

# ETHICS AND CONFLICT IN “RELIANCE” COMPANY

Phd Student **Zenica-Livia LUPULEAC**  
“Gheorghe Asachi” Technical University of Iasi,  
E-mail zenylivy@yahoo.com

## ABSTRACT

**Objectives/Purpose.** *Research the relationship between a code of ethics required in a company in Romania and the behavior of managers and other employees to this code and the main types of conflicts faced by employees of Romanian companies, causes and ways of solving them.*

**Research methods.** *The methods used in carrying out this research are: literature review, direct observation, questionnaires and interview.*

**Results.** *A better understanding of the role and benefits of implementing a code of ethics in a Romanian company, how ethics contributes to improving the image and reputation of a company, and possible solutions to reduce existing conflicts in a Romanian company.*

**Implications.** *Ethics in business is a necessity, having a decisive role on the success or failure of an organization. The management teams of Romanian sources of conflict are numerous and often they can degenerate into conflict states. Identification of the causes leading to them may avoid conflicts within the organization.*

**KEYWORDS:** *ethics, code of ethics, conflict*

## Purpose and objectives

The purpose and objectives of the research consisted of analysis of the code of ethics of a company in Romania, the behavior of managers and employees over the code, the role of the existing code of ethics in the organization, and analyze the main types of conflicts faced by the said company employees and causes leading to their appearance.

As a result, it was desirable to obtain a better understanding of the role and benefits of implementing a code of ethics in a Romanian company, as well as possible solutions to reduce existing conflicts in a Romanian company.

Research hypotheses were that: in Romania, many companies do not think ethics has a beneficial impact on the results that they want to steal them, few of Romanian managers is an example of ethics for its employees, the mostly codes ethics are not taken seriously by employees, in Romania, business environment is a place in open conflict, many of the conflicts arising from the system of motivation of managers.

## State of knowledge

The concept of business ethics (business ethics) is an American invention. It was developed first in North American area, where it then spread worldwide. In Romania, this area is tremendously recently. Ethics in business decision involves some tools useful in planning the company's strategies in resolving conflicts between groups working in a business: employees-managers, managers-shareholders, etc.. Among the factors behind bringing First of ethics in the business world were incorrect attitudes of managers towards employees, unethical behavior, cheating and corruption in business environment.

Lately, the concept of "ethics" has become a subject and concern in the current business environment. Research shows that ethical arguments are increasingly sought by giving themselves an increasing significance. Academic research, academic studies, professional practice, all increasingly focus more on ethical issues.

Romania's business environment is increasingly affected by scandals involving businessmen or executives of large companies. Therefore, we hear increasingly is speaking of ethics management, which for many is not something to be respected. In this case we ask the question: managers know what business ethics? A good manager should always be based on honesty, fairness, trust, respect laws.

Current research shows that businesses in Romania are devoid of ethical behavior: lying, manipulation or even espionage. Many critics believe that there is no ethics in the Romanian business environment.

Whether occur between colleagues, may arise in the relationship between boss-employee or team, disputes are part of everyday life. They appear without realizing it and sometimes take the proportions to which we expect.

Studies show that many Romanian companies are affected by the conflict and that approximately 60% of employees who leave their workplace say they chose this way because of conflicts arising in the company where he worked.

To prevent conflicts and, especially, for finding methods to resolve their need to know the causes leading to their appearance

### Research methodology

To do this work, first took a bibliographical research based on research, studies, publications and statistics available.

To get an assessment of state of fact existing ethical problems in Romanian affairs, we analyzed their impact on a company from Romania. This analysis was carried out surveys based on questions that meet the objectives proposed earlier, who answered questionnaires to 15 employees of said company. For a more complete analysis was used interview, as a research method, which answered the general manager of the company. Questionnaires and interviews were analyzed and the results were constructed conclusions.

### Results

#### *Ethics in the "Reliance" company*

Company that has researched has a code of ethics, whose implementation was aimed at promoting ethical professional conduct, and avoid the occurrence of situations which could affect the company's reputation.

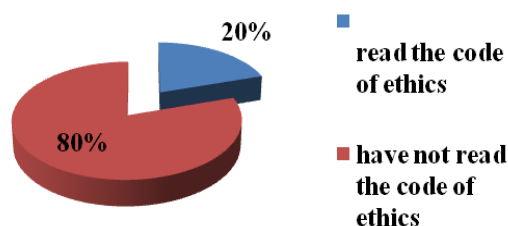


Figure 1 Graph employees who have read or have not read the code of business ethics in which they operate

According to employees answered questionnaires in which, although they all notified of the code of ethics within the organization, most of them do not know which contains the code and did not read before.

Also in the review questionnaires, the result that, in the company that has done research, it was never organized any ethics training for staff.

On the question: "Have you ever read about work ethics?", 51% of employees answered "no" and 49% answered "yes".

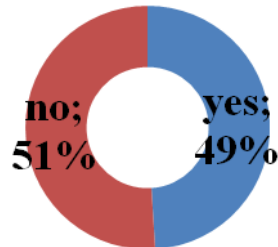


Figure 2 Graph employees who read / have not read a work ethic

In the interview with general manager of the company, the question: "Do you think this code of ethics has a positive role in improving company image and reputation?" He replied: "Yes, has a positive role because it contributes to the confidence of our customers". He also said that at the age they were his employees, he believes there are few chances that they can be educated to moral and employment of specialists in matters of ethics in the organization would mean some money "thrown out the window". However, the manager felt that in his organization can speak of an organizational culture of ethics, saying that in recruiting staff using moral criteria.

**Conflict in the "Reliance" company**

Regarding the conflict following questionnaires on employees, the result these existing conflicts within the organization:

- handling conflicts
- between individuals of the same group conflicts
- beneficial conflicts

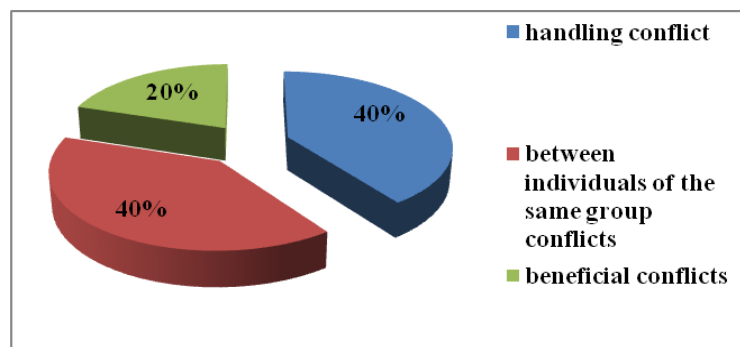
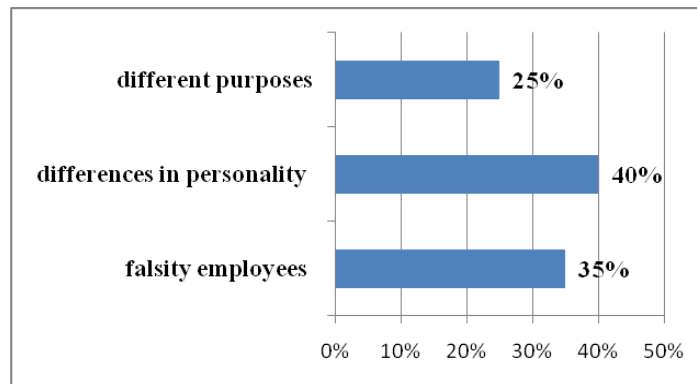


Figure 3 Graph conflicts in the company "Reliance"

The causes leading to the appearance of such conflicts in the organization, resulting from the research are: falsity employees (employees are not honest enough with each other), differences in personality of employees, poor communication (misunderstanding the messages sent from managers to subordinates or vice versa) and the existence of different purposes (departments tend to be specialized and differentiated as goals, objectives and staff);



**Figure 4 Causes of conflicts in the firm Reliance**

When asked: "What are the methods used by you as a manager, to mediate conflicts that arise in the organization?", The answer was "listening and collaboration". First manager trying to figure out the problem, then the problem that is analyzed and then move on to finding solutions acceptable to both parties in the conflict.

### **Conclusions**

Ethics in business is a necessity, having a decisive role on the success or failure of an organization. Conflict management, ethics has an important role, representing a guide orientation behavior to resolve them.

In Romania we cannot say that there is an ethical business given the fact that, especially lately in the news bulletins are presented various cases of unethical behavior, particularly corruption. The Romanian business environment practice of bribery is extremely popular, met at all hierarchical levels.

The development of "business ethics" and insistence on the benefits of moral behavior in the business world, will determine the interest in growth and development of managerial skills ethically.

Analyzing the results, we see that the manager has done research firm that, as a leader, is not far from a good example of ethics for his employees, he does not initiate ethics training programs for employees and encourages them not to promote ethical behavior. This explains not knowing the ethical rules by employees and their indifference to the content code of ethics exists in the organization.

Analyzing the results of research, we see that the organization faces a number of conflicts arising from various causes. One reason for the appearance of conflicts within the organization is found in unethical behavior of employees.

The good of this situation is represented by the fact that some existing conflicts within the organization are its benefits, because in a conflict situation are more aware of problems and solving them are the company to become more creative and more productive.

In conclusion, the company has a code of ethics, employees know of its existence, but most have not ever read it, and about the conflict, most are the handling and those between individuals of the same group.

The manager is a manager who is not willing to invest in upgrading and ethically education of his employees. Instead, he believes that training staff with experts in ethics would be a barrier of time and would not bring results.

Cases leading to conflicts within the organization are different. Manager tries to find solutions that lead to the reduction of conflicts, but most times he fails to reach a result. This happens probably because the manager has not the necessary knowledge to address a conflict situation.

Conflicts generally are considered to be destructive, but they can have a good side, the initiator of change, they helping us to realize the need for change and to perceive new ideas.

In the Romanian business, sources of conflict are numerous and often they can degenerate into conflict states. Identification of conflicts may avoid them in an organization.

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