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# CORPORATE CODES OF ETHICS, INFLUENTIAL FACTORS

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**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