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INVESTIGATING THE RELATIONSHIP BETWEEN WORK ETHICAL CONDITIONS,  
EMPLOYEE COMMITMENT AND SERVICE PERFORMANCE OF ACTIVE CLIENTS  
WITH THE INTERMEDIARY ROLE OF ORGANIZATION POLICIES

*Sarah Vahid*

*Department of Management, Central Tehran Branch,  
Islamic Azad University, Tehran, Iran.*

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*Abstract*

*Ethics in work are one of the most important mechanisms of administrative health and organizational health performance. If ethics is not implemented in an organization completely, the commitment of employees to the organization becomes more diminished and organizational performance is reduced. So, organizational policies should be such that emphasis on morality at work. In this regard, the main purpose of the present research is to examine the relationship between the ethical conditions of work, employee commitment and the active service of active clients with the intermediary role of the organization's policies. The research method is applied in terms of purpose and descriptive survey method which is used to collect information using field data and questionnaire. The studied population is the staff of the company SNOVA. Partial least squares data method was used to analyze data. Finally, the results of the research showed that there is a meaningful relationship between the ethical standards of work and the service performance of customers, organizational policies and the commitment of active staff. Also, organizational policies play a mediating role in the relationship between the ethical conditions of work and service performance, and the commitment of active staff.*

*Keywords: Job Ethics, Service Performance, Employee Engagement, Organizational Policy*

## **I. INTRODUCTION**

Today, the issue of ethics in work has attracted much attention. Work ethics is one of the important aspects of the organization's culture and goes some way towards becoming a part of the organization's strategy. Understanding the concept of morality in general and in its particular sense in business is the basis of creating and maintaining a moral order in society and, consequently, in organizations. Conceptual morality is very broad.

Therefore, understanding the concept of work ethics requires attention to the fundamental values of individuals, the comprehensive recognition of the causes of moral and immoral behaviors, and the adoption of measures to establish and maintain a system of morality in organizations (Fisher and Nederhof, 2005).



Responsive action involves an answer that is based on the intentions and motives of the actions and activities. Ethical and social responsibility is a constant commitment of industry, business and government owners that requires them to adhere to ethical principles and economic development simultaneously by raising the standard of living of the workforce and their families in the community (Singer, 2013).

And this is because the responsibility of the employees in the organization should be shown as a function that cannot maximize returns for the organization. However, if the staff reaches their full potential, they will make a commitment to the organization. And see the organization sweat in their way (Humayn and Ryan, 2016).

Therefore, the responsibility of the employees and the organization is two-sided, and when the nature of the organization is addressed to the client, the responsibility of both the spectrum of the organization and the employees will move towards the customers, and in this regard, customer service should be provided to keep active and loyal customers in the organization. (Liu and Hamaren, 2017). All provided affairs will only occur when the organizational policies support it (Fensvrova and Vanzjava, 2013).

So, organizational politics is so important that it can lead to the success and failure of an organization. However, in relation to any variable that is discussed in the organization, it is necessary that the role of organizational policies be correlated, but in the current research, due to the importance of simultaneously examining the variables mentioned above, the main issue of the research is how is the relationship between the ethical conditions of work, the commitment of employees and the service performance of the active clients with the role of mediator of the organization's policies?

## **II. LITERATURE REVIEW**

Lau et.al (2017) examined the ethical conditions of work, employee commitment, and the service performance of active clients with the mediating role of policies. Finally, the results showed that ethics affects employee commitment and service performance, and organizational policies can help by increasing this effect.

Huimin & Ryan (2016) .

Humein and Ryan (2016) examined morality and social responsibility. By designing various assumptions, they examined various aspects of the organization and concluded that social responsibility and ethics are closely related to the organization's success.

Golsim (2016) emphasized the impact of family relationships on the ethical conditions of workers in the workplace, the results of which indicate that the family plays an important role in the worker's mental conditions, which requires the inner consistency of the family to resolve problems of work(Zeinolabedini et al, 2017).

Erotaa (2015) investigated the role of customer engagement and customer marketing; whose results indicate that customer attracts the most important role in marketing, which reflects the value of customer-friendly behavior and satisfaction.

Fensora and vanzejoa (2013) responded to the level of commitment and loyalty of employees in crises, the results of which indicate that the employer plays a very important role in this regard,



but more importantly, the level of economic and income of the pre-crisis family, which in this subject the employer plays an important role.

### III. HYPOTHESES

H1: There is a meaningful relationship between the ethical standards of work and the service performance to active clients.

H2: There is a significant relationship between the ethical standards of work and employee commitment.

H3: There is a meaningful relationship between the ethical conditions of working and organizational policies.

H4: Organizational policies play a mediating role in relation to the ethical conditions of work and service performance for active clients.

H5: Organizational policies play a mediating role in the relationship between the ethical conditions of work and the commitment of employees.

The present research model, derived from the paper by Liu et.al (2017), is as follows:

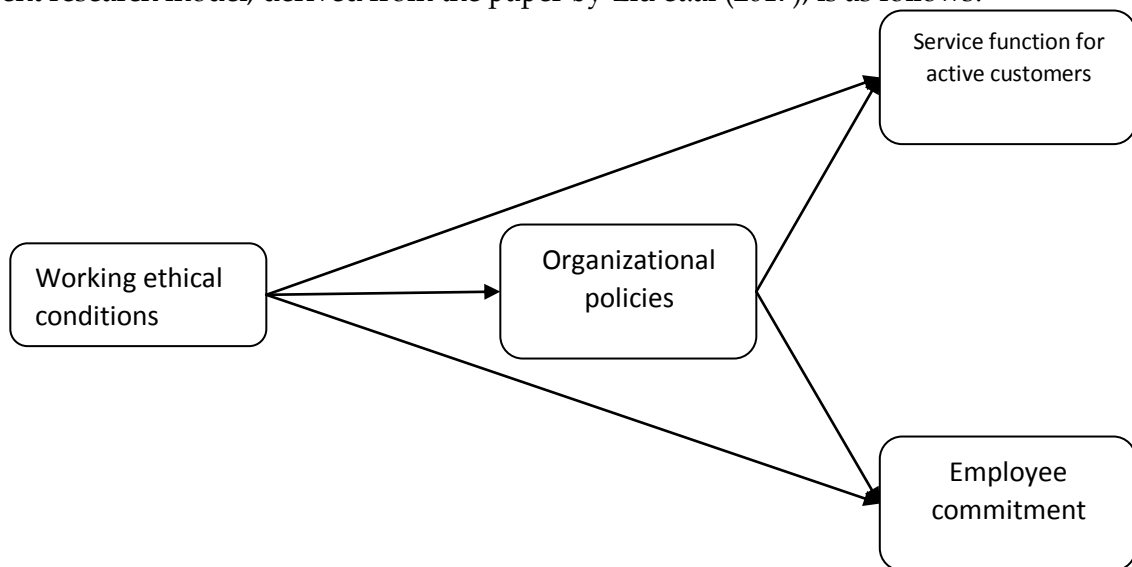


Chart (1): Conceptual Model

Terms of work ethics

It refers to the situation in the organization in terms of behavioral ethics towards its colleagues, customers and organization.

Employee commitment

Require yourself to an organization and organizational goals or anything that is in line with organizational goals.

Service function

It provides activities that are effective, continuous and efficient in achieving the goals.

Organization policy

Techniques and strategies that the organization offers to achieve its goals.



#### IV. METHODOLOGY OF RESEARCH

This research is an applied research. This research is descriptive and surveying. The statistical population of this study is all employees of SNOVA, whose number is 600. According to Morgan's table, the sample size needed in this research is 234 people. In order to collect the data required in this research, a field method and a questionnaire were used. The current questionnaire is based on Liu and Hamaran (2017). In order to analyze the data and test the hypotheses of the research, structural equation modeling has been used.

#### V. RESULTS

##### - Single-variable analyzes

Table (1): Descriptive indices of research variable

Variable	Mean	SD
Working ethical conditions	3.44	0.96
Employee commitment	3.52	0.95
Active customer service function	3.26	1.02
Organization policies	3.51	0.92

The statistical results show that the average response to variables is higher than the average in comparison with the scale. Therefore, it can be concluded that the cognitive status of the society is in desirable condition among the research variables and its dimensions.

##### - Two-variable analyzes

Table (2): Correlation test

	Working ethical conditions	Organization policies	Employee's commitment	Active customer service function
Working ethical conditions	1.000			
Organization policies	0.686	1.000		
Employee's commitment	0.644	0.691	1.000	
Active customer service function	0.644	0.691	0.691	1.000



Number of observe	234	234	234	234
Active The correlation coefficient	0.656	0.624	0.602	1.00
customer service function	Sig	0.00	0.00	0.00
Number of observe	234	234	234	234

Sig :0.01

According to the studies, the null hypothesis is based on the lack of correlation between the variables.

Therefore, it can be said that by increasing or decreasing the value of a variable, the value of another variable increases or decreases.

In other words, the correlation relations are all positive and significant.

### - Sample Sufficiency Test

Table (3): Bartlett test and KMO value results

KMO	Chi square	Freedom of degree	Sig
0.895	2195	171	0.00

Given that this research is not an exploratory research, and the purpose of the KMO test is to determine the size of the sample size, Table 3 shows that the KMO value is 0.895 , based on the significant level (0.000) that is less than 5 percent; Bartlett test is meaningful. Therefore, due to the adequacy of the sampling and the significance of the Bartlett test, the correlation matrix of the data is possible to enter into structural equations.

### -Reliability and validity of the questionnaire and model fit in PLS

Table (4): Fit indicators of research variables

Variable	Number of Questions	Alpha	CR	AVE
Working ethical conditions	5	0.82	0.86	0.57
Employee commitment	5	0.81	0.87	0.57
Active customer service function	5	0.80	0.86	0.55
Organization policies	4	0.76	0.85	0.58

The fitting indexes of the research variables are observed in Table (4) show that all constructs have a validity of over 40%. All structures have a combined strength of over 70% and Cronbach's alpha for all variables is above 0.70.

Testing Hypotheses Using Structural Equation Modeling (PLS)After verifying the existence or absence of a causal relationship between the variables of research and the study of the



proportionality of the data observed with the conceptual model, the research hypotheses were also tested using the structural equation model (partial least squares approach), the results of testing the hypotheses are reflected in diagrams (2) and (3).

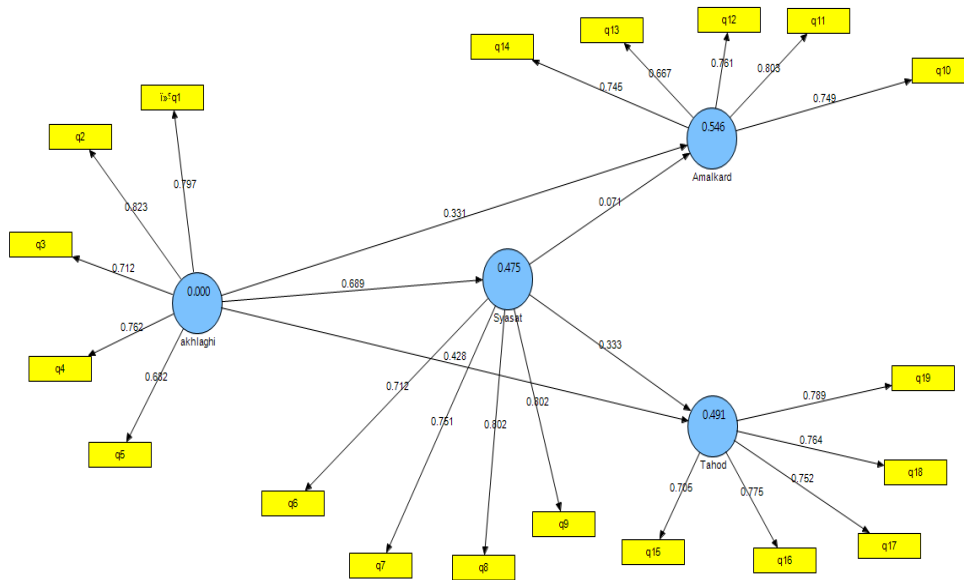


Chart (2): Measure the final model and the results of the hypotheses in the standard mode

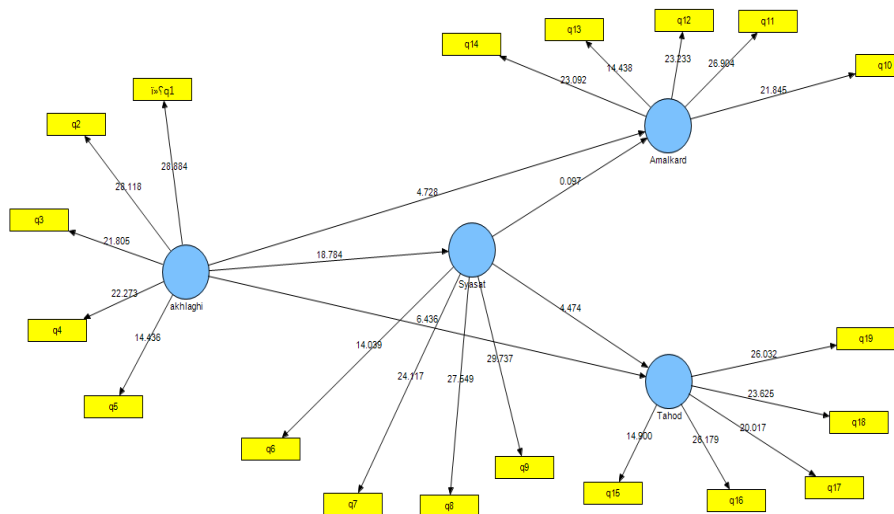


Chart (3): Measurement of the final model and the results of the hypotheses in a meaningful state

Summary of the results of hypothesis are shown in Table (5)

Table (5): Summary of test results of hypotheses



Hypotheses	Path coefficient	Sig	Result
Hypothesis 1: There is a meaningful relationship between the ethical conditions of work and the service performance of active clients.	0.331	4.728	Confirmed
Second hypothesis: There is a significant relationship between the ethical standards of work and the commitment of employees.	0.428	6.436	Confirmed
Hypothesis 3: There is a significant relationship between the ethical conditions of working with organizational policies.	0.689	18.78	Confirmed

Hypothesis	Direct impact	indirect impact	Total impact	Result
Hypothesis 4: Organizational policies play a mediating role in relation to the ethical conditions of work and service performance of active clients.	0.048	+0.331	0.379	Confirmed
Fifth hypothesis: Organizational policies play a mediator role in the relationship between the ethical conditions of work and the commitment of employees.	0.229	+0.428	0.657	Confirmed

## VI. DISCUSSION AND CONCLUSION

One of the weaknesses of an organization that has attracted the attention of researchers and practitioners is decrease of organizational commitment. Organizational commitment does not mean just the loyalty of the individual to the organization, but a continuous process through which the organization's employees express their interest in the organization, its goals and values (Safrannia, 2009).

The committed manpower sees itself as one of the organization, seeks the goals of the organization in its goals and endeavors to realize them, affiliated with the organization, and identifies itself with that which, in addition to its evolution, and in the direction of advancement and The greatness of the organization proceeds, and in this way, the organization becomes closer to its mission and philosophy of existence. The key to the creation and survival of successful organizations in the twenty-first century is the ethical condition of work. Organizations can take on a changing competitive environment (Cutter, 2007: 243).

Work ethical conditions can increase or decrease the commitment to job performance, satisfaction, and ethical behaviors of staffs (North Carolina, 2011: 1). On the other hand, the ethical organization, provides atmosphere and work space based on the peace of mind, security and assurance that leads to increase service performance for customers. According to the theoretical foundations in this research, five hypotheses were proposed and all hypotheses were accepted.



Here's a summary of the research findings:

H1: There is a meaningful relationship between the ethical standards of work and the service performance to active clients.

Statistical analysis showed that our path coefficient between two variables is (0.331), since the meaningful number is between two variables equal to (72.84) and this value is greater than 1.96, so assuming 95% confidence, We can say that there is a positive relationship between the ethical conditions of work and the service performance of active clients. In this regard, organizations must be of great importance to the ethical conditions. Recently, it has been determined that the ethical conditions of work have positive outcomes for the organization.

Trivino et al. In their research have stated that the ethical conditions of work have positive outcomes for their organization. They have stated in their research that the ethical conditions of work are related to increasing commitment, decreasing unethical behavior in the organization, and increasing the value..... of the organization and superior organizational performance. if the moral integrity of the organization is suspicious and questionable, all efforts of the organization to achieve organizational goals are defeated. The results obtained from this hypothesis are in line with the findings of Mousavi and Arabshahi Carizy (1393) Liu and Hamkaren (2017) Humein and Ryan (2016).

H2: There is a significant relationship between the ethical standards of work and employee commitment.

Statistical analysis showed that our path coefficient between two variables is 0.689, since the significant number between two variables is 18.784, which is more than 1.96, so assuming 95% confidence, we can accept that there is a positive relationship between the ethical conditions of work and the commitment of employees. In this regard, the organizational commitment of employees to achieve organizational success and excellence is a very important issue.

Today, with the ever-increasing pace of change in organizations, managers are looking for ways to increase the organizational commitment of employees in order to gain competitive advantage. Organizational commitment is an attitude, a mental state that represents a kind of willingness, need, and commitment to continue employment in an organization. Tendency is the interest and desire of the heart to continue working in the organization. Need, i.e. because of the investments in the organization has to continue to serve in it, and the requirement is the religion, responsibility and duty that the person has in the organization and see themselves bound to stay there.

Today, people expect to work in an organization that is considered, well understood and respected, and they want to feel honest, trustworthy, self-confident and being a part of the organization. An organization must reflect all its behaviors and its moral capabilities, and the principles of integrity and dignity that determines all of its life.

An organization must be faithful to ethical values, and follow ethical rules that express the truth, strive to do the best and be honest at all times in order to create a transparent organization. The results obtained from this hypothesis are in line with the findings of Mousavi and Arabshahi Carizy (2013) Liu and Hamkaren (2017) Humein and Ryan (2016).

H3: There is a meaningful relationship between the ethical conditions of working and organizational policies.





Statistical analysis showed that path coefficient between two variables is (0.428) . significant number between two equal variables is (6.436), which is more than 1.96, so assuming 95% confidence, we can accept that there is positive relationship between ethical condition of working with organizational policies . In this regard, it should be said that the best organizational programs without an organizational commitment do not yield a result, while they will be very successful with the organizational commitment of the very simple programs.

To maintain human resources and prevent redundancy in the organization and the loss of organizational resources, the worker's moral obligation has to be important to the organizational commitment of the employees, and it should be promoted to benefit from the miraculous results of organizational commitment in the organization. Given that organizations today incur huge costs due to the non-commitment of their employees to the organization (such as: the cost of leaving staff, their absence, as well as the costs of recruiting, recruiting and retraining new forces, etc.). They are unwittingly committed, it seems that organizational policies are defined in accordance with the ethical terms of the work. In this way, the organization, with appropriate policies and the development of appropriate contexts, will bring benefits both to individuals and to the organization. The results obtained from this hypothesis are in line with the findings from Fani et al. (2013), Liu et al. (2017).

H4: Organizational policies play a mediating role in relation to the ethical conditions of work and service performance for active clients.

The statistical analysis showed that the total effect = direct effect + indirect effect is  $37.9 = 0.331 + (0.071 \times 0.689 = 0.048)$  . Therefore, with 95% confidence, we can accept that organizational policies plays a mediator role in the relationship between the ethical conditions of work and the service performance of clients.

H5: Organizational policies play a mediating role in the relationship between the ethical conditions of work and the commitment of employees.

The statistical analysis showed that the total effect = direct effect  $\times$  indirect effect  $= (0.689 \times 0.331 = 0.229) + 0.428 = 65.7$

Therefore, with 95% confidence, we can accept that

Organizational policies play a mediating role in the relationship between the ethical conditions of work and the commitment of employees.

Therefore, according to the results of the research, the following suggestions are presented:

- by holding conferences and workshops Managers define and clarify the ethical codes of the organization.
- Managers consider material incentives and appropriate pay plans for employees who meet the ethical requirements of their work when they provide customer service.
- Managers should make policies for employees in accordance with organizational justice and ethical working conditions.
- Managers should increase staff commitment by creating an emotional and ethical bond between employees and engaging more with the organization's goals.
- Given that the creation and institutionalization of the foundations of organizational work ethics requires long-term cultural and scientific activities, the start of this activity must necessarily start from educational institutions and the working environment is also a



continuation of this practice. Therefore, not only managers in organizations must establish such an institution, but educational policy makers must also commit themselves to this.

- Managers must provide staffs with ethical behavioral guidelines to ensure that employees avoid unnecessary jokes or mistreatment when meeting clients; and obeying work ethics.
- Managers by reducing the ambiguity of the role of staff in the delivery of services can prevent the creation of subversive and anti-ethical actions of employees.
- Organizations must consider the ethical conditions of work when organizing policy.

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