

**Cite This Article:**

Prokopenko O., Zięba K., Olma S. Code of ethics as a tool for resolving conflict in the organization [Online] // *Economic Processes Management: International Scientific E-Journal*. 2016. 1. Available: [http://epm.fem.sumdu.edu.ua/download/2016\\_1/2016\\_1\\_11.pdf](http://epm.fem.sumdu.edu.ua/download/2016_1/2016_1_11.pdf)

Received  
05.01.2016

Accepted  
01.02.2016

---

**CODE OF ETHICS AS A TOOL FOR RESOLVING CONFLICT  
IN THE ORGANIZATION**

**Prokopenko O.** <sup>1,2</sup>

Doctor of Economics, Professor

**Zięba K.** <sup>2</sup>

Dr. Eng.

**Olma S.** <sup>2</sup>

B.A.

<sup>1</sup>*Sumy State University, Ukraine*

<sup>2</sup>*University of Economics and Humanities, Bielsko-Biala, Poland*

*This article addresses the issues as selection tools to resolve conflicts in organizations because of the importance and topicality of this issue. One such tool among these is the effective functioning of the organization code of ethics. This document, the more detailed, the more effective. Nowadays, more and more organizations have their own codes of ethics. Therefore, it would be wrong underestimation of the code of ethics as a tool that could be used to resolve conflicts in organizations.*

**Keywords:** *code of ethics, conflict, effective, organization.*

**Introduction**

So far, we have already established a number of different codes of ethics. Some of them, however, is not good quality, and therefore can not serve as an effective tool to resolve conflicts within the organization. Failure to effective solutions in the ethical codes can trigger a wave of disappointment among employees. Undoubtedly, these problems occur mainly at the beginning of the implementation in the organization of the code of ethics.

The need to introduce codes of ethics in organizations was noticed when it was realized that an effective business is inextricably bound up with ethics. Undoubtedly, it could also be related to the increasing pressure from the workers, who demanded from employers equitable solutions in the field of conflict resolution. Transition from a centrally planned to a market economy necessitated the introduction of numerous changes in organizations, including those related to organizational culture. In fact, every major organization has a written set of desirable rules and standards of conduct,

ie. a code of ethics. In connection with the operation in an increasingly turbulent environment, the need to introduce codes of ethics, as well as continuous updating of their content will be constantly grew. It obliges to the proper functioning of the information society. Indeed, managers (including Polish), caring for the competitiveness of their organizations, are increasingly aware of this issue.

The larger the scale of the phenomena associated with the formation and development of the content of codes of ethics, the greater the interest in the use of the code of ethics as an effective tool to resolve conflicts in organizations.

In order to reach employees with information about the existence of a code of ethics, the employer must carry out appropriate information. The more such activities, the greater the chance that the code of ethics will be an effective tool for solving conflicts within the organization. For workers to be able to learn about the existence of a code of ethics, the employer can put it on their website. Also on this page you can put information about the possibility of using the code of ethics as a tool to resolve conflicts within the organization. You can also inform the meetings with employees, which may prove to be more effective, because employees can directly indicate the new needs in the field. This is an example of positive feedback – the more information reaches employees from various sources about the existence and the possibility of use of the code of ethics as a tool to resolve conflicts within the organization, the greater the number of problems is presented to the employer. An example of a negative feedback can turn a situation in which the employer failed to solve through a code of ethics few conflicts and with great delay. This situation could negatively affect the image of the organization. It is questionable whether the problem with this negative situation was no accident the lack of a sufficient number of people responsible for examining the conflict and / or lack sufficient knowledge and experience in the field.

Given the growing scale of the phenomena associated with the number of conflicts in contemporary organizations, undoubtedly interested in the possibility of using the provisions of codes of ethics to solve emerging problems increases. However, too large number of vaguely-defined rules of the code of ethics may prolong and even exacerbate the conflict in the organization. The impact on this can be, eg. changing periodically strategy of the organization, as well as changes in regulations related to business.

Undoubtedly, globalization, which entails a lot of problems, but has yielded many benefits, including the arrangements for the principles and rules of procedures in organizations. So for managers considerable responsibility because they must make a choice of the best solutions.

The more extended the period during which employers deal with the conflict, including employees of more eagerly awaiting the outcome of the solution. There is a growing dissatisfaction among employees, which in turn may adversely affect

customer service, and thus the image of the organization. The disappointment of employees is all the greater if, after such a long period of verification causes of the conflict by the employer, created a solution will not be in favor of the employee. Deepening discouraged workers can affect that leave customers. This in turn can affect that the organization will not need as many employees already and will have to reduce staff. Besides, some discouraged workers alone will slow down to reduce the dimensions of time or move to other teams. Releasing workers, reducing working time or moving to other teams makes anew need to organize the recruitment process. The more employees take in/in action, the more problems with recruiting personnel.

Dangerous also change in the course of conflict resolution principles and/or rules previously included in the code of ethics.

It should be noted, however, that for some employees such conflict is not exactly a source of discontent. They can take advantage of a conflict situation as an argument to stop the execution of their duties. Such a situation can only have a negative impact on the organization. The longer workers remain without more work, the more aggravated the opinion of the organization among customers. Deepening customer dissatisfaction may result in future more and less interest from customers. A small number of customers may be associated with decreased chance of hiring new employees.

Each organization conflicts arise that are caused by various stimuli, and which themselves are in turn cause other conflicts. To understand the essence to the problem, we should know all the earlier relationship. The whole point of systemic thinking involves seeing a whole. Understanding the particular problems will understand the conflict. Perhaps this way of thinking will in some part to the elimination of often emerging critical reviews at the organization.

As of today, the problem with the creation of high-quality codes of ethics is slowly dissolved. Introduction of new solutions allows for efficient implementation of the objectives of those codes.

Systems thinking should apply to all the above-mentioned groups. Perhaps in this way you will avoid unnecessary confusion, which is not too well received outside the organization. Every organization has the ability to create their own codes of ethics, and therefore not worth it go, because such a document may be one of the most effective solutions to conflicts in the organization. It is therefore in the beginning analyze all the problems found among them in a relationship, and then create a solution that will be the cornerstone of the ethical code of the organization.

The authors of this article disapprove of any attempt to different decisions by the management in order to achieve the objectives set out in the code of ethics. But before something is done, we should think in advance about how the decision will affect the entire organization, not just on a particular situation. Therefore, it is very important thinking skills system. It seems that the success lies in the fact that on the

daily basis and implementing new ideas.

Still ongoing discussions on the development of effective codes of ethics. In addition, there will be more and more attention to the growing problems in the environment.

According to the authors of this article, you can select a certain set of characteristics of contemporary codes of ethics, which may affect the application of these codes as a tool to resolve conflicts emerging in organizations (Table 1).

**Table 1. Summary of properties of codes of ethics, which may affect the application of these codes as tools for conflict resolution organization**

<b>PROPERTIES OF ETHICAL CODES THAT MAY AFFECT THE USE OF THESE CODES AS A TOOL FOR SOLVING CONFLICT</b>
Taking into account the principles, objectives and rules of behavior and conduct.
A set of standards activities.
Determination of the target group.
Indication of the duties of the target group.
Immutability of the basic values and general principles.
Timeliness of detailed rules.
Rooted in the principles of organizational culture.
Taking into account the mission and vision of the organization.

Source: Own study based on B. Kryk, Can code the company provide a solution to the problems of the company, [in] *Business Ethics in Action* (Eds.) W. Gasparski, J. Dietl, Warsaw 2001, pp. 341-342; W. Gasparski, A. Lewicka-Strzałecka, B. Rok, G. Szulcewski, Role and importance of programs and codes of ethics, [in] *Business ethics in practical applications – initiatives, programs, codes* (ed.) W. Gasparski, A. Lewicka-Strzałecka, B. Rok, G. Szulcewski, Warsaw 2002, p. 31.

In addition, you can extract different types of contemporary codes of ethics, which presented in table 2.

**Table 2. Type code of ethics**

<b>TYPE OF THE CODE OF ETHICS</b>	<b>CHARACTERISTIC</b>
representative	Taking into account the principles/rules that solve the fundamental problems in the organization.
relational	Determination of principles/rules in order to address the problems affecting the direct relationship between the parties to the conflict.
reflective	Taking into account the principles/rules that examine/ investigate the organizational conflict.
theoretical	Determination of principles/rules in order to address the problems solely theoretical.
practical	Taking into account the principles/rules that solve problems in practical operation.

Source: Own study based on O. Eikeland, *Action Research as the Hidden Curriculum of the Western Tradition*, [in] *Handbook of Action Research – Participatory Inquiry and Practice*, P. Reason, H. Bradbury (ed.), Sage Publications, London 2001, p. 146; P. Park, *Knowledge and Participatory Research*, [in] *Handbook of Action Research Participative Inquiry & Practice*, P. Reason, H. Bradbury (ed.), Sage Publications, London 2001, p. 82.

According to the authors of this article, you can also select features contemporary codes of ethics of the characteristics of the products of creative, because actually the most valuable are currently creative solutions (table 3).

**Table 3. Features of the products of creative features and codes of ethics**

FEATURES OF A PRODUCT CREATIVE	FEATURE CODE OF ETHICS
Novelty	The ability to create codes of ethics based on the knowledge of the original.
Value:	
– cognitive	Specified in the code of ethics principles/rules refer to the actual (not fictional) problems.
– aesthetic	Developed rules do not disturb the sense of aesthetics between the parties to the conflict.
– pragmatic	Taking into account the ethical codes only useful solutions.
– ethical	Taking into account the principles/rules based on generally accepted ethical principles.

Source: Own study based on E. Nęcka, *The Psychology of Creativity*, Gdansk Psychology Publishing House, Sopot 2003, p. 13.

Given the growing problems of organization and related conflicts should be kept up to date records of ethical codes. The authors of this article presented their proposal stages of such a process in table 4.

**Table 4. Stages of the process of updating the code of ethics**

STAGES OF REVISION OF THE CODE OF ETHICS	CHARACTERISTIC
Identification of current organizational problems.	The ability to diagnose organizational problem.
Obtaining information on causes and effects of current organizational problems.	The ability and the possibility to get information on current organizational problems.
The extension of the meaning of the existing rules/rules.	Ability to keep up to date are included in the code of ethical principles/rules.
Sharing information with employees in respect of created rules.	Ability to work with employees.
Using the principles/rules in practice.	The ability to use in practice created rules/principles of the code of ethics.
Fusing proven rules.	The possibility and ability to preserve valuable rules/principles.

Source: Own study based on C. Evans, *Knowledge Management*, Polish Economic Publishing House, Warsaw 2005, p. 36.

In the opinion of the authors of this article the problem of creating effective ethical codes as tools for conflict resolution organization is currently topical subject due to, among others, the high costs associated with the resolution of conflicts arising in the organization by using traditional tools and instruments. So managers are looking for new solutions in order to effectively resolve conflicts.

The use of the code of ethics as an effective tool for solving organizational conflicts may affect the results of the organization, and therefore its competitiveness. Some managers seem aware of this and effectively use this tool. Apparent is also becoming more frequent consideration of the ethical codes of the original principles/rules that can be successfully applied to solving organizational conflicts.

However, you should take into account that creation of new and/or development of existing rules of functioning codes of ethics can be associated with the risk. This should not, however, be an argument for inaction in the field.

In many organizations, the existing rules of the code of ethics may often not be accepted (completely or partially) by the employees. Surely it should be capable of presenting their ideas by individual employees who can contribute to the improvement of the provisions of codes of ethics. This is due, however, with having relevant experience. The success of this process, no doubt also determines the flexibility of the activities of the staff responsible for the creation of effective codes of ethics. It should also be remembered that implemented the principles/rules of the code of ethics should be tailored to a given conflict situation. Unfortunately, some organizations have difficulty with it. In addition, there may be various obstacles associated with it. Therefore, in today's managers pregnancy a huge responsibility in this regard. Employers should take care first of all about the development of such rules of the code of ethics, which will have an impact on the formation of the employees of the original products. Created rules of the code of ethics can have a huge impact on employees' creativity. It is also important to create a climate (culture) to facilitate effective implementation of the principles / rules of the code of ethics.

Given the above it should be noted that in the current competitive times set forth above types of codes of ethics will continue to grow due to the need to generate new solutions emerging to-date organizational conflicts.

Effective use of the code of ethics as a tool for conflict resolution organization should be based on the following principles:

- ensuring the supervision of the effectiveness of the management of the use of codes of ethics to resolve organizational conflicts;
- identification of individuals, which in particular affect the effective management of the use of codes of ethics to resolve organizational conflicts;
- the consistency of all elements of the efficient management of the use of codes of ethics to resolve organizational conflicts;
- continuous updating of individual rules affecting the efficient management of

the use of codes of ethics to resolve organizational conflicts.

Profit is the basic measure of the effective and efficient operation of the organization, including no doubt concerning the management of the use of codes of ethics to resolve organizational conflicts. The survival and development of contemporary organizations is therefore dependent on the effectiveness of this management.

Effective conflict management through codes of ethics often rejects previously used solutions. This does not mean a lack of tolerance and respect to previously earned achievements. Surely it should be capable of presenting their own ideas by employees, making it quicker and easier to walk to resolve data conflicts organization. The effectiveness of conflict management through the use of codes of ethics also depends on the ability to select the right tools and instruments. The success of this process undoubtedly determines the flexibility of the people responsible for the effective management of ethical codes.

At the same time pay attention to the growing importance of the involvement of managers in effective conflict resolution organization, which should be based on the willingness to work hard, sacrifice the energy of their time and fulfillment of earlier promises.

The effectiveness of resolving conflicts through the use of organizational ethical codes can be evaluated in terms of the degree of fulfillment of the key objectives of the existing organization model of conflict management.

In order to achieve high efficiency of solving organizational conflicts managers must deal with certain risks, among others, of incurring high costs or selection of appropriate tools and instruments. Model of effective conflict management can also be sometimes improperly formed. But this should not be a reason for abandoning any action in developing successful models in this respect.

The effectiveness of conflict management through codes of ethics can be considered also in terms of time (short term, long term). It can also be divided into static (ie. based on solid methods) and dynamic (ie. associated with constant changes).

Can distinguish narrower and wider recognition of the effectiveness of conflict management through codes of ethics, ie .:

- the effectiveness of management of part of the conflict;
- the effectiveness of the overall management of the conflict that occurred in the organization.

The effectiveness of conflict management organization is characterized by the internal and external consistency<sup>1</sup>. Also it lies in the fact that the organization is the environment, provides for amendments and actively meet the expectations of assessing the reactions and behavior of employees in the process of solving the

---

<sup>1</sup> U. Skurzyńska - Sikora, *Efficiency concept organization*, "Organizations and Management", number 3/2008, p. 9.

conflict. At the same time these activities should be open and constantly presented to employees. None inform employees of the undertakings may result in loss of their trust and support. Effective conflict management through the code of ethics is also characterized by:

- satisfaction and acceptance of the employees;
- striving to achieve the highest quality;
- ability to use existing tools and instruments of conflict management;
- innovation.

While those responsible for the implementation and execution of effective conflict management through the use of a code of ethics should demonstrate:

- creativity;
- responsibility;
- confidence;
- the ability to cope with stress.

Organizations should ensure that such conflict management, which contributes to its development and strong competitive position. Responsible for proper effectiveness and efficiency of the management, affecting the financial result, the organization should work with the crew. At the same time it should be noted that this cooperation also involves the training of employees and organization of the relevant (including ethical) working conditions. Organizations primarily themselves should take care of the formation of an effective model of conflict management through the use of codes of ethics. Creation of the model should be carried out in a thoughtful and careful.

Effective management of conflict through the use of the code of ethics favors:

- understanding of the goals and needs of employees,
- competent,
- personnel,
- confidence in employees,
- individual approach to each employee.

Effective conflict management through the use of the code of ethics also has an impact on the image, ie the image of the organization. In contrast, systematic communication with employees in the process of conflict management is the foundation for shaping the effectiveness of this process. The authors of this article, however, are convinced that the ways of effective conflict management will be constantly developed.

The functioning of the organization model of effective conflict management through the use of a code of ethics associated with its continuous improvement. In many cases, effective conflict management through the use of the code of ethics should be tailored to the specific conflict situation, the expectations and the capabilities and behavior of employees. The choice of how to manage the conflict



should guarantee the satisfaction of the parties to the conflict. It should also encourage further research solutions in this field. Reviewing the literature it can be concluded that there is no one ideal method of effective conflict management, which would look at any situation. So it motivates further research in the field. A twist of the conflict through the code of ethics can therefore meet with universal acceptance.

It can be said that every organization is an integral part of the economy, and therefore one of the factors affecting organizations is the situation in this economy. On the dynamics of individual organizations and their dependence on the national economy and world influence among the conditions of mutual cooperation, which also depends on the effectiveness of conflict management. Unfortunately, in the process of solving organizational conflicts may arise various problems.

The recent economic crisis has shown that not only Polish organizations, but also abroad can not be based on solid solutions, including in the field of conflict management. Polish organizations can therefore strengthen its solutions for conflict management through codes of ethics.

Taking into account the above questions arise: Did effective conflict management through a code of ethics can be one of the factors determining the success of the organization? Is it possible to determine the factors affecting the effective management of conflict through codes of ethics? For all these questions, the authors of this article have responded in the affirmative.

### **Summary**

Effective conflict management through the use of codes of ethics is not an easy task. This can often be a very complex process, which is primarily associated with the properties of a given conflict. Increasing globalization forces but continuous updating approach to effective conflict management for the survival of the organization. One such solution may be just the use of codes of ethics to resolve organizational conflicts.

### **References**

1. Eikeland, O. (2001). *Action Research as the Hidden Curriculum of the Western Tradition*, [in] *Handbook of Action Research – Participative Inquiry and Practice*, P. Reason, H. Bradbury (ed.), Sage Publications, London.
2. Evans, C. (2005). *Knowledge Management*, Polish Economic Publishing House, Warsaw.
3. Gasparski, W., Lewicka-Strzałecka, A., Rok, B., Szulcewski, G. (2002). *Role and importance of programs and codes of ethics*, [in] *Business ethics in practical applications – initiatives, programs, codes* (ed.) W. Gasparski, A. Lewicka-Strzałecka, B. Rok, G. Szulcewski, Warsaw.
4. Kryk, B. (2001). *Can code the company provide a solution to the problems of the company*, [in] *Business Ethics in Action* (eds.) W. Gasparski, J. Dietl, Warsaw.
5. Necka, E. (2003). *The Psychology of Creativity*, Gdansk Psychology Publishing House, Sopot.
6. Park, P. (2001). *Knowledge and Participatory Research*, [in] *Handbook of Action Research Participative Inquiry & Practice*, P. Reason, H. Bradbury (ed.), Sage Publications, London.
7. Skurzyńska – Sikora, U. (2008). *Efficiency concept organization*, "Organizations and Management", number 3.