Effectiveness of Orientation Sessions in Communicating Corporate Codes of Ethics in Organizations: a Case Study for X Organization

Introduction

During the 1970‟s, big companies have started to pay more attention to the ethical implications of their activities due to the rise of scandals of major corporations in the USA (Stevens, 1999). Companies have realized the threats of violating business ethics and how negatively it could affect their reputation (Crane & Matten, 2010). Since then, companies have been more engaged in social responsible activities and have started to develop tools and measures to monitor the impact of their activities on different stakeholders. The ethical behaviors of companies should be guided by the ethical values that they create for themselves based on their business objectives and the vision of their leadership. The assumption is that such values would guide every person and activity within the company. This of course includes employees who are representatives of the company and their action would necessarily affect the company as whole. This research will focus on one of the tools that organizations use to disclose their ethical values and guide the behavior of their employees, the *corporate code of ethics (CCE)*, also known as corporate code of conduct (Steven, 1999).

As defined by Schwarz (2002), CCE is a formal document which consists of moral standards used to guide employee or corporate behavior. The purpose of such document is mainly to guide the behavior of organizations members, make them more responsible, and enhance the image of the organization (Tucker et al, 1999). Given the importance of such a tool, different studies have focused on examining the effectiveness of CCEs in changing employees‟ behavior. And most of the studies in this field were either content oriented (focusing on what is in the codes), or output oriented (what effect on behavior they have) (Heline and Sandstrom, 2007). Although there is a wide range of such studies, Stevens (2007) have noticed that they have produced conflicting results regarding the effectiveness of the codes to improve ethical behavior of employees. In a previous study 2
that Stevens (1994) have also conducted, she noted that most studies that investigated CCEs were based on content analysis and that previous studies lacked information on how codes were communicated within the organization. Tucker, Stathakopolous & Patti (1999) also concluded that more emphasis should be placed on how the codes are communicated, enforced, and used as a basis for strengthening the culture of the organization. Helin and Sandstrom (2007) came to confirm the lack of such understanding as well, they noted the need for transformation oriented studies which in part could explain how the codes are communicated and how are they translated into daily actions.

Communication is one of the important factors that influence effectiveness and success of any message. At the organizational level, any activity requires a form and level of communication, which could be internal or external. Communication is a powerful factor in organizational performance because it is tangible evidence to what the leadership believes and what values they stand for (Harshman and Harshman, 1999). And given that CCEs are one tool through which companies use to enforce company‟s ethical values and guide their employees‟ behavior, it is a powerful tool that needs to be communicated properly. In general, most companies do communicate CCE during the orientation sessions when the employee first joins the company. And regardless of how well written CCE‟s are, unless they are communicated in the proper way then they will not be effective.

Research Questions

As shown in the literature review, very few studies have focused on studying the transformational process of the codes from a practical point of view. That is to see how in real life the codes are being communicated in the organizations. And given that CCEs are guidelines that govern the behavior of employees, such document is treated as a source of information. And for information to be effective, it needs to be communicated in the proper way for it to be effective. Given that most organizations use the orientation session to communicate CCE, this study will investigate the effectiveness of orientation sessions in communicating CCE. The purpose of the study is to examine the relationship 3
between orientation session process and effectiveness this tool in communicating the CCE. The study will look at effectiveness in the context of reach and clarity of the message and not the actions taken based on it. The research will take a single case study to intensively study and try to answer the following two questions:

 _*How effective are orientation sessions in communicating codes of ethics in large organizations?*

This question will draw investigations on the detailed process of communicating CCE during orientation session for new staff members. As well as the quality of this process and its appropriateness in delivering the message and conveying ethical values.

 _*To which extent corporate codes of ethics are enforced after the orientation session?*

This question will examine the post orientation session and follow up as a further step to assure effectiveness of the orientation session.
This research will contribute to organizations as a reference point to consider the various elements of communicating the CCE during the orientation session for new employees. The introduction of such a document is important in emphasizing its importance. So the research will give insight on the sufficiency and effectiveness of such a method in communicating corporate ethical values and guidelines. The research will study the process of communicating the CCE in orientation session of a successful ethical company, which will be a real case example for appropriate practice of introducing ethical values. I hope that this work will also add to the existing literature in this field, which would further help academic and research work.

Research Methods

The focus of this research is on the effectiveness of communicating CCEs through the orientation session. As per Bryman and Bell (2007), a case study entails a detailed and intensive analysis of a single case. For this research I chose a single case study design through which an intensive examination of the process of communicating CCEs during the orientation session will be conducted, aiming to provide a rich and contextualized 4
description of the case. Using a typical or representative case – which exemplifies an everyday situation or form of organization (Bryman & Bell, 2007), will best suit the purpose of my study. I am aware of the limitations of generalizing the results of my study given that it is a single case study, but I hope that it will help to generate concepts and give meaning to abstract propositions surrounding the effectiveness of

orientation session as one tool of communicating CCE. The organization selected for the case study has been well recognized for its ethical performance and behavior. It has a long history in its sector and has been highlighted in the “Financial Times” as a success story in the field of business ethics. Studying a successful model in details would help to find out the factors of proper process of communication. I have contacted the company and have initial approval to use their name and resources for the purpose of my study, but until the date of writing my proposal, I have not received the official written approval, which would have allowed me to use their name for this paper.

In the process of collecting the data, I will use a “triangular” approach, which was introduced by Knights and McCabe (1997), of qualitative data collection methods. This will help avoiding reliance on one single approach and improving the richness of the data collected and its reliability (Bryman & Bell, 2007). Data will be collected through four qualitative methods: semi-structured interviews, a focus group session, observation, and secondary research.

Face to face, semi-structured interview will be conducted with the manager responsible for the CCE and orientation sessions. This person should be able to provide detailed and relatively reliable and rich information about the process of communicating CCE during orientation sessions. The interview questions will explore the process in details, the relationships between orientation session process and effectiveness of communicating the code, as well as the methods of follow up and enforcement. Semi-structured interviews will also be conducted with the person who conducts the orientation sessions, if different from the person responsible for the CCE. This person will give details on what really goes during the session. How the introduction takes place, level of details covered, enforcement of importance, etc. All interviews will be recorded for reliability and validity purposes. The semi structured questions will be sent to interviewees by email before the 5
actual interview, this will give them enough time to understand the aims of the research, and they will be able to prepare for the questions which will also help overcome bias. Each interview will last for one hour if conducted with different people, and for an hour and a half if with the same person. (Please see Appendix 1 for interviews schedule)

Given that the organization is big and the rate of employment is high, it is expected that new employees will constantly join the company during the period of my research. I will be attending at least one orientation session to observe the patterns of how the session is conducted and how the CCE is introduced. This will help me link between the results of interviews and real session activities.

A focus group of 10 new employees who joined the company during the last three months of the date of the session will also be conducted. The focus group will be helpful in evaluating the effectiveness of the session in communicating the code. And will help in getting different viewpoints from different members of the organization. It will focus on examining what has been communicated in regards to CCE during the session and how well they think it was communicated. As a researcher, I will not interfere in the answers or direct the questions in a way or another that is why the session will be recorded for validity and reliability as well. (Please see Appendix 2 for focus group questions)

The secondary data will mainly be from company website as well as historical information from the company. The focus will be on the company‟s CCE which will be examined in details in terms of content, length, language and other aspects needed for the analysis of data. And also on any other documents used in the orientation session such as notes, letters, brochures, etc.

Resources

As mentioned earlier, I have already contacted the organization and have initial approval on using the organization as a case for my study. The contact person, the HR supervisor who works in the department responsible for the CCE, assured me the possibility of receiving a copy of the CCE and pervious versions of it as well as other brochures and 6
materials necessary for my research. I also have initial approval on conducting the interviews with the responsible people. The company will also provide me with space to conduct the focus group. One of my friends, who is studying research methods, would help as a moderator in the focus group session and I will be the interviewer.

For all interviews, I will have to loan a tape recorder, which I can easily get from one of my friends who is studying journalism.

Data analysis will be done using computer-assisted qualitative data analysis software (CAQDAS), which will help in analyzing and coding data.

Money will not be an issue as I am a sponsored student and my scholarship fees will cover up to 300 GBP of my research expenses. This will cover the charge of renting the tape recorders and printing some documents if needed.

This research will be conducted in the period from March – August 2010. Below is a detailed timetable explaining the steps needed in conducting the research.

Time scale Activity	**Timeline**
Finalize proposal	13 January
Receive feedback on proposal	1 – 15 February
Complete literature review	30 March
Finalize questionnaires	7 April
Finalizing cover letter for questionnaires	9 April
Send questionnaires to interviewees	10 April
Contacting organization to agree on details/ timing of interviews and focus group session	15 April
Conduct interviews (*this depends on the availability of management, so I am giving 3 weeks period to finish them*)	15 April – 10 May
Conduct focus group (*this is also subject to arrangements and availability of management and employees)*	15 April – 15 May
Collect and review secondary data from organizations	30 May
Coding and analyzing data	1-30 June
Writing down findings and implications (*linking literature review and findings*)	June – July
Complete final report	30 August