The reality of business ethics in companies: A case study of the Plastic Pipe Company-Chlef.

واقع أخلاقيات الإدارة في المؤسسات الاقتصادية:دراسة حالة مؤسسة الأنابيب البلاستيكية بالشلف

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Abstract:

This study aims to highlight the reality of business ethics in « SOTUPLAST », a Plastic Pipes company based in Chlef. In order to gather the necessary information, we distributed a questionnaire to a random sample of 30 individuals. Besides, we analyzed the data and tested the hypotheses using SPSS. In general, the study concluded that the sample members are aware of the importance of business ethics, with deficiencies in certain areas that require development, as the company management policy focuses more on the legal aspect at work. On the basis of these results, we came out with the following recommendations for the company: the inclusion of an ethical system within its strategy, building a system for application and evaluation of ethical practices that includes a moral code, ethical committees, in addition to preparing training programs that help workers know the ethical aspects at work

Key words: Business Ethics, Individual Ethics, Leadership Ethics, Activities Ethics, Organizational Structure Ethics.

ملخص:

تهدف هذه الدراسة إلى تسليط الضوء على واقع أخلاقيات الإدارة في شركة «سوتوبلاست» ، وهي شركة الأنابيب البلاستيكية مقرها في الشلف. من أجل جمع المعلومات اللازمة ، قمنا بتوزيع استبيان على عينة عشوائية من 30 فردًا. إلى جانب ذلك ، قمنا بتحليل البيانات واختبار الفرضيات باستخدام برنامج SPSS. بشكل عام ، خلصت الدراسة إلى أن أفراد العينة على دراية بأهمية أخلاقيات الإدارة، مع وجود أوجه قصور في بعض المجالات التي تتطلب التطوير ، حيث تركز سياسة إدارة الشركة بشكل أكبر على الجانب القانوني في العمل. وبناءً على هذه النتائج قدمنا لتوصيات التالية للشركة: إدراج نظام أخلاقي ضمن استراتيجيتها ، وبناء نظام لتطبيق وتقييم الممارسات الأخلاقية يتضمن مدونة أخلاقية ، ولجان أخلاقية ، بالإضافة إلى إعداد برامج تدريبية تساعد العاملين على معرفة الجوانب الأخلاقية في العمل.

الكلمات المفتاحية: أخلاقيات الإدارة، أخلاقيات الفرد، أخلاقيات القيادة، أخلاقيات الأنشطة، أخلاقيات البنية التنظيمية.

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INTRODUCTION

The rapidly changing business environment, increasing knowledge and advanced technology mean that companies face great challenges in competing and struggling for growth and survival. This has led to a lot of scandals and moral transgressions and the widening of the circle of administrative corruption.

Due to the decline of ethical standards, the issue of business ethics has become an important topic in all countries. This has led to the search to develop an ethical system based on principles and standards that clarify what is wrong and what is right; a system that is able to direct all the work and business activities in the company, and that can be reflected in the behavior and practices of its members in a positive and ethical way. The interest in the issue of business ethics has manifested itself in the holding of numerous scientific conferences and colloquia in the field, in addition to the emergence of the so-called ethical codes in many companies.

Despite the importance of business ethics, it is still absent from the attention of most companies, especially in developing countries. Therefore, the main objective of this study is to reveal the reality of business ethics in companies, specifically in Chlef plastic pipes company. On the basis of what has been stated above, we raised the following problematic:

What is the reality of business ethics in Chlef Plastic Pipes Company?

To analyze and answer this problematic, we asked the following sub-questions:
1. What do we mean by business ethics?
2. How can a company establish ethical behavior?
3. Does Chlef plastic pipes company seek to build an ethical system that touches all aspects of work?
In order to reveal the reality of business ethics in "SOTUPLAST", we formulated the following hypothesis:
First hypothesis: The Company under study seeks to build and develop an ethical system that touches all aspects of work.
Second hypothesis: The Company under study focuses on the legal aspect of ethical practices.
Third hypothesis: The Company under study does not pay attention to business ethics.

The importance of the study stems from the importance of the topic of business ethics, which is one of the modern concepts in business management. In an environment where business companies face great competition and challenges, which made the circle of management corruption and ethical transgressions widen, business ethics appear as a new philosophy in the field of business that seeks to develop an ethical system based on standards that clarify what is wrong and what is right.

This study aims to shed light on business ethics and the basic concepts related to it, with an attempt to know the reality of this in an Algerian company, in addition to an attempt to provide recommendations that help it to develop mechanisms to build and consolidate business ethics.

We used the deductive approach with its tools of description and analysis. Thus, we reviewed books and scientific articles that dealt with the subject of our study. And in order to achieve the study objectives, we conducted a study at SOTUPLAST, which is a plastic pipes company.

2. Theoretical framework for business ethics.

Business ethics investigates the connections between ethics and economy, In other words, moral behavior in economy and its importance. An action is good if it is advantageous for others and bad if it is harmful. The same idea can be projected on the field of economy. Therefore, ethics in economics is good if it seeks whether people act economically and/or institutions or companies are by being good for the community. Ethics in economics is good then, as it places people above economy, and assumes that the latter should serve the former.

2.1. Keys concepts of business ethics

The first conference on business ethics was held in 1974 at the University of Texas, which opened the door to training on ethics within the curricula of companies. Many books, literature, and research papers on business ethics have been published.

2.1.1. Business ethics definition

The concept of "ethics" needs to be distinguished from other notions, such as morality and deontology; although they are close, they remain essentially different. Mercier considers ethics "the reflection which occurs upstream of the action and which aims to distinguish the right and the wrong way of acting"[2].Morality "corresponds to the process by which an individual conforms to pre-established rules or standards to determine what is good or bad"[3]. As for ethics, it is defined as "the set of rules that govern a profession"[4].

Business ethics refer to principles that prescribe a code of behavior that describes what is good and right, and what is bad and wrong. Business ethics reveal standards for conduct and decision making of employees and managers. They vary from law though they agree in some situations. They involve the organizational principles, sets of values, standards and norms which influence the actions and behavior of an individual in the company[5]. They are a "form of applied ethics or professional ethics that examine the ethical principles and moral or ethical problems which arise in a business environment"[6]. Peter Draker focuses on the objective dimension of management ethics as a science and defines it as: "the science that deals with rational choices based on evaluation between means leading to goals"[7]. Management ethics refer to the integration of major mutual values in dealing, between the manager and the individual worker, such as honesty, trust, respect and justice as well as the policies and practices followed to reach ethical decision-making within the company[8]. As for UNCTAD (the World Trade Organization), it gives them a broader definition, stating that they represent the company behavior with all stakeholders, and says that management ethics are "the direction of management and its behavior towards its employees and customers, shareholders and society in general, and the laws of the state related to regulating the work of companies."[9]. In view of what has been reviewed about the concept of business ethics, we can say that "business ethics is a set of virtuous values and principles and good qualities stemming from the culture of the company and society, and in compliance with the laws and legislations of the state, which guide behavior management to achieve the objectives of the company and the satisfaction of stakeholders" (prepared by the researchers).

2.1.2. Business ethics elements

The literature related to management indicates that there are forces that influence and contribute to ethical decisions. The practice of business ethics through these forces is an integral part of management and is represented in the following:[10]

- A formal code of conduct to reflect management desire to incorporate the values and policies of the company.
- Ethics Committee is formed by the board of directors. This committee evaluates the compliance of the company with the standards.
- An ethical communication system helps the employees in making inquiries and getting advice if needed.
- The job of an Ethical officer is to communicate and implement policies and develop a reputation for credibility, integrity, honesty, and the most important responsibility.
- Ethics training program to understand the ethical issues that are likely to arise in their workplace.
- A disciplinary system is also important to supervise all the work.
- An ombudsperson is responsible to help coordinate the development of policies and procedures to institutionalize moral values in the workplace.
- Surveys are important to make an ethical program.

2.1.3. Business ethics importance

If we want to point out the most important benefits that companies can obtain as a result of their commitment to a value-ethical perspective at work, which gives its importance to this commitment, we can mention the following:

- The positive impact on the company sales and profits because customers are more inclined to support ethical actions in their dealings.
- Lead to lower turnover of staff and get the right skilled people easily[11].
- It controls business malpractice; any unfair means of business is controlled.
- Improve customer satisfaction.
- Better decision making.
- The protection of society is the most important thing because society plays a vital role in business ethics.
- Safeguarding consumer rights.
- It creates a good image and enhances the reputation of the businessman. This leads to great success in the field of business.
- Healthy competition between all the participants, all the people who are in the field of business must follow this for a smooth and pure business[12].

2.2. Ethical performance in the company

The ethical performance of the companies depends on the approach through which the management of the company interprets its decisions, as well as the mechanisms through which it establishes and evaluates its ethical performance.

2.2.1. Business ethics approaches

Ethical behavior faces many difficulties because it focuses on standards and principles that

govern the behavior of individuals in different environments. Ethical behavior that is acceptable in one environment may not be acceptable in another. It is possible to delineate two main approaches – the instrumental and the philosophical ones. The basic difference between them lies in the particular configuration of business and ethics relation, or – in the question which of them is primary and which is secondary. Ultimately, both perspectives are interconnected.

Instrumental Perspective

The instrumental perspective of business ethics considers that business requirements come first, and ethical treatment follows. It doesn't mean that ethics are unimportant. The task of business ethics is to develop ethical tools that support business success and to provide knowledge of how to optimally implement such tools into business strategies, operations, and organizational design[13]. Globalization and technical advancement bring forth ever new ethical challenges, for example, issues related to security and privacy, data storage and analysis, different normative requirements, and legal frameworks. The lack of ethical standards can result in company disadvantageous market position[14].

Philosophical Perspective

Contrary to the instrumental approach, the philosophical one starts from the ethical vantage point. The questions are: What is the ethical meaning of business? What is the meaning of business or economic aspects within a broader ethical context? The ethical theories are derived from the works and thoughts of a number of key philosophers. Three major theories relevant for the field of business ethics – utilitarianism, deontology and virtue ethics – are discussed below[15].

Utilitarianism: Utilitarianism is concerned with consequences and the course of action that benefits the greatest number of people, regardless who these people are. The most decisive feature of utilitarianism is the one of impartiality; the ethically best action is the one that benefits majority of people. Distinction between ethical and unethical on the individual level lies in the harm or benefit inflicted. This does not just refer to physical pain and pleasure, but to all kinds of pain and pleasure, including psychological and economic ones[16]. In order to apply the utilitarian method in a business situation, four subsequent steps are to be taken:[17]

1. Determination of all possible actions for a given case,

2. Identification of all parties who are affected by each alternative action,

3. Identification of the amount of harm inflicted to all parties,

4. Summarize all the harms and benefits resulting from each alternative action, then identify the alternative that increases overall happiness. It would then be the morally correct procedure.

Deontology: Deontologists argue that the ends do not always justify the means. For them only the act is important, not the consequences or intentions. People should follow rules and never deviate[18].Scottish philosopher W. D. Ross developed the hierarchy of obligations. He identified seven major facie obligations: fidelity, reparation, gratitude, justice, beneficence, non-malfeasance, and self-improvement. Nonetheless, there can never be a true ethical dilemma, Ross would argue, because one of the main facie duties in a given situation is always the weightiest and over-rules all the others. This is thus the absolute obligation or absolute duty, the action that the person ought to perform[19].

Virtue Ethics: Virtue ethics is a normative ethical theory about the definition and realization of virtues and human excellence. In contrast to utilitarianism and deontology, virtue ethics is not focusing so much on the single ethically right action, but more on questions such as: What is a good person? What is a good character? What is human excellence? What is a good life? These are fundamental ethical

questions of everyday life. The roots of virtue ethics come from Aristotle. He proposed 12 virtues: courage; temperance; liberality; magnificence; pride; honor; good temper; friendliness; truthfulness; wit; friendship; justice. These virtues matter for many business activities: they help individuals get along with customers, co-workers, suppliers, and other stakeholders in an exemplary way, and, by this, support business and professional success. Loyalty can also be regarded as virtue in business ethics. Effective leadership presupposes such virtues as courage, responsibility, fairness, or care. Further, there are virtues that are specific to a profession or a certain job[20].

2.2.2. Business ethics models

Judging an action as moral or immoral depends on the individual's moral values that he uses in deciding what is right and what is wrong. Therefore, an action is said to be moral if it reflects acceptable positive individual and social values, and immoral if it contradicts the collective and individual values that govern the society[21]. Several companies have established ethics offices, headed by the director of the ethics office, to follow up on all ethical aspects and legal claims and disseminate and communicate standards to be adhered to, and advise managers on ethical aspects[22]. From this point of view, researchers in this field have prepared models for management ethics that facilitate the measurement of ethical practices in business companies:

Buchholz model: Buchholz presented a model of administrative values and ethics whose purpose is to measure these values among workers in companies. This scale contains five value systems that revolve around work and its nature: work ethics values system, human values system, organized values system, and collective participation values system, and comfort value system[23].

Collins Model: It is considered one of the modern, clear and easy-to-measure models. It shows ethical practices through: individual ethics, leadership, activities, and organizational structure, which lead to the pursuit of ethical individuals to reach a high level of moral development, but it is not enough for the individual to be ethical and take ethical decisions. Managers must also create a strong ethical climate for others, and find ways to focus the entire company attention on ethical values[24].

Daft Model: Daft indicated that there are four forces that contribute to the formation of moral behavior, which are:[25]

- Personal values: the total sum of values and beliefs that an individual believes in.
- Company culture: the total sum of norms, values and principles shared by the individuals of the company.
- Company regulations: are the policies and procedures followed by the company to manage its affairs, such as ethical codes.
- Stakeholders: They are the parties affected by the decisions of the company.

2.2.3. Mechanisms for establishing ethical behavior

One of the challenges in the development of business ethics is how to apply the philosophical theory of ethics in practice, and how to integrate ethical principles into everyday practice and achieve real impacts[26]. Companies try to give themselves the character of sound ethical practices in all their actions and activities, and behind this is a valid implicit assumption that ethical behavior is very beneficial and necessary for the success of companies. Therefore, senior management in companies is interested in building a sound value system to support these practices and ethical behavior, and this is based on several mechanisms, including the following:[27]

Senior management: The senior management supports ethical behavior and helps to develop a favorable ethical climate and culture in the organization and to have the intended effects. It is also important that the code of ethics be communicated, monitored and enforced in business companies. It is crucial that management shows a dedication to, and materializes the code of ethics. The enforcement of a code of ethics is positively related to how important employees perceive the role of ethics and social responsibility in achieving long-term organizational effectiveness.

Code of ethics: A company can embrace an organizational code of ethics by setting down the ethical philosophy, and rules of conduct and practices. The code can enhance corporate reputation and brand image, signal to internal and external parties that the company is committed to ethical behavior, create a cohesive corporate culture, and guide and influence behavior within the company.

Ethics training program: A company appoints ethics officers to organize employee training programs in ethics. Such programs can provide an effective means of setting and communicating expectations among employees about their actions and behavior. However, top management support can play a major role in ethics training and enforcement of ethical behavior and standards. Likewise, the association between ethical behavior and career success can be incorporated into the company culture.

3. The reality of business ethics in Chlef Plastic Pipes Company.

We tried, through this applied study to discover the reality of business ethics in the Plastic Pipe Company of Chlef, we relied on analyzing the questionnaire that was distributed to a sample of the company workers.

3.1. Brief description of the company under study

SOTUPLAST (Chlef Plastic Pipes Company) is a shareholding company and is one of the 12 branches of the Plastics and Rubber Complex. (ENPC) The Company belongs to the petrochemical sector under the tutelage of the Ministry of Industry. It was established under a constitutive notarial contract bearing No. 755/1999 dated 20-09-1999 and its capital was set at 201 million dinars, and from 2007 it became 255 million dinars. The company is located in the industrial zone "Oued Sly". The Company includes four production workshops operating in a rotation system 24/24 hours, which are: the gas pipeline workshop; Irrigation and potable water pipe workshop; sewage channel workshop; and a workshop for packaging products, with a production capacity of 12000 tons annually and 114 workers (11 Senior executive – 15 Executive officer - 37 Mastery elements - 51 Execution elements). The company products are characterized by high quality and position in the national market, so that it obtained ISO 9001 quality for the first time in 2000 and obtained all subsequent editions, and it is now obtaining ISO 9001 for the 2019 edition. In addition, ISO 14001 related to the environment from 2008 until the last edition in February 2019. She also obtained a "Tadj" certificate (Algerian measurement certificate) granted by the Algerian Institute of Measurement on 06/2019.

3.2. Applied Study Methodology:

To achieve the goal of the research and to obtain the necessary information, we used the deductive method with its analysis tool to determine the reality of business ethics in Chlef plastic pipes company. In order to reach objective information that translates the reality in the company under study, we relied on the questionnaire to collect information. The questionnaire consisted of two parts, the first section: includes the personal information of the sample members (educational level, administrative level, professional experience), the second section: includes questions related to business ethics, so we used the "Collins" model, which is one of the modern and clear models in measuring ethical practices in

companies, this model depends on four dimensions (individual ethics, leadership ethics, activities ethics and organizational structure ethics).

3.3. Study sample and statistical tools used:

The number of the company workers is 114, divided into 4 administrative levels. In order to achieve the goal of the research, we limited our study community to 3 levels, which are: Senior executive, Executive officer, and Mastery element. Therefore, the study population consisted of 63 workers. We chose a random sample and distributed 30 questionnaires, equivalent to approximately 50 percent of the study population. 28 questionnaires were returned, and one questionnaire was cancelled. The five-point Likert scale was used. In order to analyze the answers of the study sample about the reality of management ethics in the company under study, we used a set of statistical methods, including: arithmetic mean and standard deviation, using the statistical package for social sciences SPSS. The validity and reliability of the study tool was confirmed by using the root coefficient "Alpha Crombach", so that the tool is considered honest and stable if "Alpha Crombach" is greater or equal to 0.60. The value of "Alpha Crombach" was high and estimated at 0.853, this indicates the validity and reliability of the questionnaire; so, we can rely on it to analyze the results and test hypotheses.

4. Result and discussion

4.1. Profile of respondents

Table N° 1: Profile of respondents

Personal characteristics	Evaluation	Repetition	Percentage %
Educational level	Secondary	12	44,4
	University	11	40,7
	Post graduate	4	14,8
Professional grade	Senior executive	6	22,2
	Executive officer	9	33,3
	Mastery element	12	44,4
Professional experience	Less of 5 years	3	11,1
	From 5 to less than 10 years	5	18,5
	From 10 to less than 15 years	13	48,1
	More than 15 years	6	22,2

Source: Prepared by researchers based on SPSS output.

From table N°1 it is clear that a small percentage of the sample members has graduate studies, as for the secondary and university levels, their proportions are close despite the superiority of secondary education, which leads us to say that half of the sample members have good education. The proportion of

mastery elements was greater because their number is greater than the other levels in the study population. The table shows that 48.1% have experience from 10 to less than 15 years, and 22.2% have more than 15 years of experience. This indicates that the members of the study sample have sufficient knowledge of the company under study and have the ability to answer objectively the questionnaire.

Table N° 2: The results of testing the differences in the opinions of the sample members about the business ethics according to personal variables.

	Source of variance	Sum of squares	Degree of freedom	Mean of squares	Calculated F	Tabulated F	Significance level
Educational level	Between groups	0,009	2	0,004	0,052	3,403	0,950
	Within groups	2,019	24	0,084			
	Total	2,028	26				
Professional grade	Between groups	1,820	2	0,104	1,372	3,403	0,273
	Within groups	2,028	24	0,076			
	Total	2,028	26				
Professional experience	Between groups	0,128	3	0,043	0,516	3,028	0,676
	Within groups	1,900	23	0,083			
	Total	2,028	26				

Source: Prepared by researchers based on SPSS output.

From table N°2, we find that in all cases the calculated F is less than the tabulated F and the level of significance is greater than (0.05), and therefore the personal variables have no effect on the answers of the sample members with regard to business ethics.

4.2. The results of the sample members' response on the dimensions of business ethics.

Table N° 3: Arithmetic means and standard deviations of individual ethics items.

Number	Expressions	Standard deviation	Arithmetic mean	Impact
1	The employee is committed to the customs and values of the Algerian society in his behavior within the company.	0,518	4,04	High
2	The employee reports any ethical transgressions that occur in his department.	0,474	4,07	High
3	The employee maintains the resources and secrets of the company.	0,641	4,22	Very high
4	The employee shall abide by the company laws and regulations.	0,509	4,52	Very high
5	The employee is committed to the specified time to complete the work.	0,834	4,19	High
Total		**O,595**	**4,21**	**Very high**

Source: Prepared by researchers based on SPSS output.

The results of the table N°3 show that the sample members adhere to ethics within the company, as the effect ranged between high and very high.

Table N° 4: Arithmetic means and standard deviations of managerial ethics items.

Number	Expressions	Standard deviation	Arithmetic mean	Impact
1	Leadership promotes a culture of communicating with honesty and transparency.	0,641	3,89	High
2	Leadership provides the necessary data and information for action.	0,362	4,15	High
3	Leadership encourages employees to report unethical behavior without hesitation.	0,641	3,89	High
4	The leadership provides a public mechanism for receiving and responding to complaints and suggestions.	0,801	3,78	High
5	Leadership seeks to develop employees' personal awareness of ethical values and standards.	0,669	2,30	Weak
6	The leadership operates according to a fair system of reward and punishment.	0,795	3,96	High
7	Leadership focuses on the ethical dimension when evaluating employees.	0,849	1,48	Very weak
8	The leadership is keen to ensure fairness and non-discrimination among employees.	0,847	4,11	High
9	Leadership is characterized by integrity and credibility in all its decisions and dealings.	0,781	4,07	High
Total		0,685	4,07	Average

Source: *Prepared by researchers based on SPSS output.*

We note from the table N°4 that all the expressions obtained the approval of the sample members except for expressions 5 and 7, in which the effect was weak and very weak, respectively, which indicates that the leaders in the company under study does not seek to develop employees' personal awareness of moral values and standards and does not focus on the ethical dimension when evaluating employees.

Table N° 5: Arithmetic means and standard deviations of activities ethics items.

Number	Expressions	Standard deviation	Arithmetic mean	Impact
1	The company has a system characterized by transparency and clarity in transactions.	**0,550**	**3,93**	High
2	The company sets ethical controls for the use of modern technologies.	**0,869**	**3,7**	High
3	The company provides a fair and transparent system for selection and appointment.	**0,751**	**3,78**	High
4	Business policies and procedures help provide a creative environment.	**0,839**	**3,63**	High
5	The company has regulations, legislation and laws that control the performance of employees	**0,679**	**4,33**	Very high
6	The regulations and laws are flexible enough to achieve the objectives.	**0,616**	**3,93**	High
7	Assigns the employee work in accordance with his abilities and skills.	**0,847**	**4,11**	High
8	The company training program includes training courses on business ethics.	**0,912**	**1,70**	Very weak
9	The company strives for the concrete application of ethical values for continuous improvement of practices.	**0,912**	**2,07**	Weak
Total		**0,716**	**3,46**	**High**

Source: Prepared by researchers based on SPSS output.

From the table N°5, we note that the level of impact for most of the expressions of the activities dimension is high, while expression 5 related to the company's availability of regulations, legislation and laws that control the performance of employees had a very high impact, unlike expressions 8 and 9, where the first had a very weak effect and the second was weak. This indicates that the company under study does not have programs and training courses on business ethics and does not see that continuous improvement of practices results from the concrete application of ethical values.

Table N° 6: Arithmetic means and standard deviations of organizational structure ethics items.

Number	Expressions	Standard deviation	Arithmetic mean	Impact
1	The company has an organizational structure that clarifies the functional tasks.	0,641	4,22	Very high
2	The company relies on effective communication systems in facilitating work procedures.	0,579	3,96	High
3	The company has a clear and public moral guide to everyone inside and outside the company.	0,888	1,59	Very weak
4	There is an internal law that punishes those who are not committed to ethical behavior within the company.	0,509	4,48	Very high
5	The company adopts a vision and strategy based on ethics.	0,509	2,3	Weak
Total		0,652	3,3	Average

Source: *Prepared by researchers based on SPSS output*

From the table N°6, we notice that the sample members see that their company has a clear organizational structure and effective communication systems, as well as an internal law that punishes those who are not committed to ethical behavior within the company, and the effect ranged between high and very high. As for expressions 3 and 5, the effect ranged between weak and very weak, this indicates that the sample members assert that the company does not have an ethical code and does not include ethics in its vision and strategy.

4.3. Hypothesis Test

The results of the questionnaire generally indicate the awareness of the sample members (workers and managers) of the importance of business ethics, with gaps in some areas that require development. Chlef Plastic Pipe Company focuses more on the legal aspects, its application and the commitment of everyone. But building a strong value system based on ethical practices and behaviors requires the inclusion of business ethics in the vision and strategy of the company, as well as a clear and publicized ethical code for all to guide behavior within the company, in addition to preparing training and communication strategies with employees to highlight ethical issues and decision-making processes by managers, to ensure that the focus is on ethical principles rather than on profits. Unfortunately, this was absent in the company under study, despite the existence of the initiative. From the above, we can say that:

First hypothesis: The Company under study seeks to build and develop an ethical system that touches all aspects of work.

This hypothesis is **rejected** due to the absence of business ethics in the company strategy and an ethical code of conduct in addition to the lack of training programs related to work ethics.

Second hypothesis: The Company under study focuses on the legal aspect of ethics practices.

According to the results obtained from the questionnaire, we confirm that this hypothesis is **accepted.**

Third hypothesis: The Company under study does not pay attention to business ethics. This hypothesis is **rejected.**

5. Conclusion

The business ethics is the comprehensive framework that governs behavior and actions, and clarifies what is acceptable or right and what is unacceptable or wrong by virtue of custom and the law prevailing in society. The rights, duties, and values must be clearly declared in the company, where the senior management plays a major role by adopting an ethical system and including it within the company vision and strategies and building a system that allows for the consolidation of ethical practices, in addition to setting a good example and initiating actual implementation.

Recommendations:

Ethical behavior is not only related to following the laws, but should follow a method of work that is characterized by moral values. Ethics is a commitment related to values and ideals that the company should not smash, even if it does not fall under legal accountability. In order to enhance the interest of the Chlef Plastic Pipes Company with the business ethics and to give it formality, we offer the following recommendations:

1- Including the ethical system within the company strategy.

2- Building a system for applying and evaluating ethical practices in the company that includes:

- Code of Ethical Conduct.
- Ethical committees: follow up on ethical issues in the company, in addition to overseeing the ethical training and overall performance evaluation processes, as well as ethical auditing.
- Preparing training programs to help employees know the ethical aspects of their behavior and decisions they make at work.

4- Developing moral values and make them part of the company culture.

5- Leaders have a major role in embodying business ethics, by creating a work environment that encourages employees to provide better performance and greater commitment to the principles of business ethics, and it must set an example to follow.

6- Seeing the experience of leading company in this field in order to benefit from their experiences.

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