EMPIRICAL RESEARCH INTO ETHICS MANAGEMENT PROGRAMS: A STUDY ON ROMANIAN ORGANIZATIONS

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Abstract: This article discusses the results of an exploratory empirical research into the current state of ethics management programs in Romanian organizations. It highlights most prominent trends in what concerns the way Romanian organizations internalize their moral responsibility, as translated into institutionalized ethics activities ranging from writing end embedding a code of ethics into daily operations, to organizing ethical trainings and reporting the results of ethics management programs. Main findings of the research put forward by the article concern, on the one hand, the level of development of ethics management in Romanian organizations and, on the other hand, the model which is dominant in the Romanian ethical management practice. Apart from this, the article discusses several 'behind the scenes' research findings, such as the type of organizational structures handling ethics management activities, number of employees working in such structures, but also the position of such structures in the organizational hierarchy.

Keywords: ethics management, organizations, compliance, integrity, business ethics

I. INTRODUCTION

One major trend that specialists and the general public could observe over the past decade in the Romanian organizational practice was the growing interest for accountability towards stakeholders, translated in terms of social responsibility programs, codes of ethics, reporting and, generally speaking, more responsible business operations. In this context, a new

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field emerged, which deals with issues of institutionalization of ethics in organizations (Muresan 2009, 39). It is, of course, an undergoing process taking place in shaping this field, which largely follows the already established Western practice in terms of „ethics management", but which is developing in its own pace, relative to Romanian organizational realities.

Put briefly, ethics management can be defined as the process of applying ethics to organizational contexts, aiming at „improving the decision-making processes, the procedures and structures in an organization, so that the operations of the organization are more geared towards ethical principles" (Jeurissen 2004, 11). As the basic question that ethics management raises is „how do you manage ethics in organizations?" (Idem), the field is mainly concerned with the „systematic and coherent development of activities and the taking of measures in order to realize the fundamental justified expectations of stakeholders and to balance conflicting expectations of stakeholders in an adequate way" (Kaptein 1998, 42).

Two main opposite models for managing ethics in organizations are usually put forward. On the one hand, a rules-based approach, „aimed at the implementation of specific ethical rules of conduct in the organization" (Jeurissen 2004, 12), generally termed as the *compliance model*. On the other hand, a values-based approach, „aimed at creating an ethical organization culture" (Idem), generally termed as the *integrity model*. However, the recent conceptual trend seems to favor crossing over these sharp distinctions and instead focus on an integrative approach, taking into account several models of managing ethics relative to the moral complexity in organizations, such as a rules-based approach, a values-based approach, a stakeholder dialogue approach and a social dialogue approach (Jeurissen 2004).

Ethics management is therefore about promoting ethical organizations with a consistent ethical culture and may be used interchangeably with „institutionalizing ethics into organizations" (Menzel 2007, 10). It involves, on the one hand, the use of ethical decision making procedures applied to the organizational settings (such as moral casuistry, the principlist approach, the ethical matrix) and, on the other hand, the use of specific implementing tools (such as ethical trainings, ethical audits, codes of ethics) and it involves specific functions and structures (such as ethics officers, ethics committees) (Muresan 2009, 39). All these amount to creating the ethical infrastructure of the organization (OECD 1998).

Given the early development phase of ethics management in Romanian organizations (Muresan 2009, 38), up to date only a few empirical researches aimed at exploring the state of the field[1] were conducted. All of them

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[1] Such as Valentin Muresan, *The State of Ethics Management in Romania. Research Results (2009,)* Transparency International – Romania, *Integrity in the Romanian Business Environment. Research on the Mechanisms for Institutionalising Ethics in Companies (2011), and* Centrul de Resurse Juridice. *Etica și Conformitatea în Companiile din România* (2013).

were focused on a single type of organizations, that is, business companies. However, in order to have a broad overview of the ethics management field as related to the organizational practice within one country, one need to take into account the „societal triangle" (Tulder and Zwart 2006, 8). This amounts to looking into the three components which form the triangular relationship underlying society, namely, the government (the state), the market (the business field) and the civil society, each with its own role, logic and position in society (Idem, 10). It is by looking into the way organizations corresponding to *each* of these components (public institutions, business companies and NGOs) manage their ethical activities that we are able to understand the big picture of ethics management in the Romanian institutional practice.

This article discusses the results of an exploratory empirical research into the current state of ethics management programs in Romanian organizations, by focusing at the same time on business companies, public institutions and NGOs. It highlights most prominent trends in what concerns the way Romanian organizations internalize their moral responsibility, as translated into institutionalized ethics activities ranging from writing end embedding a code of ethics into daily operations, to organizing ethical trainings and reporting the results of ethics management programs.

Main findings of the research put forward by this article concern, on the one hand, the level of development of ethics management in Romanian organizations and, on the other hand, the model which is dominant in the Romanian ethics management practice. In this regard, the article argues that the ethics management field is in an early development stage in Romanian organizational practice, with a tendency towards consolidation. Moreover, it argues that Romanian organizations adopt a compliance-based model of ethics management, revolving around the idea of implementing and enforcing a code of ethics. Apart from this, the article discusses several 'behind the scenes' research findings, such as the types of organizational structures handling ethics management activities, the number of employees working in such structures, but also the position of such structures in the organizational hierarchy.

II. RESEARCH METHODOLOGY

The empirical research was based on a survey among the organizations included in the research sample, asking respondents to fill-in a self-administered questionnaire sent via e-mail. There were three major steps involved in conducting the empirical research. First, establishing the research sample and developing a database with contact data. Second, developing the survey questionnaire and sending it to the organizations included in the research sample. Third, processing the data and linking it to the research objective.

An important point to highlight is that the findings presented and discussed below are only concerned with the topic of *ethics management*

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addressed by the research. However, it should be noted that the empirical research conducted on Romanian organizations also aimed at capturing the current trends concerning social responsibility programs in Romanian organizations, as well as comparing the development of social responsibility and ethics management programs. These latter findings are, however, beyond the scope of this paper.

II.1. Research sample

The research sample included the following three types of Romanian organizations corresponding to the business, the public and the non-governmental sectors: the central public institutions, first 100 valuable companies listed in the year book edited by a top financial Romanian daily newspaper and the NGOs with the legal status of „public utility". The organizations included in the research sample were chosen for reasons specific to each category.

Thus, in what concerns *the public sector*, the option for the *central public institutions* was made given, on the one hand, the larger size of these organizations (in terms of employees and turnover) and, on the other hand, the relative easy-access to these national organizations. Romanian central public institutions include several subcategories, such as ministries, national authorities (e.g. The National Authority for Regulation of the Energy Field), national agencies, national commissions (e.g. The National Commission for Hospital Accreditation), national institutes and committees (e.g. The National Institute for Statistics), but also institutions such as The Ombudsman, The National Bank of Romania or The Romanian Society for Broadcasting. Among these, the ministries were excluded from the research sample, as it was considered that they display a different status compared to the other central public institutions, being under the direct control of the government and with a changing structure depending on political criteria. Therefore, the research sample included a number of 44 central public institutions, out of an approximate number of 17,400 central and local public institutions in Romania[2].

In what concerns **the business sector**, the first *100 most valuable companies in Romania* were selected following the year book edited in 2011 by Romanian financial daily *Ziarul Financiar*, out of a total number of around 613.000 companies registered in Romania in 2010. The ranking published by *Ziarul Financiar* is based on data available from the Trade Register and on stock capitalization (in case of companies publicly listed on the stock exchange) and also takes into account elements such as companies' turnover, cash flow or bank accounts, circulating capital, gross profit, as well as companies' assets and

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[2] The figure is for 2010 and includes central and local administration, education units, health and social assistance units, cultural and recreational units, social security, according to the National Institute for Statistics.

long- and short- term debts. Most of the companies listed in this sample are with foreign capital, while few of them are either mixt or with Romanian capital. Top 100 most valuable companies in Romania include a wide range of business sectors, from oil and gas companies to retail, banking or telecom, pharmaceutics and investments.

Finally, in the case of ***the non-governmental sector***, the research sample included the total number of *public utility NGOs*, summing-up 100 such organizations at the end of 2011, out of a total number of around 70,000 Romanian non-governmental organizations[3]. As the report finalized in 2010 by the Foundation for Civil Society Development (the most recent such report) mentions: „it is usual in the international practice that governments offer to certain organizations, through specific regulations, a privileged status in terms of fiscal facilitations or access to certain public resources, termed as „public utility status" in France, „charity" in Great Britain, as a recognitions of public interest, community services which they provide. Out of receiving this status there are usually not only greater rights, but also greater obligations" (FDSC 2010, 18). Despite there being some controversy around several NGOs (dedicated to political activities or leisure) benefitting from this status as a result of Government Decisions (Idem, 19), it was nonetheless considered that this selection of organizations for the research sample is an adequate option, given that the public utility NGOs need to stay active and to report thoroughly their activity in order to maintain their status (there were,
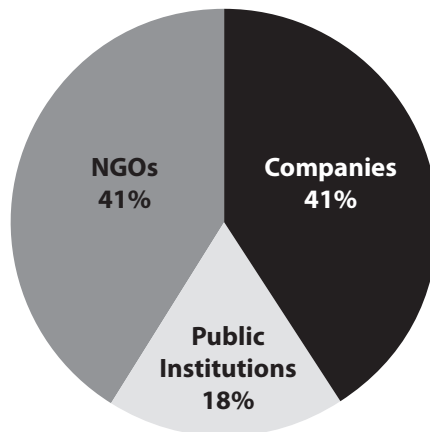
Research sample

Figure 1. Research sample

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[3] The data is for end of 2011 and includes associations, foundations, unions, federations, according to the National Register of NGOs managed by The Ministry of Justice.

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for instance, several cases where this status was withdrawn from several NGOs). Moreover, the option for this selection was motivated by the lack of adequate national statistics of the non-governmental field in order to make a list according, for instance, to annual revenues of NGOs.

The research sample included therefore a total number of *244 organizations*, out of which 100 **companies**, 44 **central public institutions** and 100 **public utility NGOs** (see Figure 1).

II.2. Respondents

Out of the total number of organizations included in the research sample, there was a rate of response of 9% (22 organizations replied to the survey
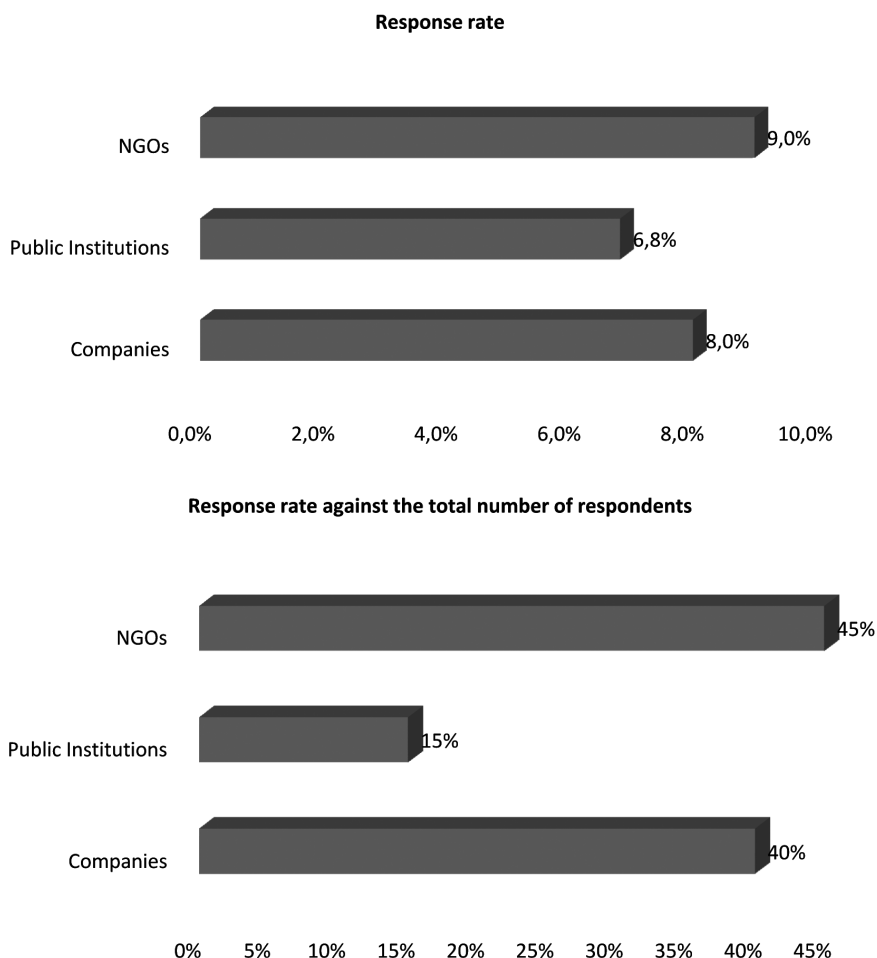

Figure 2. Research response rate

e-mail), out of which 8.2% valid responses and 0.8% non-responses. As figure 2 shows, the lowest rate of response was registered for central public institutions, whereas NGOs delivered the highest response rate. Among the respondents within the *business sector*, 37.5% of the companies are with foreign capital, 37.5% with mixt capital and 25% with Romanian capital. In turn, among the respondents from the *nongovernmental field*, 22.2% of the public utility NGOs are with mixt capital and 77.8% with Romanian capital, while all the respondents within the *public sector* are with Romanian capital. Given the small response rate, the research did not bring out significant differences based on responses received from organizations with foreign capital, as opposed to organizations with Romanian or mixt capital.

The small rate of response is to be linked, on the one hand, with the research procedure for collecting the data (self-administered questionnaire via e-mail) and, on the other hand, with the generally low response rate among Romanian organizations for this type of academic research. In this regard, the feedback received from several representatives of companies included in the research sample demonstrated that they were reluctant towards participating at this type of research based on their previous experiences when, even though they were guaranteed anonymity, there were several clues linking the answers provided to the name of the company. For this specific reason, several representatives of organizations selected for the research declined the invitation, while others requested additional information on the research and the institution conducting it, as well as on confidential handling of the data.

Although we speak, in the end, of a rather unrepresentative research sample compared to the total number of organizations in Romania, given the low response rate and given that the acceptable sampling error is high (e > 5%), the research findings are valuable in that they are able to indicate current trends in the Romanian organizational practice concerning the way ethics management programs are implemented.

II.3. Procedure

The first step in collecting the data for the research involved developing a database with the name and e-mail of the representatives (Ethics and Compliance Officers, CSR Officers, Human Resources Directors) of organizations included in the research sample. Starting from this database, the electronic research questionnaire was sent via e-mail to the three categories of organizations included in the research sample during January – July 2012. The first message with the accompanying questionnaire was followed by two reminders sent to all organizations.

Respondents were given the following options for returning the self-administered questionnaire: (1) real-time filling-in the questionnaire by clicking an online link (using the Google platform); (2) electronic filling-in the questionnaire (Word format) *or* filling-in the printed questionnaire and scanning

it – afterwards returning the completed questionnaire to a specific e-mail address; (3) returning the questionnaire to a postal address. Most respondents preferred to fill-in the questionnaire using the online link, while the rest opted for filling-in the printed questionnaire, scanning it and afterwards returning the completed questionnaire to a specific e-mail address.

The questionnaire included *44 questions* organized in four sections: I. general data over the organization (five questions); II. social responsibility (17 questions); III. ethics management (17 questions); IV. social responsibility vs. ethics management (five questions). In order to facilitate the comparison between social responsibility and ethics management programs, sections (2) and (3) largely mirrored one another. However, as previously mentioned, the results and conclusions presented below only concern section III of the questionnaire. Most of the questions were closed, and sections (2) and (3) also included a filter-question. Several questions accepted multiple answers.

III. RESULTS

Most respondents to question *III.1 (concerning the level of familiarity with ethics management)* declare that they have heard their management speaking of ethics management (70%), while a smaller percentage (30%) declare that they have heard their colleagues discussing such matters. Turing to the way the answers are distributed for types of organizations, there is a balanced proportion with 77.8% of companies' representatives declaring that they have heard their management speaking of ethics management, compared to 70% of public institutions' representatives and 60% of NGOs' representatives. It is a similar majority (75%) of respondents to question *III.2 (concerning the implementation of ethics management in each organization)* who declare that their organization does implement ethics management programs, while 10% of them declare that their organization intends to develop such programs. Among the respondents, all companies' representatives declare that their organization implements ethics management programs, while a lesser percentage of public institutions' representatives (66,7%) and NGOs' representatives (55,6%) declare the same thing.

Out of the respondents who declare that their organization implements ethics management programs, the majority answering question *III.3 (concerning the types of activities specific to ethics management)* declare that this type of activities are centered around the code of ethics: writing and implementing a code of ethics (19%), sanctioning the deviations from the code of ethics (18%), monitoring compliance with internal ethical regulations (18%), updating the code of ethics (16%). A smaller percentage is registered for activities such as organizing ethics/ compliance trainings (9%), implementing the ethics Hotline (8%), developing periodical online ethical self-trainings (5%) or internal ethics audit (4%). If we look at the way the answers are distributed depending on types of organizations, we can see that public institutions

put considerably more effort into writing and implementing a code of ethics (27,3%), while NGOs give more weight to monitoring compliance with internal ethical regulations (26,3%).

According to the answers registered for question *III.4. (concerning the type of structures handling ethics management programs)*, ethics management programs are usually handled by a single person, namely the ethics counselor (according to 24% of the respondents) or other unspecialized structures (24%) such as the legal department, the human resources department or the communication department, or alternatively, head of departments (usually in companies) or top management/ directors (in case of NGOs). There are quite high percentages registered for structures such as the ethics committee (20%) or the disciplinary commission (16%). In terms of the percentage distribution among the three types of organizations included in the research sample, companies seem to give priority to the ethics committee (according to 28% of the respondents) for handling the ethics management activities, while public institutions have a preference for the ethics counselor (60%) and NGOs for other unspecialized structures (50%).

As for question *III.6 (concerning the specialization of the personnel handling ethics management programs)*, most respondents declare that the personnel working in ethics management structures is specialized in ethical matters after attending trainings (44%), while the others (22%) declare that the personnel is specialized based on university studies, or based on post-graduate studies. A minority of the respondents (11%) declare that the personnel handling ethics management activities has no specialization in ethical matters. An interesting point to notice is that none of the respondents who work in central public institutions declare that the personnel working in ethics management structures is specialized in such matters.

According to respondents at question *III.7 (concerning the place of ethics management structures in organizational hierarchy)*, a majority of organizations (79%) have their ethics management structures subordinated directly to the Board/ President/ Director/ CEO/ GM/ Country Manager, while 11% of them are subordinated to the Human Resources Director and another 11% to the Compliance Director. In what concerns *the number of employees working in these structures*, respondents to question *III.8* indicate a number ranging between 1-18 employees, with an average of 4.6 employees. The seemingly large number is relative to the type of organizations who participated to the study. Thus, there were large numbers coming from representatives of companies within the banking industry (where, for instance, the Compliance Departments may have up to 18 employees), or from representatives of public institutions (which have Ethics Committees of around 8 members).

There is a relatively low *frequency of ethics management programs*, as 40% of the respondents to question *III.9* indicate that their organizations organizes ethics management activities on an annual basis, while only 27% declare that such activities take place on a monthly basis. Among the three types of organizations participating in the research, public institutions report the highest

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frequency in organizing ethics management activities (50% of them indicate a monthly frequency). Moreover, most respondents to question *III.10 (concerning the internal ethical regulations)* declare that ethics management programs are regulated through an internal policy (39%) in the organization which they represent, while others indicate an internal procedure (28%). A figure of 28% of the respondents from companies and public institutions declare that ethics management is regulated through a public document in their organization. In what concerns the answers registered for question *III.11 (concerning the correlations between ethics management and other organizational fields)*, 55% of the respondents declare that ethics management activities are associated to human resources/ institutional development in their organizations, while 20% declare that they are linked to social responsibility and 10% to public relations/ communication.

For the majority of respondents (52%) to question *III.12 (concerning the respondents' understanding of what ethics management is about)* of the research, ethics management is defined as „an institutional practice of implementing the programs which create the organizational ethical infrastructure: ethical training, ethical audit, code of ethics, ethical hotline", while for 38% of the respondents it is defined as „a process of organizing ethics on an institutional level by structuring the activities with ethical dimension" and for 10% it is „a form of management handling the ethical programs of the organization". When relating the answers to the three types of organizations participating to the study, it is worth mentioning that most companies go along with this hierarchy, while most public institutions (66.7%) consider that ethics management is an institutional practice, and NGOs are balanced in considering ethics management as an institutional practice (44.4%) or process (44.4%).

Most of the respondents to question *III.13 (concerning the reporting procedure)* declare that their organization reports ethics management activities in the consolidated annual report (37%), while others (21%) mention a specific report. A fairly high percentage of the respondents (21%) declare that their organization does not report the results of ethics activities at all. While most public institutions (66.7%) report the results of ethics management activities in a specific report, the majority of NGOs (62.5%) report such results in the consolidate annual report.

Question *III.14* asked the respondents to express their *agreement or disagreement with several statements* on a scale from 1 (strong disagreement) to 5 (strong agreement). The answers indicate that respondents have a strong opinion supporting „the regulation of ethics management in Romania through stricter rules, so that is becomes compulsory for organizations" (an average of 4.1 points). Moreover, respondents disagree that „ethics management is a simple artifice used by organizations to hide real problems" (an average of 1.1 points). They are moderated in what concerns the statement that „there are major differences between the theory and practice of ethics management" (2.6 points), as well as the statement that „Romanian ethics management practices are similar to those in Western countries" (2.5 points). Among the three types

of organizations participating in the research, public institutions seem to be the biggest supporters of regulating the ethics management field (4.6 points), while companies consider in a higher degree (3.3 points) that „Romanian ethics management practices are similar to those in Western countries".

According to respondents to question *III.15 (concerning the type of analyses underlying the planning of ethics management programs)*, planning the ethics management programs involves a prior ethical analysis (42%) or a social (12%) or financial (12%) analysis. As for question *III.16 (concerning the way respondents consider ethics management to be perceived in their organization)*, most respondents (50%) consider that ethics management means, in their own organization, „the effort to create an institutional context which educates and stimulates the employees to display ethical behavior, such that they are able to meet the expectations and legitimate demands of stakeholders (in general through minimizing the negative organizational impact on stakeholders)". A lesser percentage of respondents (35%) consider that it means „programs for monitoring and discouraging employees' immoral behavior through actions of prevention and sanctioning (by implementing a code of ethics, an ethics audit, ethics commission, ethics officer, etc.)". The smallest percentage (15%) favors an interpretation of ethics management within their organizations as „compliance with ethical and legal norms imposed by society". While most respondents from companies (55.5%) and NGOs (62.5%) declare that ethics management is seen in their organization as creating a specific institutional context, the majority of respondents from public institutions (66.7%) declare that ethics management is seen in their organization as dealing with programs for monitoring and discouraging employees' immoral behavior.

Most respondents (84%) to question *III.17 (concerning the impact of ethics management on organizational economic efficiency)* consider that ethics management programs „contribute to the economic efficiency of the organization by improving the public image and by avoiding reputational risks", while only 16% consider that these programs have no influence on the organizational economic efficiency.

IV. DISCUSSION AND CONCLUSION

The research carried out on central public institutions, private companies and public utility NGOs highlights several important fact and tendencies concerning the current development of ethics management on the Romanian market.

IV.1. Discussion of research findings

Ethics management in Romania – stage of development, trends and perspectives. Research results indicate that *ethics management is in a phase of early development and consolidation in Romanian organizations*, with a low level of

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complexity both in terms of rules and action. This conclusion is supported by research findings which indicate that there is a rather limited area of ethics management activities covered by the organizations included in the research, centered on the code of ethics, as answers to question III.3 indicate. Moreover, ethics management is usually handled by a single person (as 24% of the respondents to question III.4. indicate the ethics counselor and 4% the ombudsman) or by structures which only meet when requested (as 16% of the respondents to question III.4. indicate the disciplinary committee and 20% the ethics committee) and in a lower percentage by well-established, complex structures, such as an ethics office (as only 12% of respondents to question III.4. declare).

Research results indicate that there is, nonetheless, a majority of specialized structures handling ethics management programs among the organizations participating in the research (76%, as answers to question III.4. indicate), as opposed to a minority of unspecialized structures handling such programs (24%, as answers to question III.4. indicate). In addition to this, there is a trend for having employees specialized in ethical matters working in such structures: respondents to question III.6 declare that 78% of the employees handling ethics management activities in their organization have a background in ethical matters (most of them through trainings, others as a result of university or post-graduate studies. The fact that ethics management structures are directly subordinated to the management (in 72% of cases, as respondents to question III.7 declare) is also an indicator for a more mature approach of ethics management in Romanian organizations.

A further positive aspect generally identified by the research results is that ethics management seems to have escaped subordination under the Public Relations/ Communication or CSR departments and to have been linked to the more appropriate field of Human Resources/ Institutional Development departments, as 55% of the respondents to question III.11 indicate. At the same time, the planning and implementing of ethics management programs is mainly based on an *ethical analyses* (as 42% of the respondents to question III.15 declare), while such ethics management programs are largely perceived as having *a positive influence on the economic efficiency of the organization* (as 84% of the respondents to question III.17 declare). Finally, respondents to question III.14 strongly *disagree with considering ethics management as a simple artifice* used by organizations in order to mask real problems in their functioning (1.1 points on a scale from 1 to 5).

However, ethics management is still in *an early development phase*, given the fact that we have, on the one hand, a rather small frequency in implementing ethics management programs (40% of respondents to question III.9. report that their organization implements such programs on a yearly basis) and, on the other hand, a small percentage for reporting the ethics management activities (only 21% of respondents to question III.13. declare that their organization reports the ethics management activities in a specific

report, while 37% point to the annual report). In addition to this, most discussions concerning organizational internal ethical matters take place at middle and top management level (as the answers of 70% of respondents to question III.1. show) rather than between colleagues (as the answers of 30% of respondents to question III.1. show). This suggests the low development of ethics management programs, as the interest towards such issues seems to concern only managers.

Nonetheless, 75% of the respondents to question III.2 declare that ethics management programs are already implemented within their organization, while 10% state that this is in plan. This apparently high percentage should be interpreted as referring to *components* of ethics management programs, and not as an indicator for the existence of complex ethical infrastructures in 75% of the respondent organizations. Research results indicate a far smaller figure of 35% organizations which do indeed implement a broad range of ethics management activities.

Following a supplementary, random online research on the websites of several organizations who responded non-anonymously to the research questionnaire, several aspects supporting the research conclusions in terms of the stage of development of the ethics management field in Romania may be further highlighted. First, organizations who responded that they are developing ethics management programs (question III.2 of the questionnaire) actually tend to link ethics management to *compliance*, focused on monitoring employees' compliance with existing legislation, internal policies and codes of ethics, while the whistleblowing procedure is directly linked to compliance. This means that, generally speaking, respondents tend to interpret the phrase „ethics management" in quite a narrow sense, where it becomes almost synonymous to compliance with existing regulations.

Second, organizations do not use a homogenized notion of code of ethics, but instead adopt and implement codes of conduct, business codes, or codes of ethics and conduct[4]. This results in a tendency of the organizations included in the research sample to associate codes of conduct, for instance, to codes of ethics and declare that their organization implements a code of ethics (as indicated by answers to question III.3 of the questionnaire concerning the types of activities specific to ethics management implemented in the organizations).

Third, in what concerns the year that structures handling ethics management activities were created, most organizations indicate quite a recent year (after 2000), the average figure pointing to year 2007. Exceptions to this are several NGOs participating at the research, who have had their ethics management structures created around 1997. Finally, the online research indicated that there is also a tendency of respondents to link ethics management

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[4] For an argument against this diversity of codes see Mihaela Constantinescu and Valentin Muresan (2013, pp. 63-68).

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to sustainable development, in terms of issues such as employee health and security, human rights and equal opportunities.

The Dominant Model of Ethics Management. Research results further indicate a preference of the Romanian organizations for adopting a *compliance-based ethics management model*, centered more on rules, norms, procedures, sanctions and less on developing ethical competencies or a moral organizational climate. In this regard, most of the respondents to question III.3 (71%) declare that the ethics management programs in their organization include activities such as writing and implementing a code of ethics (19%), sanctioning the behavior which violate the code of ethics (18%), updating the code of ethics (16%) or monitoring compliance with internal ethical regulations (18%). A suggested conclusion is that, at this point, ethics management is almost the same with *embedding the code of ethics* in Romanian organizations.

The tendency for a compliance-based ethics management model is also supported by the answers to question III.12, as the majority of respondents (52%) define ethics management as „an institutional practice of implementing the programs which create the organizational ethical infrastructure: ethical training, ethical audit, code of ethics, ethical hotline". However, the answers to question III.16 seem to argue against this tendency, as 50% of respondents consider that ethics management is interpreted in their organization as meaning „the effort to create an institutional context which educates and stimulates the employees to display ethical behavior, such that they are able to meet the expectations and legitimate demands of stakeholders (in general through minimizing the negative organizational impact on stakeholders)", therefore following an integrity-based model. Despite this seemingly opposing tendency, quite an important percentage (35%) of respondents to this latter question imply a compliance-based approach when stating that „ethics management means programs for monitoring and discouraging employees' immoral behavior through actions of prevention and sanctioning (by implementing a code of ethics, an ethics audit, ethics commission, ethics officer, etc.)".

This preference for the compliance-based model might also explain the strong support of respondents to question III.14 for *regulating the ethics management field in Romania* through stricter rules, so that it becomes compulsory for organizations (4.1. points on a scale from 1 to 5). Therefore, even though academic research argues for giving-up the opposing compliance-based and integrity-based models of ethics management (Jeurissen 2004), the tendency to follow this dichotomy is still present in the organizational practice. This is mainly the case for countries like Romania, where ethics management is still in an early development phase. Nonetheless, this can be turned into an advantage, as recent conceptual developments can be more rapidly assimilated, and therefore set the trend on giving-up fruitless distinctions and uniting the two opposing approaches to ethics management in a single, integrating approach, with more chances for success. It is, of course, necessary that Romanian organizations have specialists trained in ethical matters, and

research results seem to indicate an encouraging situation in this regard, as answers to question III.6 show that we have a *minority of non-specialists* (11%) occupying a position in structures dedicated to ethics management in Romanian organizations.

IV.2. Limitations and suggestions for future research

The current research has several limitations which should be taken into account when interpreting the results put forward. To begin with, the research sample is limited to organizations which tend to be leaders in their sector, both in terms of visibility and level of development. In this respect, the research questionnaire was sent out to top 100 most valuable companies in the Romanian business sector, central public institutions and NGOs with a public utility status. As a result, all the data collected is to be linked with current trends identifiable at the level of most developed organizations in the three sectors surveyed. In this respect, a previous research on companies active in Romania has already linked the presence of a code of ethics with companies' turnover, stating that „the higher the company turnover, the more probable is the presence of a code of ethics" (Transparency International – Romania 2011, 5). Naturally, this leaves room for a future exploration of Romanian organizations which are less visible and have a smaller turnover or number of employees (for instance, medium and small companies, local public institutions or NGOs without privileged status) and which might bring out different trends in terms of ethics management.

Furthermore, the research is limited in terms of rate of response – a fact which is characteristic for this type of academic research in Romanian organizations, for reasons already mentioned. This restricts, of course, the possibility of extending research results to a larger category of Romanian organizations. A possible suggestion for future research is considering a partnership with agencies conducting specialized surveys on the Romanian market in order to get a slightly higher rate of response.

Finally, the research results indicate that it would have been a good point to consider a more in-depth development of several specific questions of the questionnaire. For instance, a suggestion for future research is to ask respondents to indicate more specifically the type of ethical specialization of employees handling ethics management activities – although such specialization based on university or post-graduate studies was mentioned by 22% of respondents, Romanian universities do not usually include in their curricula such courses. In addition to this, it would be interesting to explore the way foreign organizations active on the Romanian market adapt ethics management structures to local needs. At the same time, another suggestion would be to include more personalized questions in the research questionnaire, asking respondents to indicate, for instance, if they have personally took part in ethical trainings in their organizations or if they know about any colleague being sanctioned based on ethical criteria.

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IV.3. Overall conclusion

To conclude, the research findings show that Romanian organizational practice in terms of *ethics management is undergoing a process of transitions from an early development phase to a more mature and consolidated development stage*. Respondents participating in the survey are familiar with the field of ethics management and most organizations which they represent have already implemented components of ethics management programs. There are also specialized structures with trained personnel handling these matters. In addition to this, Romanian organizations tend to *adopt a compliance-based model towards ethics management*, as most activities are centered on codes of ethics and monitoring compliance with internal ethical regulations.

Based on Jeurissen's integrated model of ethics management (Jeurissen 2004), the approach which is characteristic for Romanian organizations included in the research seems to be a rules-based approach. As Jeurissen puts it, this type of approach is defined by „a combination of low action complexity and low normative complexity" (Idem, 17). However, as the moral landscape which characterizes large organizations in Romania tends to become more and more complex, with both high action complexity and high normative complexity, the general trend suggested by the research results is rather an indicator for a transition from this rules-based approach to a values-based approach. When and how this transition is going to end or whether organizations in Romania will choose for a mixture of the four approaches to ethics management as developed by Jeurissen (2004), depending on the moral complexity they face, remains a subject for further research.

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