, including banking, there are specific laws governing business conduct. These industries formulate compliance-based codes of ethics to enforce laws and regulations. Employees usually undergo formal training to learn the rules of conduct. As non-compliance can create legal problems for the company as a whole, individual workers within a company can face penalties for not following the guidelines (Hayes, 2023).

Evaluating the length of a company’s ethical code is just one way to gain insight into its ethical stance. This research categorized company ethical codes into six lengths for comparison. However, a significant difference was found only between the briefest codes (0–5 pages) and the other four categories: 6–10 pages, 11–20 pages, 21–50 pages, and 50–100 pages. Codes under five pages long tend to be general, outlining a company’s broad commitment to avoiding unethical practices and aligning its operations with laws and ethical standards for all stakeholders. Such brevity does not permit these codes to delve into specific unethical actions or detailed behavior in specific scenarios.

Holzhausen (2015) argued that brief and less-specific codes might be less effective since individuals might prioritize societal norms over their ethical instincts, especially when faced with challenges like poverty or

lack of recognition. Contrarily, Erwin (2011) posited that the mere presence of a code of conduct, irrespective of its content, can have positive impacts. This aligns with Adams et al. (2001), who suggested that just having a formal code of conduct in place can shape perceptions of ethical behavior within organizations.

In essence, while the depth and specificity of a code may vary based on its length, it doesn't necessarily reflect its efficacy or impact.

According to the participants in the study 33% of the companies have a code of ethics between 11 and 20 pages long, the second most significant range is 25.2%, which means a content between 21 and 50 pages.

When asked on which specific area their company's code of ethics focuses, 78.6% identified a general rejection of unethical practices.

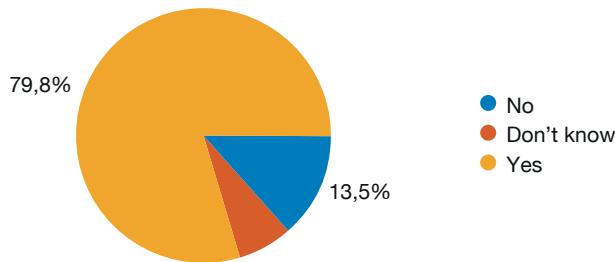


Figure 2. Ibex35 companies with and without an ethical channel.
Source: Prepared by the authors.

Unfortunately, 79.6% of the respondents are unable to identify whether any growth of the company has occurred after implementation of the ethical practices, with 13.6% stating that there has been a growth of the company and 6.8% stating that there has been no growth. The recognition that business ethics is important is that it can improve profitability, yet many people are unable to recognise this. Those honoured in the 2021 list of the World's Most Ethical Companies outperformed the Large Cap Index by 10.5% over three years. A well-implemented ethics programme can reduce losses.

Regarding the existence of the code of ethics, 61.2% state that all people have access to it and know of its existence, 34% state that not all people know that there is a CE in the company and 4.9% know that there is one but do not have access to it.

More than half of the participants, more specifically 62.1%, know that there is a reward / punishment system related to ethics. This percentage rises to 82.5% for those who state that the company permanently demands compliance of the code of ethics, regardless of the hierarchical level. This percentage rises to 91.3% when they point out the existence of ethical mechanisms in the company such as audits, ethics committees, ethics ombudsman or an anonymous telephone line.

In question number ten concerning clarification of ethical behavior in the respective company, a Likert scale from 1 to 5 was used, and the observation of the results was as follows:

	Percentage
1	0%
2	1%
3	19.4%
4	56.3%
5	23.3%

The mean observed was 4.02 and the median was 4. The standard deviation observed in this distribution was 0.69.

The 97.1% responses to the question that employees are more engaged in organizations that have adopted a code of ethics gets the positive opinion, which means that people are more productive and feel better in a more ethical company.

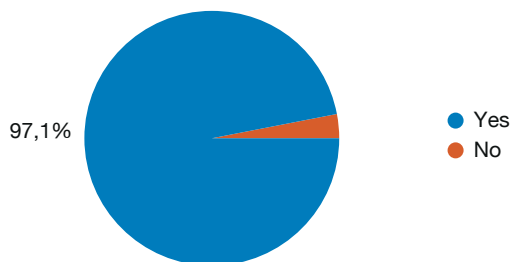


Figure 3. Are employees more engaged in organizations that have adopted a code of ethics?

Lastly, the question was posed of whether corporate and professional ethical guidelines influence employee conduct regarding the disclosure of unethical actions, with 98.1% affirming that they do.

In question thirteen, which assesses the Y variable, 100% of people were found to appraise the existence of company recognition; 6% of them classify it as sufficient, 43% as good and 51% as very good.

Numerous studies on this subject have been and are being carried out, in particular Schwartz's study on *The Nature of the Relationship between Corporate Codes of Ethics and Behaviour*, published in the *Journal of Business Ethics*, and Helin et al.'s *An Inquiry into the Study of Corporate Codes of Ethics*, which indicate that our study is in line with the studies already carried out in various fields.

5. CONCLUSIONS

In conclusion, it is safe to say that ethical leadership leads to more ethical behaviour and a more ethical company leads employees to be more ethical. It is evident that employees are more engaged in organizations that have adopted a CE, this means that people are more productive and feel better in a more ethical company.

Our two hypotheses were proven, thus demonstrating that the dimensions of the CE have an influence on the ethical behaviour of the respective company. Companies where employees have access to the CE influence the ethical behaviour of the respective company. The clearer and more explicit these CEs are, the easier they are for people to understand.

Our results are contrary to those of Cleek's study, which indicated that corporate codes of ethics do not influence the determination of a person's ethical decision-making behaviour, although this study dates back to 1998.

The genesis of the ethical standards lies within the individuals, the organizational culture, and the societal context within which a company operates. They serve as the yardstick for a company's operational conduct, and influenceous aspects including social responsibility, corporate governance, and employee relations.

In recent times, corporate ethics has gained prominence as stakeholders increasingly demand accountability from companies for their actions. A robust framework for corporate ethics can bolster a company's reputation,

engender loyalty among stakeholders, and enhance overall performance. Conversely, ethical lapses can result in dire consequences such as legal repercussions, damage to reputation, and a decrease in market value.

According to the 2018 Global Business Ethics survey, employees are more likely to apply ethical reasoning when their company clearly demonstrates why business ethics is important.

Moreover, corporate ethics can significantly shape individual's perceptions and interpretations of their work environment. It has the potential to moderate the impact of stressors such as work overload (Hong, Y. 2023).

As limitations of this study include the challenge of obtaining fully completed questionnaires in larger quantities. The response rate to our survey was approximately 10%, even though we made efforts to reach out through personal email addresses to expand our sample size.

For future research, it is advisable to validate our findings by utilizing larger sample sizes and examining diverse contexts in international settings characterized by heterogeneous and culturally distinct groups.

REFERENCES

- Adams, Janet S., Armen Tashchian, and Ted H. Shore. (2001). Codes of Ethics as Signals for Ethical Behavior. *Journal of Business Ethics* 29: 199–211.
- Agheorghesei, D.T. (2011). *Ética de negócios*. Iasi, Romênia: Alexandru Ioan Cuza University Publishing House.
- Arthur W. Page Society (2017, 22 de maio) Disponível em: <https://page.org/blog/cos-on-building-corporate-character-more-work-to-be-done>
- Askew, O. A., Beisler, J. M., & Keel, J. (2015). Current trends of unethical behavior within organizations. *International Journal of Management & Information Systems (IJMIS)*, 19(3), 107-114.
- Bassell, Myles, Dov Fischer, and Hershey H. Friedman. (2015). *The Importance of Business Ethics and Corporate Social Responsibility: A Course Module*. Brooklyn: Brooklyn College, School of Business, 24p, SSRN 2646295.
- Bauer, G.R., Churchill S.M., Mahendran M., Walwyn, C., Lizotte, D., Alma Angelica Villa-Rueda, A.A. (2021). Intersectionality in quantitative research: a systematic review of its emergence and applications of theory and methods. *Social Science and Medicine-Population Health*.

- Berenbeim, R. E. (1988). Ethics Codes and Educational Programs. *Security Management*, 32 (10), 91-97a.
- Borysowski, Jan, Hans-Jörg Ehni, and Andzej Górski. (2020). Ethics codes and medical decision making. *Patient Education and Counseling*, In press.
- Buloc, I. & Grancic, I. (2017) The Benefits of Business Ethics - Ethical Behavior of Decision Makers: the Empirical Findings from Croatia. *Mediterranean Journal of Social Sciences*.
- Cant, C.M., Wiid, J.A. & Kallier, M.S. (2013). Small business owners' perceptions of moral behaviour and employee theft in the small business sector of Nigeria. *Gender and Behaviour*, 11(2):5775-5787.
- Cole, J.R. Oliver, A. & Blaviesciunaite, A. (2014). The changing nature of workplace culture. *Facilities*, 32(13/14): 786-800.
- Cortina, A., Conill, J., Domingo-Moratalla, A. & García-Marzá, V. (1996). *Ética de la empresa*. 2ª ed. Madrid: Trotta.
- Cleek, M.A., Leonard, S.L. (1998). Can corporate codes of ethics influence behavior? *Journal of Business Ethics* 17, 619–630. <https://doi.org/10.1023/A:1017969921581>
- De Cremer, D. (2009). On understanding the human nature of good and bad behavior in business: a behavioral ethics approach. Inaugural Address Research in Management Series. Rotterdam: Erasmus Research Institute of Management (ERIM).
- DiStaso, M. (2017). CCOs na construção do caráter corporativo: mais trabalho a ser feito.
- Dondé, Guendalina. (2020). Embedding Business Ethics: 2020 Report on Corporate Ethics Policies and Programmes. IBE 2020 Report on Business Ethics Policies and Programmes. IBE Organization. April. Available online: <https://www.ibe.org.uk/uploads/assets/Od2f6827-c3c7-43f3-91c104e7cd9470a1/IBE-Report-Embedding-Business-Ethics-Summary.pdf>
- Drummond, J. & Bain, B. (1994). *Managing Business Ethics*. Butterworth Heinemann.
- Emery, E. (2016). Ethical behaviour, Leadership, and Decision Making. Walden University, Doctoral Dissertation.
- Erwin, Patrick M. (2011). Corporate codes of conduct: The effects of code content and quality on ethical performance. *Journal of Business Ethics* 99: 535–48.
- Fetiniuc, V. & Luchian, I. (2014), Banking ethics: Main conceptions and problems, *Annals of the University of Petroșani*, Vol. 14(1), 91-102.

- Fortan, M. (2009). *Fundamentos e etapas do processo de investigação*. Lusodidacta. ISBN:9789898075185.
- Galvão, P. (2013). *Os Métodos da Ética*. Lisboa, Fundação Calouste Gulbenkian.
- Hayes, Adam (2023) Code of Ethics: Understanding Its Types, Uses Through Examples. Investopedia.
- Helin, S., Sandström, J. (2007), An Inquiry into the Study of Corporate Codes of Ethics. *J Bus Ethics* 75, 253–271. <https://doi.org/10.1007/s10551-006-9251-x>
- Hofstede, Geert. (2011). Dimensionalizing cultures: The Hofstede model in context. *Online Readings in Psychology and Culture* 2.
- Hong, Y., Kim, M.J., Roh, T. (2023) Mitigating the Impact of Work Overload on Cybersecurity Behavior: The Moderating Influence of Corporate Ethics—A Mediated Moderation Analysis. (<https://www.mdpi.com/2071-1050/15/19/14327>)
- Jalšenjak, B. and Krkač, K. (2016). Poslovna etika, korporacijska društvena odgovornost i održivost. Mate d.o.o., Zagreb.
- Kacmar, K., Andrews, M., Harris, K., & Tepper, B. (2013). Ethical Leadership and Subordinate Outcomes: The Mediating Role of Organizational Politics and the Moderating Role of Political Skill. *Journal of Business Ethics*, 11(5), 33-44.
- K. Lehnert, Y. Park, N. Singh (2015). Nota de pesquisa e revisão da literatura empírica sobre tomada de decisão ética: condições de fronteira e extensões. *Journal of Business Ethics*, 129 (1), pp. 195-219.
- Kant, I. (1995). *Crítica da faculdade do juízo*. Tradução Valério Rohden e Antonio Marques. 2.ed. Rio de Janeiro: Forense Universitária.
- Kozáková, J. & Kozáková, M. (2021). Factors Influencing the Extent of the Ethical Codes: Evidence from Slovakia. *Journal of Risk and Financial Management* 14(1):40.
- Larkin, I. & Pierce, L. (2015). Compensation and employee misconduct: The inseparability of productive and counterproductive behaviour in firms. <http://apps.olin.wustl.edu/faculty/pierce/larkin-piercepost.pdf>
- Lee, Yong-Ki, Joowon Choi, Bo-young Moon, and Barry Jay Babin. (2014). Codes of ethics, corporate philanthropy, and employee responses. *International Journal of Hospitality Management* 39: 97–106.
- Mercier, S. (2003). *A Ética nas Empresas*. Lisboa: Edições Afrontamento.

- Plinio, A., Young, J. & Lavery, L. (2010). The State of Ethics in Our Society: A Clear Call for Action. *International Journal of Disclosure & Governance*, 7(3), 172-197.
- Prodanov, C. C.; Freitas, E. C. (2013). *Metodologia do Trabalho Científico: métodos e técnica da pesquisa e do trabalho acadêmico*. 2. ed. – Novo Hamburgo: Feevale.
- Phatshwane, P.M. (2013). Ethical Perceptions of Managers: A preliminary study of small and medium enterprises in Botswana. *American International Journal of Contemporary Research*, 3(2):41-49.
- Rahman, S., Hussin, N., Kamal, J. I. A., Noh, J. I. A., Abdullah, S. N. M., Amin, Z. M. (2020). The Challenges in Implementation of Ethics. *International Journal of Academic Research in Business and Social Sciences*. 10(11), 1187-1194.
- Reber, B. (2013, August). Towards Participative Bioethical Assessment. Paper presented at the XXIII World Congress of Philosophy, Athens, Greece.
- Rick, T. (2015). A cultura organizacional é em grande parte invisível. *Melhorar* (2015, 28 de agosto). Disponível em <http://www.torbenrick.eu/blog/culture/organizational-culture-is-largely-invisible/>
- Roche, Cicely. (2019). *Codes of Conduct/Ethics in Pharmacy Practice*. *Encyclopedia of Pharmacy Practice and Clinical Pharmacy 2019*: 203–14.
- Reynolds, G. W. (2019). *Ethics in information technology* (6th ed.). Boston: Cengage Learning, Inc.
- Sandu, A., Caras, A. (2013). Philosophical Practice and Social Welfare. *Philosophical Practice*, 8, 3, 1287-1296.
- Sandu, A. (2012). *Ética e ética profissional*. Iasi, Romênia: Editura Lumen.
- Schwartz, M. (2001). The Nature of the Relationship between Corporate Codes of Ethics and Behaviour. *Journal of Business Ethics* 32, 247–262. <https://doi.org/10.1023/A:1010787607771>
- Skripak, Stephen J. (2018). *Fundamentals of Business*, 2nd Edition, Blacksburg, VA: VT Publishing. <http://hdl.handle.net/10919/84848>. Licensed with CC BY-NC-SA 4.0.
- Sikavica, P., et al. (2014). *Poslovno odlučivanje*. Školska knjiga, Zagreb.
- Victor, B., & Cullen, J. B. (1988). The organizational bases of ethical work climates. *Administrative Science Quarterly*, 33(1), 101–125.
- Wiid, J.A., Cant, M.C. & Niekerk, C. (2013). Moral behaviour and ethical misconduct In Nigerian Small Businesses. *International Business and Economics Research Journal*, 12(9):1087-1100.

WisegEEK. (2015). What is knowledge acquisition? <http://www.wisegEEK.com/what-is-knowledge-acquisition>.

Rui Caldeira
ISG Business & Economics School, Lisboa, Portugal
caldeira.rc@gmail.com
[corresponding author]

Alfonso Infante Moro
Universidad de Huelva, Spain

Miguel Varela
ISG Business & Economics School, Lisboa, Portugal