



Investigating the Effects of Professional Ethical Components on Organizational Culture. Case study (sugar refinery of Jovein, Sabzevar)

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Abstract. Creating and maintaining an ethical organizational culture is an undeniable necessity for today's organizations. In this type of culture, values, environmental ethical beliefs and philosophical procedures on which the organization is established. The main purpose is addressing the cyclical effects of organizational ethical categories. Assumptions include: there is a correlation between the predictability in the organization and legitimacy of the organization. The correlation between organizational legitimacy and the increase organizational commitment causes organizational predictability; the organizational responsibility can increase the organizational commitment level. This study is conducted using the correlation coefficient between variables of job satisfaction, job involvement and organizational commitment with each other and with the desire to stay and job performance, by using of multiple regression, relationship between the variables, measuring them and their meaningfulness on a sample of 50 people working in the Sugar refinery of Jovein city in 2013. Results showed that the variables of job satisfaction, job involvement and organizational commitment had a meaningful relationship with the desire to stay and job performance, as well as job satisfaction and job involvement had a meaningful relationship with job performance, but there were no meaningful relationship between organizational commitment and job satisfaction.

Keywords: Professional ethics, Responsibility, Trust, Predictability, Organizational culture.

1. INTRODUCTION

Professional ethics is one of the main issues of every human society. Unfortunately at the present time, professional ethics is less noticed in our work environments. While in secular western countries, in sciences related to management and origination, there is a branch called professional ethics but in the religious society of our country, not sufficient attention has been focused on ethics. Our society needs to define professional ethics 'characteristic as well as job involvement, trust and partnership spirit, creating cooperation with each other and so on and making the required cultured for fulfilling it. Nowadays most of the countries over the industrial world have reached to this puberty of thoughts that neglecting ethical issues and running away from social responsibilities and commitments will lead to the organization's desolation. Hence, most of the successful companies feel the necessity to collect an ethical strategy and have reach to this belief that an ethical based culture should penetrate in the organization Therefore, they have tried to give a special place to researches in professional ethics; when we step in business domain from personal and individual domain, professional or job ethics raises; as: medical ethics, educational ethics, engineering ethics and so on. Ethical issues are continuously connected to organizational, professional and everyday life activities. In issues related to organizational decision and discipline making as well as human resources, marketing, operation and production management, financial affairs and so on; ethical issues are of great importance. since an efficient organizational ethical model should be proportionate with scientific rules and principles and it should be set up and conducted according with basic believes and values of every society; it is necessary beside familiarity with primary definitions and ethical and

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organizational culture dimensions, to acquire the native model based on Islamic values so that it could be a practical guide in organizational environments of the country. This article is looking for finding a solution for this fundamental issue.

1.1. Research purposes

Investigating circular influences of organizational ethical categories on each other

1. Which tributary purposes of the professional ethics' categories have the most influence on the other?
2. Whose jurisdiction is the most?
3. And what s the influence of these ethical circles on organizational culture?

1.2. Research hypothesis

1. Predictability in the organization causes more rule obeying in the organization.
2. Organizational rule obeying increases organizational commitment.
3. Organizational commitment causes predictability of the organization.
4. Organizational responsibility increases organizational commitment.

Organizational culture consists of several elements which include hidden cognitive elements such as from assumptions of values and beliefs to more apparent elements such as artifacts and patterns, values, practices and behaviors. In general, organizational ethics is the main essence of organizational culture on which cultural bases have been established.

There are three approaches for organizational ethics, including:

Social Ethics: The basic rules of civilized life are different from one group or society to another group or society. In other words, organization A may have different morals due to difference in principles and values in compare with organization B.

Transcendental ethics: it s based on the concept of absolute good and evil and sense of justice which has a similar application for all the humans regardless of the kind of social, geographical and cultural environment. The dominant view is that organizations are moving toward an understanding of the kind of morality that next step is organizations' development in the world.

Tactical ethics: This type of organizational ethics is based on organizational laws and regulations in order to avoid any penalties that resulted from the violations. This type of ethics rather than a sense of being right and wrong are usually applied based on a contract or benefits which they have.

The following chart shows effective elements in different levels and the type of relationship between ethical levels.

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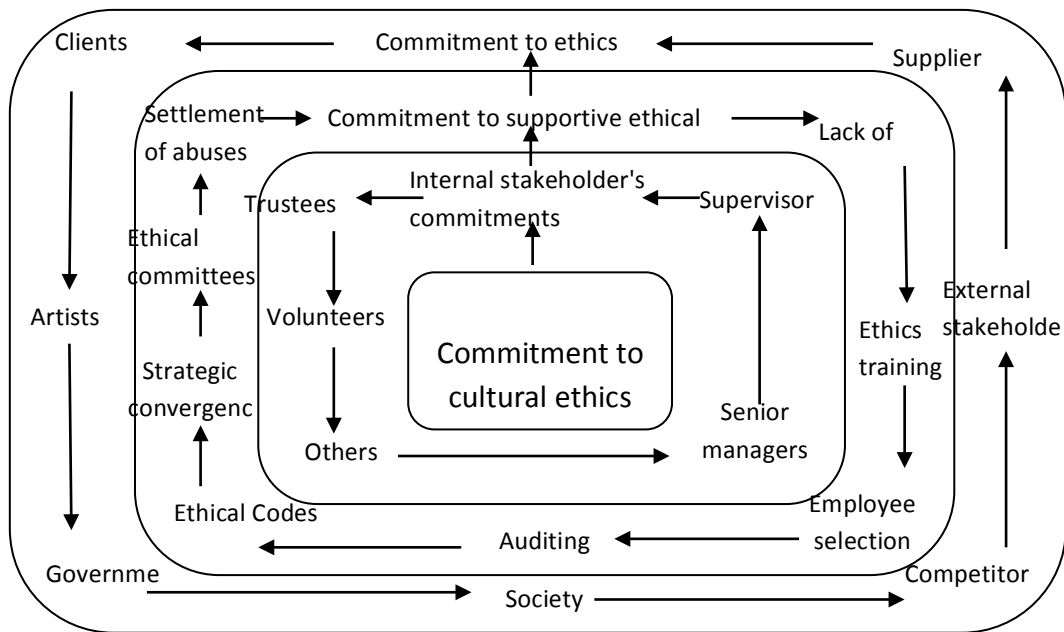


Figure 1. Effective elements in different levels and types of relationship between ethical levels.

As with every human being, every organization should have a conscience. Although having a conscience is a matter of innate and nature but knowledge and understanding values which aware conscience are not s, rather values should be taught. However, some experts argue that describing and defining culture as an organizational structure in theoretical literature has not been performed well but totally agree that organizational culture:

1. Is a multifaceted structure
2. Reflects thinking, customs, sentiments and respects which are attributed to a particular group of people who have learned through interaction with the environment, including diagnosis impacts and behaviors.
3. Can be learnt and transferred. it is abstracted from behaviors and a production of behavior. But determining measurable components and sufficient details for precise measurement of organizational culture is difficult.

The Important factor in the success of today's organizations, is the turning them into ethical organizations. A comprehensive approach and investment in organizations, requires the creation of ethical protection and considering ethical issues in making decisions, performance, profitability and other strategic issues.

"Ott" claims that ethical organizational culture has provided emotional sense regarding with cooperation and commitment to the ethical values and codes and strongly have influence on the performance of the organization's employees.

Experts believe that organizational culture can be managed, controlled and self-autonomously-changed. Since ethics has been considered as a criterion of judgment about what is right and wrong it has assigned valuable and ethical aspects of organizational cultural elements to itself.

In an organizational ethical culture, right and wrong behaviors are explained to the organization's employees and values such as justice, respect, open and transparent communication are of great importance.

1.3. Dimensions of Ethical organizational culture

It is necessary that today's organizations be committed to establish and maintain an "ethical organizational culture". This type of organizational culture has been entitled as "social glue" since the organization is bandaged through the values, beliefs and ways in which the organization was established and the operation has been performed.

Public organizations, both at the central government level and at the local level experience a lot of pressure for creating changes and being more efficient. Some experts consider the "value-based management" as a proper choice for responding to these pressures. Value-based management situates the fulcrum point of its actions based on the organization's values in an instrumental and ethical management structure.

"Sevensson & Wood" has divided public organizations' ethical codes into seven dimensions by providing a model as PUBSEC scale:

- Philosophy and theory
- Labor
- Leadership Responsibility
- Employee Responsibility
- Equality
- Involvement with publics
- Other ethical issues

Nowadays in professional ethics, "you are right and it's my duty" is the basis of any ethics in business. This basis of individual communication behavior is considered as a principle for the organization's communication with environment and the organization having concerns about respecting others' rights searches for his practices. The Characteristics of professional ethics in the context of today's concepts are: having a knowledgeable and scientific identity, having a practical role, providing a professional, local and culture dependent ground, reliance on an ethical basis, providing a human knowledge having a motivational clear language, representing an interdisciplinary approach (Gharamaleki, 1382).

Creating trust is the fruit of predictability. And predictability depends on the organization's rule-respecting in all aspects of the profession: there is a main problem in discussing about rule-respecting issue. How we can avoid escaping the law and respect the law in all conditions. Autonomous legitimacy is the result of man's responsibility.

Man's responsibility is legal or ethical. What has a more effective role in men and institutions' commitment to law is ethical responsibilities. Irresponsible people are unpredictable while responsible men and institutions are predictable. The notion of ethical responsibility is individuals' or organizations' commitment to right- or interest holder individuals or institutions. Thus by emphasizing on the importance of ethics in organizational responsibility and with the help of institutional ritual clauses, institutional predictability can be increased and it also leads to the increase of the original, firm and full range trust of the organization. And organizations can provide customers' and stakeholders' satisfaction based on trust. Thereupon by this consent it becomes succeeded in the absorption of credential and financial resources, creates an internal and permanent motivation in the employees and managers, absorbs expert human resources and

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by increasing competitive advantages reaches a monopoly in the market. Ethical Sovereignty in the organizational culture plays a significant role in turning the threat into an opportunity.

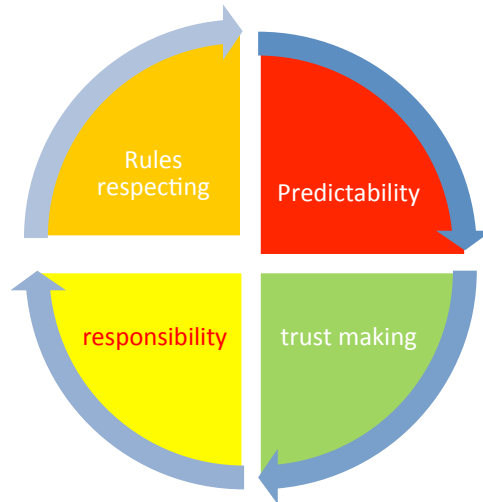


Figure 2. Representation of responsibility model.

Model of organizational responsibility extraction Consists of five steps which include: MPR model

- 1- Determination of institutions and individuals to whom the organization is committed (stakeholders)
- 2- Prioritizing ethical responsibilities according to whose right's importance determined in part
- 3- Answering to this question that what is exactly the organization's responsibility upon stakeholders.
- 4- The responsibility of objective achievement of R sets.
- 5- Determining that how institution's ethical responsibilities are scattered upon responsible individuals of the institute.

Organizational profit and factors related to responsibility model

Practice - profit model has been such that responsibilities' relationship lead to organization's success through a graph with nodes which are represented in the following.

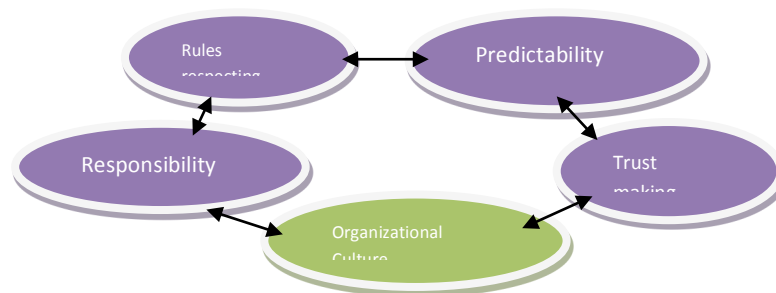


Figure 3. Representation of model of organizational culture – professional.

One of the most important principles of organizational leadership is to create trust for internal and external environment to the organization; this principle is also true for urban management. Leaders and managers of urban management organizations, based on genuine trust think for building a strong, inclusive, sustainable and genuine trust for citizens to urban management. such a trust is the implicational result of Public supervision. To obtain the trust of citizens, organizational factors and barriers ought to be known and the necessary changes should be made based on this knowledge.

Effective categories in building organizational trust

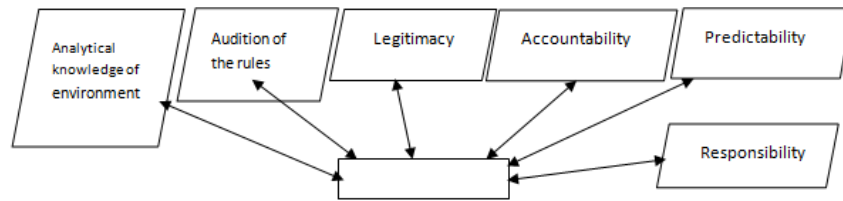


Figure 4. Organizational ethical model.

Organizational ethical model is a systematic approach that is behavior, performance and cyclic results which is applied as basic cognitive logic of the model.

Three levels of ethical influence have been considered:

- Individual level
- Local level (groups within the organization and members)
- Cosmopolitan level (social and external)

Individual, local and cosmopolitan levels of ethical influence are applied in order to facilitate the investigation of interlevel influences and observing their internal and external trends. The following chart investigates factors

Involved in different ethical levels:

Organizational ethical model is a systematic approach

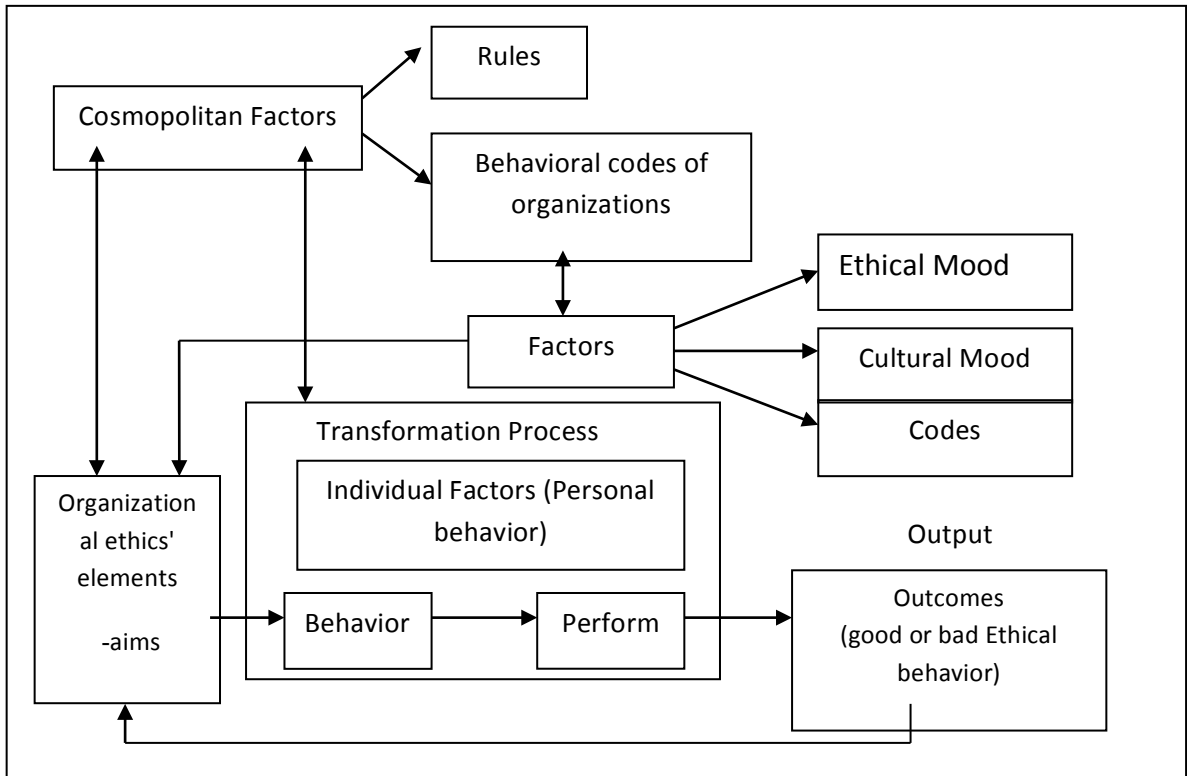


Diagram 1. Organizational ethical model with systematic approach.

Code of Ethics is of great importance in the formation of appropriate organizational behaviors. Ethical codes indicate appropriate behavior between members of a group, the individual as a member of the group or group as a set, as well as with people outside the group. Hence, codes of ethics are public announcements which provide ethical principles adapted for professions and other organizations.

Code of ethics is as a set of codified rules which:

- Is beneficial in resolving special problems encountered by people.
- Improves Beliefs and ethical behaviors.
- Provides the necessary Guidance for professionals in determining the appropriate action in such a way that would help them permanently for decision-making on ethical and spiritual issues.

The mere existence of codes of ethics in organizations, we cannot expect the reduction of illegal behaviors, beside ethical codes can not by itself resolve the ethical problems. "Hoffman" suggests that ethical codes should be supported by appropriate organizational structure and mechanisms.

1.4. Obstacles of professional ethics

Many of problems are associated with our traditional approaches to ethics. We are solely virtue-oriented or value-oriented in our traditional vision to moral problems not problem – oriented(2); our orientation is virtue-based, not efficiency - based. Entrance into the ethical dilemma is only

sermon-wise and by tidings. While dealing properly and effectively with ethical problems needs expertise⁴⁷.

A Virtue-oriented approach forces us to solely remember and insist on moral rules and virtues when confronting with ethical problems. In this case, we spend our emotions as much as we can, but to solve the problem, we do not spend even a particle skill. Virtue-orienting is not an approach, but it is a position, and finally a kind of attitude⁽³⁾. Approach ⁽⁴⁾is impersonal and explicit; it helps better understand the problem and finally solves the problem. approach is also based on "causal description⁽⁵⁾" of the problem and benefits from scientific and evaluating tools and criterions; but the attitude is a personal orientation and mainly is not due to solve the problem. By a Problem-based orientation, the mind, without straying, it will just consider the same as much and as is useful for problem solving⁽²⁾.

1.5. Disregarding effective factors in professional ethics

In management, it is clear that environmental factors outside the organization, in particular factors of world environment are less available for the organization and the possibility of control or influencing is approximately impossible; but nevertheless, for analyzing internal affairs of the organization, they are not oblivious about it. The least benefit of understanding these factors is that it will make us more realistic and therefore more successful for obtaining organizational strategy and policy. In the area of professional ethics, at least for explaining and analyzing ethical problems of the organization, it makes us unrealistic and objective-oriented which will have no outcome but failure. Pennio divides the factors affecting professional ethics into three aspects:

1- Individual aspect: means individual characteristics and features, religious values, personal criteria, family, beliefs and personality are among the factors influencing professional ethics. Definitely a person, who lacks appropriate moral qualifications individually, neither will have appropriate professional ethical criteria.

2. Organizational aspect: factors such as leadership, management, communication with colleagues, subordinates and superiors, encouragement and punishment system, expectations of colleagues, rules and regulations and procedures, organizational mood and culture exist in this area. Obviously, unfavorability of these factors will be the threatening factor of professional ethics and vice versa.

3. Environmental aspects: economic, social, cultural, political factors and other organizations and the competitive factors between them, are among the factors affecting professional ethics.³. Environmental aspects: economic factors, social, cultural, political and other organizations and their competitive factors, including factors affecting professional ethics.

In addition, lack of facilities and tools, inappropriate equipments, inappropriate working environment, excess workload on the employees, noisy work environment and breaches exacerbates ethical problems.

Economical and political instability, chronic cultural-historical problems, Such as injustice which is highly incompatible with partnership and teamwork culture, incorrect Social teachings such as considering irresponsibility and indolence in work as being smart, Unequal status of global competition that is threatening business ethics, And other such factors, are no doubt effective in the moral status of the organizations.

1.6. Objectivity prevention and treatment

Phenomenological philosophers, who were pioneers of the diagnosis of objectivity event, knew the phenomenological approach as an objectivity treatment method; but after fifty years of application, their methods were questioned and criticized; particularly in the area of professional ethics, phenomenology couldn't create applicable research models. Since 1960s, models of interdisciplinary problem solving were introduced as an effective approach of predicting and treatment of objectivity. Unfortunately some took an objectivity conception of interdisciplinary approach and reduce it to multi-disciplinary study. Multi-disciplinary study is unfruitful without problem solving models.

Nowadays, a cohesive integration of approaches of discipline and kindled approach challenges are known as two effective models for solving multi-origin problems. Ethical issues in professions have multi-origin nature and could not be analyzable without obtaining multidisciplinary models. objectivity oriented conception conceals multioriginality of ethical issues and spreads methodological monopoly for understanding and analyzing ethical issues of professions, and this issue exacerbates objectivity and this way the malicious circle grows.

For preventing objectivity in sketching ethical responsibilities of business enterprises, we recommend the use of comprehensive ethical document for the company. This document involves organization's ethical charter and ethical standards and managers' and employees' ethical commitments; and prevents and treats objectivity in ethical research of interdisciplinary models. To remedy this problem, we should consider professional ethics more comprehensive than professional rules and responsibilities and current business norms, human resources' ethical responsibilities, job's ethical principles and commitments. Collecting organization's comprehensive ethical document which is obtained by active method by two models of consistent integration of disciplines and kindled challenges of approaches seems a suitable solution for this problem. Complying with professional ethics in the organization seems a necessity so that the organization wouldn't confront the society with contradiction and on the other hand by making wise and logical decisions would guarantee its long term interest. What should be kept in mind in facing with the concept of professional ethics is that firstly professional ethics involves individual and professional ethics but goes beyond both of them and supervises on the organization as a legal collection. Secondly, nowadays it has appeared a strategic approach towards organizational ethics because of this the moral responsibilities of the organization is put on to strategist managers; nor to personnel unit neither executive managers. Third, it should be segregated to approaches of "virtue-oriented" and "problem-oriented" in the ethical domain from each other. A traditional view towards ethical problems is solely virtue-oriented not problem oriented; while what solves the organization's ethical problems is a problem oriented approach. Because ethical issues are the problems and effective settlement of it, requires skills and expertise. The main point is that we should avoid objectivity about professional ethics. Forth, organizational ethics are neither individual dependent nor organizational dependent necessarily, rather individual, environmental and organizational factors have influence on it. Therefore, in dealing with ethics we need a systematic approach. Neglecting such factors for stating and analyzing ethical problems, will parry away our decision from reality.

2. MATERIALS AND METHODS

The present research is an applied- segmental study which was performed by correlation approach. The study's statistical population is all the personnel of Jovein sugar factory. 50 people of this set were chosen by a simple accidental approach and by applying volume determination formula of correlation study and verification with the table. In this study for

collecting the data, 4 questionnaires were used. Responsibility questionnaire and questionnaire of trust to the organization trust to the supervisor and predictability were used.

3. FINDINGS

In this research we attempted to evaluate the relation between the variables and test their meaningfulness by correlation between variables of job satisfaction, job involvement and organizational commitment with each other and with desire to stay and job performance as well as by multi-regression, and then predictions were made. In fact the researcher was seeking to express the present and effective factors on desire to stay and job performance of the organization's managers and employees. For conducting the present study we used the questionnaires of job satisfaction, job involvement and organizational commitment as prediction variables and desire to stay and job performance as criterion variables. After completing questionnaires and entering the data to the computer by SPSS 18 software, the results were analyzed.

Table 1. Mean median, standard deviation of the variables of the study.

Variable	Mean	Median	Exponent	Standard Deviation	Max Score	Min Score
Job Satisfaction	100/67	101	103	10	150	30
Job Involvement	37/64	37	35	6/07	60	0
Organizational Commitment	72/97	74	69*	7/97	105	15
Job Performance	53/64	57	60	8/27	60	15
Desire to stay in the job	7/97	9	10	2/16	10	2

* Due to the multi-exponential distribution, the lowest exponent has been reported.

Table 1 shows the amount of managers' and employees' response in accordance with central indexes and distribution. The mean value in all the variables is lesser than median and exponent but these values are not much away from the mean value; this shows that managers and employees has answered to the questionnaires positively. Observing the standard deviation of every variable in compare with the average and also normal shape of the scores validates this issue. Table 2 evaluates the deducted information of the overall hypothesis of the research.

Table 2. correlation coefficient between variables of the study- P < 0/01**

Variable	Job satisfaction	Job involvement	Organizational commitment	Job performance	Desire to stay in the job
Job satisfaction	1				
Job involvement	0/284**	1			
Organizational commitment	0/237**	0/245**	1		
Job performance	0/173**	0/263**	0/069	1	
Desire to stay in the job	0/291**	0/319**	0/232**	0/241**	1

Table 2 shows the amount of relationship between the variables according to two-variable Pearson correlation coefficient, in meaningfulness level of 0/01> a. Table's data shows that correlation between all variables is meaningful and only the correlation of organizational commitment with job performance is not meaningful.

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Table 3. Descriptive data of variables.

Variable	Mean	Standard deviation
Job satisfaction	100/67	10
Job involvement	37/64	6/07
Organizational commitment	72/97	7/97
Job performance	53/64	8/27

According to table 3, the mean of job satisfaction is 100/67 and the standard deviation is 10. The maximum score on this scale is 150 and the minimum score is 30. Normal distribution curve has a little distance from normal, while the job performance mean is 53/64 and the standard deviation is 8/27 and distribution curve has more tilt toward negative figures in compare with job satisfaction distribution curve. According to this table, average job involvement is 37/64 and the median and exponent are 37 and 35 which shows the distribution has a tendency toward positive side of the normal curve. The distribution shape for organizational commitment variable with mean, median and exponent of 72/97, 74 and 69 respectively is toward the negative which shows most people's score is above the mean. With regard to the variable distribution in the research using the statistics we go on to predict hypothesis no.2. For predicting the Share of predictor variables for job performance variable, multi-regression was used.

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Table 5. Standard beta coefficient of prediction variables of desire to stay.

Odel	Non-standard coefficients		Standard beta	Meaningfulness level
	Beta value	Beta standard deviation		
Job satisfaction	0.42	0.13	0.194	0.02
Job involvement	0.83	0.22	0.232	0.01
Organizational commitment	0.27	0.13	0.129	0.37

According to Table 5, the standard Beta of job involvement has the highest coefficient and next is job satisfaction and organizational commitment predict desire to stay respectively.

4. RESULTS AND DISCUSSIONS

Results of the analysis showed that variables of job satisfaction, job involvement and organizational commitment had a meaningful relationship with the desire to stay and job performance; also job satisfaction and job involvement had a meaningful relationship with job performance but there were no meaningful relationship between organizational commitment and

job satisfaction. in this study we attempted to evaluate the relation between the variables by the correlation between variables of job satisfaction, job involvement, organizational commitment with each other and the desire to stay and job performance and by multi-regression and test their meaningfulness and then predictions were made. in fact the researcher was looking for setting forth the existing and influencing factors on Employees' and managers' desire to stay and job performance. For performing the present research we applied questionnaires of job satisfaction, job involvement and organizational commitment as predicting variables and desire to stay and job performance as criterion variables. After completing the questionnaires and entering data to the computer using SPSS 16 software, the results were analyzed. The analysis results showed that variables of job satisfaction, job involvement and organizational commitment had a meaningful relationship with desire to stay and job performance. Likewise job satisfaction and job involvement had a meaningful relationship with job performance but there were no meaningful relationship between organizational commitment and job involvement. Finally the following results were obtained.

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