



Ethics, culture and organizational climate as integral factors in SMEs

Ética, cultura y clima organizacional como factores integrales en las PyMES

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ABSTRACT

Ecuadorian SMEs are a factor that contribute greatly to the generation of wealth as well as employment, influencing the country's economy, which translates into an impact on economic growth, which shows the need for them to respond to the challenges posed in the national and international contexts with innovative proposals that allow them to develop competitive advantages. It should be noted that most of these companies are small companies and belong to the wholesale and retail trade sector; therefore, they are only directed to the domestic market (national), so the business model is focused on the ethics, culture and organizational climate that prevail in these companies. Therefore, a descriptive research and non-experimental design was carried out with the application of a questionnaire that allows to know relevant data on ethics, culture and climate within these organizations. The findings indicate that the

efforts made by the management of SMEs identify a set of standards and moral obligations that contribute to strengthen the profession by promoting an ethical professional practice.

RESUMEN

Las PYMES ecuatorianas son un factor que contribuyen de gran manera a la generación de riqueza al igual que el empleo, incidiendo en la economía del país, lo que se traduce en un impacto en el crecimiento económico, lo que evidencia la necesidad de que respondan a los desafíos que se plantean en los contextos nacional e internacional con propuestas innovadoras, que les permitan desarrollar ventajas competitivas. Cabe destacar que la mayor proporción de estas empresas son pequeñas empresas y pertenecen al sector comercio al por mayor y menor; por lo que solo se direccionan al mercado doméstico (nacional) por lo que el modelo de negocio se centra en la ética, cultura y clima organizacional que en estas predominan. De allí que se realizó una investigación de tipo descriptiva y diseño no experimental con la aplicación de un cuestionario que permite conocer datos relevantes sobre ética, cultura y el clima dentro de estas organizaciones. Los hallazgos señalan que los esfuerzos realizados por la Gerencia en las Pymes se logra identificar un conjunto de normas y obligaciones morales que aportan en fortalecer la profesión promoviendo un ejercicio profesional ético.

Keywords / Palabras clave

Ethics, Culture, Organizational Climate, Values, Morale

Ética, Cultura, Clima Organizacional, Valores, Moral

Introduction

The adoption of the organizational culture of an SME is related to the various facets that the organization has, among which the entrepreneurial fact within a competitive context at the level of productivity and profitability that is reflected in these relationships stands out. To this effect, it is convenient to begin by mentioning the

global dynamics of society, as well as its impact on organizational culture, which together with the constant innovations make organizations in both the public and private sectors focus on the need to be oriented towards technological changes and other areas.

For its analysis it is important to mention that etymologically ethics comes from the Greek *ethíkos* which comes from *ethos* to mean habit custom; from the Greek *ethiké* relating to customs, hence it is the science that studies the values and ideal principles of human conduct, while for Aristotle it is a science that deals with the nature and object of human action (Torres, 2014).

"The word "ethics" comes from the Greek *ethos* which means, customs or practices that are approved by a specific group, which we call culture. Ethics is the science of morality. It seeks to determine values and establish norms to regulate the behavior of human beings in a society. That is why it is called a normative science, in contrast to the more descriptive sciences, such as mathematics, biology and physics." (Giles, 2004)

Taking into account the aforementioned concepts, ethics could be defined as the impulse that a person possesses to seek and carry out the good, so that all actions to be carried out must be subject to good conduct.

Culture has always been analyzed by anthropologists and sociologists as part of a sociocultural system, but in recent years it has taken on other characteristics when related to the business side, where different symbolic elements are shown.

From this premise, small organizations are perceived in small societies, which take on different cultural traits and, in turn, assume values within the sociocultural context.

"Culture, in such a sense, is a learned product of group experience, and therefore something locatable only where there is a definable group possessing a meaningful history." (Schein, 1988)

It can be mentioned then that, as a fruit or result of the interaction between people, is the organizational culture, which implicitly creates their beliefs, attitudes, behaviors, to face and solve survival and development problems.

It is important to make a direct link with management as a discipline, since it allows the analysis of organizational culture with the purpose of generating organizational models.

Culture is created by people capable of influencing others in such a way that leadership can be mentioned as a driving force for the creation and conduction of skills to generate business dynamism, as well as in social units.

The organizational culture model helps in terms of the learning that managers adjust according to their decisions with the purpose of improving their results, allowing an evolution according to the philosophy of the leaders together with the active members of the organizations.

Every time you adopt attitudes about a type of organization, it is intended to captivate and cultivate in people's beliefs for certain concepts of products making them attractive to their philosophy, promoting long-term results in companies in other words allows a loyalty of its customers.

Materials and Methods

"The morality really practiced by men is then only considered as a collection of habits, of prejudices that have no value unless they conform to the doctrine; and as this doctrine is derived from a principle that has not been deduced from the observation of moral facts, but has been taken from foreign sciences, it is inevitable that, on more than one point, it contradicts the existing moral order" (Catoggio, 2004).

"Culture has fundamentally three attributes: it is something that is shared by all members of a social group; it is something that the most permanent members of a group try to pass on or transfer to newer members; and it consists of something that shapes behavior, structures the individual's perception of the world and influences the way a person responds to his or her environment. Taking into account that culture influences values, attitudes and behavior, and the latter shapes culture." (Soto & Cardenas, 2007)

"Productivity can also be defined as the relationship between results and the time it takes to achieve them. Time is often a good

denominator, since it is a universal measure and beyond human control. The shorter the time it takes to achieve the desired result, the more productive the system is." (Prokopenko, 1989)

It is known that morality is present in society and that it is part of ethics. Companies must be prepared and aware of these issues, especially if they are reflected in society and the environment.

It is complex because for us as people we know what is right and wrong in society, in a business way organizations could be considered that they are not, since they focus on the economic part, on internal decision making, while the effect it can have on society is not considered.

Results

Values possess an internal strength as a desirable ideal, or as what most people need to incorporate into their lives, not as an aspiration but as part of their lives. Hence, it could manifest itself as the essence of human behavior in a society, which is unwavering and above all must be fair.

Therefore, we could mention as virtues and to cite as an example two very important virtues of a fair man, justice, and of a loyal one, loyalty, these virtues are the ones that many evaluate for any type of work, management, or simply for "friendship".

"Value is a good estimated by the subject, but not only by him, but also by others. Values are taken from life and collective experience. Norms can be there, without losing their character of principle or imperative, even if they are not recognized. It would not make sense to call a good a value if it is not recognized and esteemed as such. To have values, to discover values, is to speak of something vital, which moves one to live, not of something abstract, far from life, however interesting it may be." (Yarce, 2001)

Values are expressed in different forms: social, religious, economic, human, intellectual, spiritual among others, so some are subjective such as aesthetic and others are more objective such as economic. All these types of values can become virtues, which is precisely why virtues can be said to be the complementary part of values.

"Virtue is the operative embodiment of courage. Virtue comes from the Latin "vis" which means strength or power and from the Greek "areté" which means: perfection, strength, value, service, excellence." (Yarce, 2001)

So virtues could become habits with the purpose of acting well. Virtue highlights the positive aspects of a person based on his values or principles, for example, when it is mentioned that a person is kind, the value of kindness to himself and to others is highlighted.

For people, virtues allow them to act in a better way, always seeking excellence and personal operability of values both at a social and corporate level.

- 86 Beliefs, principles, customs, norms are values that are part of an organizational or business culture, so they play an important role in the internal of the institutions because the individual values are aligned with those of the entity, thus there is motivation in the style and way of working to lead by developing one's own potential and influencing the members of the team to be more productive.

For the beginning of business ethics it is important to identify and analyze the values that society has and then outline them with the culture, and implement them in the company to motivate staff to adopt such values and work for the benefit of the company.

"Companies are necessarily ethical, what happens is that their behavior may be morally exemplary or it may not be, but a company can never be a-moral." (Crespo, 2003)

The ethical commitment to the profession is determined by the professional practice, since it looks after the professional interests and results, for example, the physician must be concerned about the health of his patients, as well as the lawyer must seek justice for his client, acquiring this condition tacitly as an integral axis in terms of the purpose of his profession.

For the development of a professional and ethical practice, there will always be the value of social commitment, which refers to ethical behavior and professional competence, framed in positive actions for the good of the social and business community.

Here it is important to point out that professional responsibility is not limited to performing the professional practice well and

efficiently, it also means the ethical professional practice that implies the good use of professional skills because the application of these professional knowledge and skills directly and indirectly affect the living conditions of society and the welfare of the population (Ibarra, 2007).

For Brunet, the climate reflects the values, attitudes and beliefs of the members, which, due to their nature, are in turn transformed into elements of the climate. Thus it becomes important for a manager to be able to analyze and diagnose the climate of his organization for three reasons:

Assess the sources of conflict, stress or dissatisfaction that contribute to the development of negative attitudes towards the organization. Initiate and sustain a change that will indicate to the manager the specific elements on which he/she should focus his/her interventions.

Follow the development of his organization and anticipate problems that may arise. The manager can thus exercise control over the determination of the climate in such a way as to be able to manage his organization as effectively as possible.

Organizational climate researchers point out that organizational climate is made up of several components and this multidimensional nature is important when a human resources management specialist wants to choose a questionnaire to proceed with the evaluation of his or her organization's climate.

In this sense, Brunet explains in this scheme the way in which components such as individual and group behavior, organizational structure and processes interact to create an organizational climate that, in turn, produces the results observed at the level of organizational, individual or group performance.

Thus, organizational climate scholars, supported by these questionnaire components, have tried to characterize specific organizational situations with respect to universal dimensions and principles and have proposed different instruments to measure organizational climate in a company, including the Likert questionnaire, which measures the perception of climate in terms of eight dimensions.

Along the same lines, the authors Schneider and Bartlett, cited by Brunet, formulated a questionnaire to measure the perception of the

climate within insurance companies in terms of six dimensions: employer support, structure, involvement with new employees, employee autonomy and the degree of general satisfaction.

In the same sense, to study the organizational climate, the technique of Litwin and Stinger (1978) stands out, which uses a questionnaire that postulates the existence of nine dimensions that would measure the existing climate in a given organization, such dimensions are the following:

Structure: This represents the perception that the members of the organization have of the number of rules, procedures, formalities and other constraints they face in carrying out their work. The extent to which the organization emphasizes bureaucracy versus the emphasis placed on a free, informal, flat-structured work environment.

Empowerment: This is the feeling of the members of the organization about their autonomy in making decisions related to their work. It is the extent to which the supervision they receive is general and not narrow, i.e., the feeling of being their own boss and not being double checked at work.

Reward: Corresponds to the members' perception of the adequacy of the reward received for a job well done. It is the extent to which the organization uses reward more than punishment.

Challenge: Corresponds to the feeling that the members of the organization have about the challenges imposed by the work. The extent to which the organization promotes the acceptance of calculated risks in order to achieve the proposed objectives.

Relationships: It is the perception on the part of the members of the company about the existence of a pleasant work environment and good social relations both among peers and between bosses and subordinates.

Cooperation: It is the feeling of the members of the company about the existence of a spirit of helpfulness on the part of managers and other employees in the group. Emphasis placed on mutual support, both at higher and lower levels.

Standards: The members' perception of the organization's emphasis on performance standards.

Conflict: It is the feeling of the members of the organization, both peers and superiors, accept dissenting opinions and are not afraid to face and solve problems as soon as they arise.

Identity: It is the feeling of belonging to the organization and that it is an important and valuable element within the work group. In general, the feeling of sharing personal objectives with those of the organization.

When referring to job performance, he defines it as: the emphasis demonstrated by the employee who finds in the performance of his task significance for the achievement of his individual objectives.

It also emphasizes that this emphasis is given by a series of characteristics with which the employee is endowed, such as: personality and individuality, aspirations, values, attitudes, motivations and individual objectives; in addition to the abilities, skills and knowledge necessary to carry out business tasks. These aspects together determine their work performance.

In this regard, Chiavenato, in relation to behavior, points out that there is a causality in which both heredity and the environment have a decisive influence on it. He also emphasizes that performance is motivated, that is, it is always directed or oriented towards some particular objective and finally the author refers to the presence of an impulse, a desire, a need and a tendency, expressions that serve to indicate the motives of behavior.

It follows that the behavior of people in a company is complex and depends on internal factors (derived from their personality characteristics) and external factors (derived from business characteristics).

Considering the above, the importance of motivation as one of the internal factors that requires greater attention in order to understand the behavior of people in their work performance is evident.

Soteldo defines the word motivation as that which drives a person to act in a certain way, a definition that allows us to respond to the different attitudes that are observed in the performance of the individual as a resource in organizations, and to explain why a propensity towards a specific behavior is originated.

Conclusions

In the case of change processes through management technologies in the organization, the vision and behavior of managers in the complexity perspective implies understanding and accepting that these technologies are not unique standardized and determinant methodologies that lead to efficiency despite their functionality in the organizations in the countries of their origin.

Knowledge of the organization is approached in terms of its totality, not its isolated parts. It implies that the observer, in order to know a problem, its causes, effects and solution, identifies and establishes the relationships resulting from the interaction between the parts that constitute the organization.

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The absence of this systemic thinking is restrictive in the processes of change in small and medium enterprises in Ecuador. The decision to implement a management technology results from the need perceived by managers to solve problems related to planning, processes and structure, quality, people management, change and learning, knowledge in the organization and others. To build initial conditions conducive to change, the cultural dichotomy that appears in the requirements (a humanitarian culture) for technology to be functional producing a process of administrative innovation (explicit culture); is sufficient argument to explain the difficulties and results that its application has had in small and medium enterprises in the province of Tungurahua in Ecuador. The mentality of entrepreneurs in small and medium enterprises in the province of Tungurahua has not evolved over time. This situation is reflected in their behaviors, and the organizations they manage promote an explicit culture favoring mechanistic management models (Taylor, Fayol and Weber). The explicit culture that the owners, businessmen and leaders of small and medium enterprises have built is determined by the administrative model that results from their paradigms of management of their companies.

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