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Business Ethics and Organization Performance in Selected Organizations in North Central, Nigeria

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ABSTRACT
This study investigated the effect of business ethics on organizational performance. The level of complexity and dynamism in business is on the increase. Not left out is the high level of rivalry among business operators. Therefore, any business that must succeed in the precarious modern business environment must ethically stand out in the way and manner it conducts its business. The population consisted of top and medium management staff of the organizations as well as junior staff and amongst which will include Managing Directors, Functional Managers and lower-level employees and customers. The total population for this study was 150 from six organizations across the zone which was selected using purposive sampling technique. Questionnaire was used in collecting data from the respondents. One hundred and twenty (120) questionnaires were collected out of one hundred and fifty for analysis. Four null hypotheses were formulated and tested at 0.05 level of significance. Mean statistics and ANOVA were the main statistical tools used in the study. The study found that unethical behaviour in business transaction has significant effect on organization's profitability. Employees' adherence to rules and regulations significantly enhances organization profitability. The study also found out that corporate adherence to standard and observance of corporate social responsibility are significant to organization's profitability. In conclusion, the study found that there were significant effects of business ethics on organizational performance of business organizations in Kaduna Metropolis. It was recommended amongst others that corporate entities should ensure that ethical principles are strictly followed which will invariably preclude unethical tendency in business on the part of the management as well as the employees. This will greatly promote the image of the organization and subsequently records exponential growth. Management should ensure that its employees are enlightened through training on the need to be ethically transparent in their day-to-day business activities with the stakeholders' Organization's ethical codes of conduct should be made known to all employees and the need to observe it should be emphasized.

Key words: Business Ethics, Organization, Performance

I. Introduction

Over the years, the term ethics in organizational performance has long been associated with management scholars and business leaders around the world. There is a broad agreement around the world that as a matter of corporate policy, every organization strives to be committed in a manner that is ethically transparent. Clarkson (2012) argued that ethics in the world of organization's business involve ordinary decency which encompasses such areas as integrity, honesty and fairness. Behaving in an ethical manner is seen as part of the social responsibility of organization, which itself depends on the philosophy that organizations ought to impact the society in ways that goes beyond the usual profit maximization objective (Mathis and Jackson, 2011). It is often argued in many instances that, it is in the interest of an organization to behave in a way that recognizes the need for moral and ethical content in managerial decision as this will benefit the organization especially in the long run.

Ethical behaviour is characterized by honesty, fairness and equity in interpersonal, professional and academic relationship and it respects the dignity, diversity and the right of individual and groups of people (Omisore, 2015). Therefore, for an organization to move forward in the aspect of performance, it is however important for have a good understanding of ethics and also take it seriously as this can undermine the competitive strength of the organization and the society at large.

Morals spring virtually from every

decision, thus organization stability and survival depends on the consistency of equality of ethical decision made by managers. Managers are challenged and encouraged to have obligation on organization performance and society at large, to support and assist the society to imbibe the ethical culture in which there was the interest of everyone (Bello, 2012). In recent times, most organizations have come up with codes of ethics in dealing with ethical issues challenging them. Code of conduct is defined by the National Institute of the Management (NIM) is a set of moral principles used by organization to steer conduct of the organization itself and the employee, in all their business activities, both internally and externally. According to Beauchamp (2014), codes are opposed to straightforward policy that have advantage of providing explicit guidance on key moral issues that might arise during the course of organization activities.

As noted by Fatile (2013), the business enterprise is besieged by popular misconceptions as well as by legal, religious and academic theorists anxious to prove that business seeks only self-serving aggrandizement, i.e to maximize its profits and to do so at any cost to the consumer, the community and the environment. Business encounters many ethical dilemmas in their daily business activities, some are significant while others are not. There is high conflict ethics and business.

Organizations will not adequately meet its goals and ensure sustainability where there are breeches in business ethics and standards. For example, the accounting and auditing scandals that led to the collapse of Envron, WorldCom and many banks in the 1990s/2000s, and the misfortune of Cadbury Nigeria Plc bordered on management ineffectiveness, indiscipline and failure to observe the principles of business ethics (Bititci & Garengo, 2012).

Organizational performance involves analyzing a company's performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs (Bichta, 2003). Analysis of organizational performance focuses on three main outcomes, first, financial performance (profits, return on assets, return on investment etc); second, market performance (sales, market shares etc); and thirdly, shareholder return performance (total shareholder return, economic value added etc).

Hult and Griffith (2008) said that in recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as: (i) financial performance (e.g shareholder return). (ii) customer service. (iii) social responsibility (e.g corporate citizenship, community outreach). (iv) employee stewardship.

Statement of the Problem

Today, many organizations have collapsed as a result of unethical business practices. Unfortunately, due to the inordinate desire of managers of such organizations to make extortionate and ill-gotten gains, they care little about the catastrophic effect of their illegal and unethical behaviour in a number of business transactions. Managers are also faced with the challenge of evaluating the effect of this critical behaviour on the performance of such organizations. Some organizations do not have clear ethical code of conduct to guide managers and employees in the course of their business transactions, even where business ethics are available to guide the activities of business management, there are still instances where these business ethics are not followed or adhered to by business managers. In such a case there are bound to be business collapse, fraud and misrepresentation which negate corporate growth. Business ethics being already a major issue in contemporary organization life, one can certainly argue that the fundamental question of whether the codes are actually put into practice or whether they are just decorative documents needs to be assessed (Ackoff, 2009). It is also observed that Corporate Social Responsibility that cements the relationship between business and society is neglected by many organizations. To them such practice is a waste of resources so it is seen as an effort in futility. It is also observed that most of the previous studies found in the literature on business ethics and corporate growth or performance were done in the developed economies. Suffice to say that not much work has been done in developing economies, especially Nigeria where corporate growth is much needed to boost the wellbeing of its stakeholders. Since there is a growing concern of business ethics in relation to long term corporate sustainability and growth, it is then of significant to embark on this study to empirically test the effect of business ethics on organizational performance in Nigeria, particularly North Central Nigeria.

Objectives of the Study

The main objective of this study is to find out whether business ethics have any effect on organizational performance. The specific objectives are to:

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(i) Ascertain the effect of unethical behavior in business transactions on organizational profitability.
(ii) Ascertain the effect of employees' adherence to rules and regulations on organizational profitability.
(iii) Determine the effect of corporate adherence to standards on organizational profitability.
(iv) Find out the effect of corporate social responsibility on organizational profitability.

Research Questions

What is the effect of unethical behavior in business transaction on organizational profitability?
(ii) To what extent does employees' adherence to rules and regulations affect organizational profitability?
(iii) How does corporate adherence to standards affect organizational profitability?
(iv) What is the effect of corporate social responsibility on organizational profitability?

Statement of the Hypotheses

Ho_1: There is no significant effect of unethical behavior in business transaction on organizational profitability.
Ho_2**:** There is no significant effect of employees' adherence to rules and regulations on organizational profitability.
Ho_3**:** There is no significant effect of corporate adherence to standards on organizational profitability.
Ho_4: There is no significant effect of corporate social responsibility on organizational profitability.

II. LITERATURE REVIEW

Conceptual Framework

Concept of Ethics

The concept of ethics, according to Chhabra, Rajput and Kaur, (2009), originated from the Greek word, 'ethos' meaning character; guiding beliefs, standards, or ideals that pervade a group or community. Societal ethics provide the bases on which a civilized state exists. Without these ethics, civilization collapses. The same is true of business ethics to the business organization. It provides the footprint on which organizational culture and structure is founded (Bichta, 2003). Ethics are code of values and principles that governs the action of a person, or a group of people regarding what is right versus what is wrong (Bello, 2012). Today, ethics is considered as the study of moral behavior, the study of how the standards of moral conduct among individuals are established and expressed behaviourally. Terms such as business ethics, corporate ethics, medical ethics or legal ethics are used to indicate the particular area of application. But to have meaning, the ethics involved in each area must still refer to the value-oriented decisions and behavior of individuals. Ethics are concerned with what is right and what is wrong in human behavior (Ongong, 2013).

According to Baron (2011) ethics refer to a set of moral principles which should play a very significant role in guiding the conduct of managers and employees in the operation of any enterprise. In other words, ethics is concerned with what is right and what is wrong in human behavior. It addresses the question of what ought to be. Ethics refer both to the body of moral principles governing a particular society or group and to the personal moral precepts of an individual.

Some professional organizations may define their ethical approach in terms of a number of discrete components. Typically, these include honesty, trustworthiness, transparency, accountability, confidentiality, objectivity, respect, obedience to the law, and loyalty (Awan & Tahir, 2015).

Concept of Business Ethics

According to Osibanjo (2015), business ethics refer to the moral principles which should govern business activities. In other words, business ethics provide a code of conduct for the managers. The purpose of business ethics is to guide the managers and employees in performing their jobs. Business ethics is the behaviour that a business adheres to in its daily dealings with the world. They apply not only to how the business interacts with the world at large, but also to their dealings with customers (Donaldson, 2013). The growth of business organization relies on its sound ethical code of conduct set to guide both management and employee in its daily activities. Business ethics is known to integrate core values, such as honesty, trust, respect, and fairness into strategic management, policy-making, practicing management, and decision-making (Shaw & Barry, 2013).

Business ethics can also be seen as the capacity to reflect on values in the corporate decision making process, to determine how these values and decisions affect various stakeholder groups, and to establish how managers can use these observations in day-to-day company management practices that are characterized by fairness and justice. (Chhabra, Rajput & Kaur, 2009).

According to Baron (2011), business ethics are rules, principles and standard of deciding what is

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morally right or wrong when working. He went further to say that business ethics is not only to differentiate wrong and right but also deals with reconciling what legal actions should be taken and maintaining a competitive advantage over other businesses.

A major challenge of the application of business ethics in many global organizations is the quest for profitability instead of doing the right thing in line with ethical standard.

The issue is that the organizational management should apply business ethics by responding to public opinion as expressed by customers, by pressure groups or trade unions or by rules, regulations and laws.

A few examples of business ethics, according to Chhabra, Rajput and Kaur (2009) are: To charge fair prices from the customers, to use fair weights for measurement of commodities, to pay taxes to the government honestly, to earn reasonable profits, to give fair treatment to the workers. While unethical attitude against the consumers and society include: Adulteration of goods, sales of spurious products, sales of duplicate products under popular brand names, sales of products injurious to public health e.g charas, heroine, etc deceptive advertisements and false claims in advertisements, pollution of environment (Sikika, 2012)

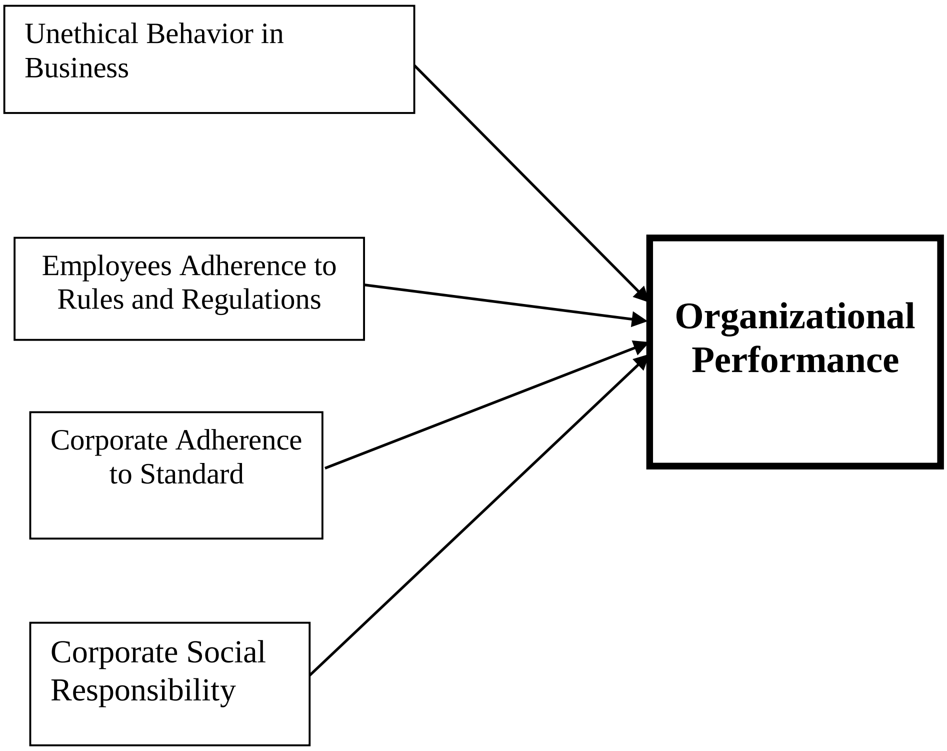

***Figure 1**. Business Ethics and Organizational Performance*
Source: Developed by the *Researcher (2023)*

Unethical Behavior in Business

Unethical business practices are activities taken by managers or employees of an organization which are contrary to minimum business standards. They are behaviour exhibited in business that are morally wrong. It is a big challenge to many businesses to maintain ethical standard as a result of their unrealistic expectation to succeed as well as lack of necessary training to make employees understand what behaviours are unethical (Freeman & Reed, 2003). Some unethical organizations believe that they can make numerous ill-gotten gains without being recognized for their deception.

A business practice which is against the moral principles laid down by the society is termed as unethical. Chhabra, Rajput and Kaur (2009) gave the following as examples of unethical behavior on the part of business:

Against the Consumers and Society

Adulteration of goods, e.g. mixing of papaya seed with Mack pepper, colouring of wood piece and selling as turmeric, sale of spurious product, e.g. contamination of glucose bottle, plain water in injection, sale of duplicate products under popular brand names, deceptive advertisement and false claims in advertisements, pollution of environment, charging unfair prices from the customers

Against the Employees

Paying salaries lower than those fixed by the government to the employees, poor working conditions, e.g. poor lighting, inadequate circulation of air, non-availability of pure drinking water etc, lack of safety measures for workers and lack of provision for welfare facilities.

Against the Government

Evasion of excise duty, sale tax, income tax etc, smuggling of goods, offering bribes to government officials and politicians for getting favours.

Consequences of Unethical Behavior on Organization

Ethical misconduct in any organization can lead to very serious consequences which can cause the organization time and money in trying to repair their business reputation and any legal issues arise depending on the severity of the situation. Integrity breakdown can dramatically cost a business millions of naira and even prison time in some extremely serious cases (Adeyeye, 2015)

Freeman and Reed (2003) pointed out the following as some of the consequences of unethical behavior in business;

1. Productivity Levels Decrease: The main goal of any organization is to drive through sales from customers to maintain a strong presence in the business world. Unfortunately, when a level of unethical behavior starts to form, it can cause the productivity levels to decrease which surround the person or organization in question. When this happens, errors start to form in a once productive entity.
2. Loss of Respect: in episodes where managers or leaders start to make unethical decisions, it can lead to employees losing a lot of respect for their bosses. When this occurs, it can be difficult for the leader to gain back the respect and trust that has been lost. It also causes problem for them to run a successful business when their team feels as if they are making corporate choices. Employees may also feel resentful towards their leaders. This is because as a part of the organization, they feel their reputation is also starting to fall apart along with the business' reputation.
3. Loss of Credibility: When unethical behavior occurs in a corporate setting, there is a high chance it will be publicized. This in turn can cause the organization to lose its credibility, resulting in customers abandoning sales with organization, bad mouthing the business and not holding respect for the organization any more.
4. Legal Issues: In severe cases of unethical misconduct, it can lead to severe legal issues that result in loss of time, large fines and other penalties with possible jail term. The cost of legal battle can go on for months to years and can lead to wasting millions of naira depending on the organization particular situation and level of unethical behavior.

Employees' Adherence to Rules and Regulations

One of the managerial functions that is colossally profitable to organization is the ability to effectively coordinate the workforce and also ensuring they adhere to organizational rules and regulations. The company expects all managers and other employees to comply with existing laws, rules and regulations applicable to the company anywhere it does it business (Bello, 2012).

Adherence to clear code of conduct, proper ethics training, open communication and colleague's influence can definitely strengthen employee commitment to ethical customs (Gross & Holland, 2011). Organization cannot achieve sustainable growth without gaining the trust of all its stakeholders, (customers, shareholders, investors, suppliers, employees or the local communities). Rules and regulations are made with ethical consideration. Therefore, when they are obeyed ethics is being observed in the conduct of business (Bello, 2012). Employees' adherence to statutory and non statutory rules and regulations help build the trust of the organization among the stakeholders. Business ethics aims to guard both corporate bodies and employees to always adhere to rules at all cost, that is, to be fair in all aspect. Kotter and Heskett (2004) highlighted two approaches to adherence to rules and regulations. They are; the command-and control approach and the self-regulatory approach. The command and control approach is a strategy that relies on external regulation whereby employee behaviour is controlled by managers through their ability to implement sanctions and to punish undesired behaviour. The self-regulatory approach stresses the role an employee's ethical values play in motivating rule adherence and in particular those ethical values that are related to, and developed in the course of interactions with organization running.

It is important to understand that adhering to rules and regulations in business protect the business in many ways especially protection from lawsuits. When employees follow rules and regulations, consumers benefit as it leads to their satisfaction and ultimately leading to their loyalty.

When customers are happy, there are fewer complaints to deal with.

According to Gross and Holland (2011), employees observing rules and regulations allow customers to share positive experiences with friends and family. This helps the business to grow and with high reputation. People like to do business with organizations that they trust and like.

Corporate Adherence to Standard

Adhering to standard in business is sin qua non to high organization performance. Standard opens a world of possibilities. Without standard, we would not trust that the water we drink is safe, the cars we drive can steer properly or the toys children play with will not harm (Liao, 2013). Standard accelerate an organization part to success by providing credibility and attracting investments.

Obicci (2015) defined standard as a level of quality or attainment. Ethical organizations are committed to standards in all circumstances. This attracts both customers and investors which in turn boosts the competitive advantage of the organization (Ackoff, 2009). For example, consider an energy drinking manufacturing company who claims on the labels and advertisement that the company does not add any preservative to the drink. Then it should adhere to the claim made. If the claim is disobeyed and sold the product by adding preservatives, then it is considered as unethical business practices. According to Liao (2013), the main reason why many organizations fail to adhere to standard in the course of their operation is the inordinate desire to make ill-gotten gains at the expense of consumers. This resulted to adulteration of goods, e.g mixing of papaya seed with mack pepper, flour and bromate in producing bread for consumption. Sale of spurious products e.g plain water in injections, white alubo in shaving powder container.

It is a fact that standard provides an organization with a competitive advantage. Customers always want to identity with organizations that maintain standard in providing goods and services in all circumstances.

Corporate Social Responsibility

Corporate Social Responsibility is the concept of incorporating philanthropy, ethics and activism into business practices to benefit both the society and the company itself. Adopting a corporate social responsibility strategy also helps organizations build closer relationship with the employees and customers. Corporate social responsibility boosts company's reputation and deepens competitive advantage (Fredrick, 2011).

The basis of corporate social responsibility lies on the fact that business organization is a social institution as such they should operate as part of the larger society with concern not only for the narrow income objective (profitability, market share etc) but also for the social development of the society that hosts it. According to Elegido (2009), when discussing business ethics, it is also important to emphasize CSR because business does not function in a vacuum, but exists to serve, depends upon its environment, cannot be separated from it, and therefore, has a responsibility to ensure its wellbeing. He asserts that the goal of every company is to maintain viability through long-term profitability and suggest that when a company behaves responsibly, benefits accrue directly to the bottom line. This also implies that when a company does not behave responsibly, the company and its shareholders suffer financially. It may therefore, be safer and better to regard CSR as a crucial component in the decision-making process of management that must determine, among other goals, how to maximize profits and enhance organizational performance. The implication for business ethics and CSR is for organization to think long-term, invest heavily in the communities in which they operate remains obsessive about profit maximization, and to fully integrate social responsibility into business policy on ethics and corporate governance (Fredrick, 2011). Also according to Gross and Holland (2011) for an organization to be effective, it should behave ethically and be socially responsible, which means that an organization engages in quality relationship management with its publics.

Organizational Performance

Organizational performance involves analyzing a company's performance against its objectives and goals. In other words, organizational performance comprises real results or outputs compared with intended outputs (Bichta, 2003). According to Baron (2011) analysis of organizational performance focuses on three main outcomes, first, financial performance (profits, return on assets, return on investment etc); second, market performance (sales, market share etc); and thirdly, shareholder return performance (total shareholder return, economic value added etc). Specialists in many fields that are concerned with organizational performance include; strategic planners, operations managers, finance directors, legal advisors, entrepreneurs (owners of the organization (Kaplan & Norton, 2011)

Hult and Griffith (2008) said that in recent years, many organizations have attempted to manage organizational performance using the balanced scorecard methodology where performance is tracked and measured in multiple dimensions such as: (i) financial performance (e.g. shareholder return) (ii) customer service (iii) social responsibility (e.g. corporate citizenship, community outreach) (iv) employee stewardship. According to White (2013) organization does not perform any work but its managers are performing their assigned works and in a combination of these performed works is called organization performance. Some factors are to be performed by organization such as human, technology, natural recourses, economic factors, regulatory measures, markets, management philosophy, organizational culture (Goals, Values, Beliefs and Norms), motivated behavior and teamwork, structure, technological and physical resources, financial resources, leadership style. In a combination of these resources, the organization gets some outcome such as effectiveness, efficiency, development and participant's satisfaction. After using all supports and efforts when the organization produces a product or service that is called the organizational performance.

Factors Affecting Organizational Performance

Organizations vary according to the relative influence of a number of factors related to **External factors** both the objective of the organization and the instruments and strategies chosen to achieve them. These factors, which determine the structure, aims, and activities of the organization, according to White (2013) can be grouped into: Those from the enabling environments which are not under the control of the organization but which affect its structure and development. They include:

1. Economic factors
2. Socio-economic factors
3. Political-administrative factors

Internal factors: Organizational characteristics, including: Purpose of the organization and Organizational instruments.

Individual choice factors: Members joint or individual decisions regarding expected costs and benefits. Older studies, especially in the 1970s, focused on the influence of internal factors, while more recent work has emphasized the importance of all three sets of factors (White, 2013)

Theoretical Literature

Different theories abound in the field of ethics but in line with the study's focus, the theories of interest adopted are: stakeholders' theory, Deontological theory and ethical altruism. This study is however anchored on stakeholders' theory because it is directly germane to the study.

Stakeholder Theory of Business Ethics

Cavico and Buchholtz (2013) advocated the stakeholder theory which states that corporate entities are responsible to many stakeholders which includes consumers, investors, employees, shareholders, government and the general public. Business ethics help management to align with their different interest group in a bid to maximize their welfare.

According to Cavico and Buchholtz, stakeholder theory holds that business has duty and obligation not only on corporate shareholders, but also persons that have stake and claim on the business i.e those who can affect or be affected by the corporate activities. These include; shareholders, customers, employees, suppliers and local community. According to the theory business should be managed for the benefit and interest of all stakeholders and adopt policies to produce the optimal balance among them without violating the rights of any stakeholder. Thus corporate management must give equal consideration to all stakeholders for true social responsibilities.

It is a widely accepted theory of business ethics and responsibilities because of its fairness and goes well with many religious and societal moral intuitions. It also goes in line with Kent's principles of respect for persons which holds that every human being is entitled to be treated not merely as a means to the achievement of the ends of others but as a being valuable in his/her own rights. That each person is entitled to be respected as an end in himself/herself (Cavico and Buchholtz, 2013)

Stakeholder theory provides a structural and rationale for understanding and explaining why building ethics into planning and operations is a sound management strategy. It provides a framework for understanding why firms with records of ethical management might be expected to outperform competitors lacking this focus on the medium or long term measure by conventional financial and market test of performance. (Ackoff, 2009)

Deontological Theory

In the 18th century, the Age of Enlightenment was in full swing. People were beginning to rely on the principles of natural law, which states that there is a right and a wrong and that we must use reason, or our personal sense of logic, to figure out the difference. During this time, a German philosopher named Emmanuel Kant developed a branch of ethics that was solely based upon one's sense of duty to act in the way we see as right. Kant's deontology is guided by an individual's own personal sense of morality, or what is right and what is wrong to us. Kant was a scientist and scholar whose books included works about science, morality, and history. To a Deontologist, whether a situation is good or bad depends on whether the action that brought it about was right or wrong.

Kant's deontology, sometimes called deontological ethics, starts by acknowledging that actions and their outcomes are independent things. Basically, there are things you have to do, even though you know they are wrong, such as shooting that intruder to protect your family. According to deontology, you need to focus on the act, such as protecting your family, and not the likely death it will mean for the intruder.

Suffice to say that this theory places emphasis on the decision or action itself – on the motivations, principles or ideals underlying the decision or action rather than being concerned with the outcomes or consequences of that decision or action. This reasoning is founded on the desirability of principle (usually duties or rights) to act in a given situation.

This theory to a greater extent validates managers' and employees' pragmatic approaches in handling dicey situation confronting them. A manager may go out of ethical consideration in saving or protecting the organization and its image. In this situation the question that is being asked is whether the motivation that resulted to that action is genuine or not. Here the motive for the action is supreme.

An employee may lie to a customer in order to protect the image of the organization and secure his/her patronage. Here we know that telling lie is unethical but the reason that brought about the action is what is being considered whether it is right or wrong.

Ethical Altruism

Altruism, in ethics, is a theory of conduct that regards the good of others as the end of moral action. The word altruism literally means "other-ism"; and it is the philosophy of doing things purely for the benefit of others, without expecting to get anything out of it yourself.

According to Stirner (2009) the term (French altruisme, derived from Latin alter, "other") was coined in the 19th century by Auguste Comte, the founder of Positivism, and adopted generally as a convenient antithesis to egoism. As a theory of conduct, its adequacy depends on an interpretation of "the good." If the term is taken to mean pleasure and the absence of pain, most altruists have agreed that a moral agent has an obligation to further the pleasures and alleviate the pains of other people. The same argument holds if happiness is taken as the end of life. But critics have asked, if no one has a moral obligation to procure his own happiness, why should anyone else have an obligation to procure happiness for him? Other conflicts have arisen between immediate pain and long-range good, especially when the good envisioned by the doer does not coincide with the vision of the beneficiary. Examples, including donating your money or time to a charity or to help someone, without trying to get recognition for it.

Empirical Review

The study done by Maicibi (2013) with the title "Criminal and Unethical Behaviours in Organisations: Misuse of Assets and False or Misleading Advertising in USA". The main objective of the study was to examine and discuss the following critical criminal and unethical concerns which include corruption, misuse of organizational assets, and false or misleading advertising in organizations. The data were collected through secondary sources. It concluded that, human resource manager's and or organisation's ability to tackle and control these ethical concerns is very important in keeping the organizations healthy and competitive; otherwise the organizations will suffer enormous setback, sometimes risk failure and even attract criminal action.

The study done by Liao (2013) entitled "The Relationship between Ethics Training and Employee Satisfaction in Taiwan". The main objective of this study was to investigate the effects of ethics training on employee satisfaction. Data were collected from Taiwan-based 18 senior executives who represented, in total, 109 companies and who completed a questionnaire. Data were analyzed using descriptive statistics and the results show that ethics training positively influenced corporate-responsibility practices and that corporate-responsibility practices positively influenced employee satisfaction. They also found that corporate responsibility practices had a "partial mediating effect" on the relationship between ethics training and employee satisfaction.

A study done by Adeyeye (2015) entitled "Effects of Workplace Ethics on Employees and Organisational Productivity in Nigeria". The main purpose of the study was to examine the effects of etiquette and unethical behaviour on employee commitment and productivity in Nigeria. The data collected using descriptive survey research method where one hundred and eleven valid questionnaires were administered on Employees in Government Establishments, Organised Private Sector, Indigenous, Asian and Lebanese Companies operating in Industrial Estates of Lagos State, Nigeria. Secondary data as well as documented evidence were also reviewed and used for the study. The sampling procedure was carried out randomly. The collected data were analysed using Structural Equation Modelling and supported by descriptive statistics and each item was based on a 5-Point-Likert scale. AMOS 22 was adopted in testing the study hypotheses; the data was presented with the use of SPSS while Structural Equation Modelling (SEM) was utilized due to its generality and flexibility to evaluate the validity of regression and correlation between the observed variables. The results showed that significant relationship exists between ethical standards and organisational productivity in Nigeria and that integrity cum discipline have negative impact on improved productivity level of the organization, which could be attributed to the nature of these virtues being abstract and could only be seen or observed overtime.

A study done by Osibanjo, Akindobe and Falola (2015) entitled “Workplace ethics and employees’ performance in Nigeria”. The main objective was to discuss how work ethic affects workers job performance by evaluating how either strong work ethics (SWE) or weak work ethics (WWE) can contribute to encouraging or discouraging workers job performance. Literature review and theoretical ground point towards the need for workers' to promote ethical practice and discourage unethical acts which can undermine corporate image and excellent performance. This study proposed that strong work ethics results in excellent work performance therefore, it is imperative for employees and organizations to promote good practices in the world of work.

A study done by Omisore (2015) was about “Workplace ethics and performance in the Nigerian Public Service in Nigeria”. The core objective of the study was to discuss the challenges of work ethics, values, attitudes and performance in the Nigerian public service. The major causes of unethical conduct in the public service were identified and the institutional mechanisms established by the government to curb these unethical behaviours were examined. The study adopted content analysis as a method of data gathering and analysis. It suggested viable options for effective and efficient service-oriented public service.

The study done by Fatile (2013) with the title “Ethics and Performance in the Nigerian Public Sector”. The main objective of the study was to discuss the challenges of promoting ethical behaviour in Nigeria. The major causes of unethical behavior in the public sector were identified and the institutional mechanisms established by the government to curb these unethical behaviors were enumerated. It argues that these measures have failed to provide the service with the necessary ethical environment in the post-independence period due to deliberate frustration by civil servants and the government hence resulting in unethical conducts and unbridled corruption in the public bureaucracy. The study therefore recommends among others, a comprehensive agenda on mass education campaigns on the extent and cost of corruption and unethical behavior as well as enacting, improving and effective enforcing legal instruments, code of conduct and regulations promoting ethics and performance of ethical values in the public sector which would depend on the prevalence of good governance, transparency and accountable leadership.

The research done by Obicci (2015) entitled “The effects of ethical leadership on employee performance in Uganda”. The main objective of this study was to examine the effects of ethical leadership on employee performance in the public sector of Uganda. Obicci 2015 used cross sectional research design combined with both descriptive and analytical design since this was an exploratory study. Data were collected from 152 out of 160 respondents (95%) returned questionnaires and found usable to draw the conclusions. Descriptive statistics were computed to determine the level of the different factors of ethical leadership and employee performance and the effects of ethical leadership on employee performance was assessed using regression analysis. Data analysis was done using SPSS ver. 14.0 and the results showed that there is a positive relationship between ethical leadership and employee performance. This study concluded that ethical leadership was over average the most important predictor of employee performance in the public sector in Uganda and the findings have significant implications to management in terms of enhancing the promotion of ethical leadership in organizations.

The study done by Ongong (2013) entitled “Work ethics for lecturers: An example of Nairobi and Kenyatta universities in Kenya”. The main purpose of the study was to analyse the quality of performance of some lecturers and their relationship with students by attempting to answer - What is the significance of social workplace ethics? And, what makes a good lecturer?. The data were collected from 200 hundred respondents from the respective universities in Kenya. The systematic stratified techniques were employed and questionnaires were designed and administered including discussions. The data were analysed using descriptive statistical technique. The study noted that integrity guides everything that has to be done by both lecturers and students. This is based on stipulated Codes of Conduct and ethics which enable both lecturers and students to amicably carry out their duties and obligations. From the study it was found that very few staff and students are aware of the importance of this official summary of what the institutions stand for. It is a concern that the institutions should vigorously bring these documents to the attention of both their staff and students. It concluded that apart from lecturers adhering to such document of social workplace ethics, students too should seriously take orientation programmes and familiarize themselves with the institutions regulations spelling out how to relate with their lecturers. A study done by Sikika (2012) entitled “Health care workers’ adherence to professional ethics in Tanzania”. The main objective of the study was to assess the level of adherence to professional ethics among HCWs at the point of public health service delivery. The data collected from 45 health facilities in Kibaha Rural, Kinondoni, Ilala, Temeke, Kondoa and Mpwapwa Districts using 802 score-cards to 900 respondents randomly selected. The data were examined, coded and analysed with the help of the Statistical Package for Social Sciences (SPSS). The generated outputs were summarised and presented in charts. On the basis of findings, the study recommended that the President’s Office, Public Service Management (PO-PSM) take measures to identify factors behind such non-adherence to professional ethics by HCWs and strengthen management and supervision of HCWs, especially those posted in remote areas. The study also suggested that the strengthening of the existing health care workers’ adherence to professional ethics patients’ complaints mechanisms to make them more effective in responding to health service users’ complaints at all levels of health service delivery.

The study done by Ndabahaliye (2013) entitled “An assessment on the impacts of employees ethical conducts to organization performance: A case of Dawasco in Tanzania”. The main objective of the study was to assess the impacts of employees ethical conducts to organization performance. The data collected from 60 respondents in DAWASCO Dar es salaam (Magomeni Branch) and the respondents were selected by using probabilistic sampling in which systematic sampling was involved. Data was collected using a questionnaire as well as the survey monkey software also semi-structured Interviews were employed and documentary analysis which was flexible as well as sensitive to the social content. Data were quantitatively analyzed using computer software, SPSS version 16. The study revealed that there was a significant relationship between employees’ ethical conducts and organization performance. The relationship was significant in unethical conducts which results into poor performance of the organization. The assessment concludes that, organization performance is interplay of variables and that employee’s ethical conduct plays a role in organization performance but is not the major role. On the basis of the findings, it is argued that organizational performance is a function of variables and not only employee’s ethical conducts.

Gaps in Literature

Maicibi (2013) carried out his study on the topic “Criminal and Unethical Behaviours in Organisations: Misuse of Assets and False or Misleading Advertising in USA”. The main objective of the study was to examine and discuss the following critical criminal and unethical concerns which include corruption, misuse of organizational assets, and false or misleading advertising in organizations. The above study was conducted on criminal and unethical behaviors in organization in relation to misused of assets and misleading advertising in USA. The study did not focus on performance of the organization and it was conducted in USA and not in Nigeria.

The study of Liao (2013) was conducted to determine the relationship between ethics training and employee satisfaction in Taiwan. This study was purely on relationship between ethics training and employee satisfaction. But this study shall focus on the practicality of ethics in an organization and its effect on organization performance conducted in Nigeria. However, the same source of data collection was used through questionnaire.

A study done by Osibanjo (2015) entitled “Workplace ethics and employees’ performance in Nigeria” was conducted on how work ethics affect workers job performance by evaluating how either strong work ethics (SWE) or weak work ethics (WWE) can contribute to encouraging or discouraging workers job performance. This study was on employees' performance but not empirical in nature due to lack of statistical data analysis. However, the study was conducted in Nigeria.

Closely related to the above study was the one conducted by Omisore (2015) entitled "Workplace ethics and performance in the Nigerian Public Service". The core objective of the study was to discuss the challenges of work ethics, values, attitudes and performance in the Nigerian public service. The study did not make use of business corporate or business organization but was rather centred on Nigerian Public Service. The study also adopted content analysis instead of statistical data analysis.

The study done by Ongong (2013) entitled "Work ethics for lecturers: An example of Nairobi and Kenyatta universities in Kenya". The main purpose of the study was to analyse the quality of performance of some lecturers and their relationship with students by attempting to answer - What is the significance of social workplace ethics? And, what makes a good lecturer? The data were collected from 200 hundred respondents from the respective universities in Kenya.

This study was not conducted within business setting and again the population used consisted of students and not organizational employees or managers. This study was conducted in Kenya and not in Nigeria.

The review of literature above shows that much of the studies conducted was in the developed countries and even those conducted in Nigeria little was done in the Northern part of Nigeria to the knowledge of the researcher, but this study was conducted in Kaduna, Northern part of Nigeria. It could also be seen from the above review that none of the studies was specifically on business ethics and organizational profitability.

III. METHODOLOGY

Research Design

Descriptive survey method was adopted for the study. This method was chosen because it can be used to collect information from several units of analysis. It involves using a self-designed questionnaire in collecting data from the respondents.

Area of the Study

This study was conducted in the North Central, Nigeria cutting across the six states. These states are; Benue, Kogi, Kwara, Nasarawa, Niger and Plateau. The organizations include: Mynmaster Corporate Designers, Makurdi, Benue State. Royal Ceramic Tiles Ltd, Ajaokuta, Kogi State. Herculus Manufacturing and Supply Company (Services in the manufacturing of high quality lubricants, including formula 9 body cream, ori body cream, formula 9 magic baby cream), Ilorin, Kwara State. Hara Foams & Chemicals Ltd, Kuchikau, Masaka, Nasarawa State. Afro Foods & Spices Ltd, Industrial Layout, Minna, Niger State. Grand Cereals Ltd (GCL) Jos, Plateau State

Subjects

The subjects used in this study consists of both top and medium management staff of the organizations as well as junior staff. The subjects included; Managing Directors, Functional Managers and lower level employees and customers totaling one hundred and fifty (150). That is twenty-five respondents from the six organizations across the zone which were selected using purposive sampling technique.

Data Collection

This research made use of validated research instruments (questionnaire) for data collection. The instrument was validated and their reliability was determined using a pilot study and test-retest methods. The instrument was administered and collected with the help of six researcher assistants, one from each state.

Data Analysis

The analysis of data involved the use of descriptive statistics with the help of Statistical Package for Social Sciences (SPSS) version 23.0. The responses in the questionnaire was coded into common themes to facilitate analysis. The coded data was then entered into SPSS program to generate measures of central tendency (mean) and measures of dispersion such as standard deviation and ranks. Finally, multiple regression analysis was conducted to give various outputs like a model summary, the ANOVA table, and coefficients results among others were used to make interpretations and discussions of the study and upon which conclusions was drawn.

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IV. RESULTS

Effect of Unethical Behaviour in Business Transaction on Organizational Profitability.

Table 1.

S/N	Variables	Indicator	Frequency N=120	Percent %	Mean	Remark
1	Unethical behavior in business results in losing business to competitors.	SA	13	10.8		
		A	107	89.2		
		U	-	-	4.11	Agreed
		D	-	-		
		SD	-	-		
2	It affects organizational image	SA	15	12.5		
		A	105	87.5		
		U	-	-	4.13	Agreed
		D	-	-		
		SD	-	-		
3	It brings about high rate of employees turnover in situation where unethical behaviour extends to ill-treatment of employees.	SA	25	20.8		
		A	94	78.3		
		U	1	0.8	4.20	Agreed
		D	-	-		
		SD	-	-		
4	Employees' job security is not guaranteed as the organization loses image and consequently may close down.	SA	18	15.0		
		A	101	84.2		
		U	1	0.8	4.13	Agreed
		D	-	-		
		SD	-	-		
5	Legal quagmire may arise between organization and affected customer resulting to wasting huge amount of money and time.	SA	5	4.2		
		A	89	74.2		
		U	25	20.8	3.82	Agreed
		D	1	0.8		
		SD	-	-		
6	It may cause heavy fine for the organization by regulatory authority.	SA	13	10.8		
		A	92	76.7		
		U	14	11.7	3.98	Agreed
		D	1	0.8		
		SD	-	-		
7	Losing of organizational credibility which may be difficult to redeem.	SA	10	8.3		
		A	107	89.2		
		U	3	2.5	4.06	Agreed
		D	-	-		
		SD	-	-		
8	Employees may feel resentful towards their leaders whom they see as incapable and fraudulent.	SA	5	4.2		
		A	101	84.2		
		U	13	10.8	3.92	Agreed
		D	1	0.8		
		SD	-	-		
9	It may cause the organization to go downhill and finally close down due to lack of patronage.	SA	17	14.2		
		A	90	75.0		
		U	11	9.2	4.01	Agreed
		D	1	0.8		
		SD	1	0.8		
10	Unethical organization has no prospect of success in the long run.	SA	8	6.7		
		A	95	79.2		
		U	8	6.7	3.81	Agreed
		D	4	3.3		
		SD	5	4.2		

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Overall Mean = 4.02
Agreed
Source: Field Work 2023

Analysis and Interpretation of Data on Effect of Unethical Behaviour in Business Transaction on Organizational Profitability as shown in Table 1.
Variable 1 shows a mean score of 4.11 which was more than the cut off point of 3.00 which means acceptance. This means that unethical behavior in business results in losing business to competitors.
Variable 2 shows a mean score of 4.13 which was above the mean cut off point of 3.00. This indicated acceptance of the variable meaning that unethical behavior affects organizational image.
Variable 3 shows a mean score of 4.20 which was more than the mean cut off point signifying that unethical behavior in business brings about high rate of employees turnover in situation where it extends to ill-treatment of employees.
Variable 4 has a mean score of 4.13 which was above the mean cut off point meaning acceptance. It can be interpreted that employees' job security is not guaranteed as the organization loses image and consequently may close down.
Variable 5 was agreed on by the respondents as the mean score was 3.82 which was above the cutoff point meaning that legal quagmire may arise between organization and affected customer resulting to wasting huge amount of money and time.
Variable 6 shows a mean score of 3.98 indicating acceptance since it was higher than the mean cut off point. This means that unethical behavior in business transaction may cause heavy fine for the organization by regulatory authority.
Variable 7 shows that the respondents agreed with the item as the mean score of 4.06 was more than the cutoff point. This means that unethical behavior may result to losing of organizational credibility which may be difficult to redeem.
Variable 8 has a mean score of 3.92 which of course means acceptance as it was more than the mean cut off point. This means that employees may feel resentful towards their leaders whom they see as incapable and fraudulent.
Variable 9 indicates acceptance as the mean score of 4.01 was more than the mean cut off point. This can be interpreted that unethical business transaction may cause the organization to go downhill and finally close down due to lack of patronage.
Variable 10 shows a mean score of 3.81 and was higher than the mean cut off point. This indicates that the respondents agreed with the item that unethical organization has no prospect of success in the long run.

Employees' Adherence to rules and Regulations on Organizational Profitability
Table 2.

S/N	Variables	Indicator	Frequency N=120	Percent %	Mean	Remark
1	Business ethical code of conduct are not necessary for the smooth running of the organization.	SA	1	0.8		
		A	14	11.7		
		U	2	1.7	2.08	Disagreed
		D	80	66.7		
		SD	23	19.2		
2	Employee adherence to rules and regulations will enhance organizational performance	SA	8	6.7		
		A	110	91.7		
		U	-	-	4.03	Agreed
		D	2	1.7		
		SD	-	-		
3	Business ethics are set of rules that guide the behaviors of employees in an organization	SA	17	14.2		
		A	101	84.2		
		U	1	0.8	4.18	Agreed
		D	-	-		
		SD	1	0.8		
4	Failure to adhere to rules and regulations affect the integrity and credibility of the organization	SA	22	18.3		
		A	97	80.8		
		U	1	0.8	4.18	Agreed
		D	-	-		

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		SD	-	-		
5	Ethical principles are affected when rules and regulations are not observed	SA	24	20.0		
		A	94	78.3		
		U	2	1.7	4.18	Agreed
		D	-	-		
		SD	-	-		
6	Employees that do not adhere to established organizational rules and regulations are punished by the management.	SA	27	22.5		
		A	90	75.0		
		U	2	1.7	4.19	Agreed
		D	1	0.8		
		SD	-	-		
7	Failure to adhere to rules and regulations affect rules and regulations performance as unethical activities come into play.	SA	24	20.0		
		A	95	79.2		
		U	1	0.8	4.19	Agreed
		D	-	-		
		SD	-	-		
8	Employees' obedient to rules and regulation enhances their productivities.	SA	27	22.5		
		A	90	75.0		
		U	3	2.5	4.20	Agreed
		D	-	-		
		SD	-	-		
9	Employees' adherence to rules and regulations fosters harmonious relationship at work place.	SA	5	4.2		
		A	105	87.5		
		U	7	4.8	3.92	Agreed
		D	1	0.8		
		SD	2	1.7		
10	There is ethical principles in rules and regulations which enables organization to stand out and have competitive advantages when they are obeyed by employees	SA	3	2.5		
		A	66	55.0		
		U	42	35.0	3.52	Agreed
		D	7	5.8		
		SD	2	1.7		

Overall mean = 3.86
Agreed

Source: Field Work 2023

Analysis and Interpretation of Data on Employees Adherence to Rules and Regulations on Organizational Profitability as demonstrated in Table 2.

Variable 1 shows that the respondents disagreed with the item because it shows a mean score of 2.08 which was less than the mean cut off point. This means that business ethical codes of conduct are necessary for the smooth running of the organization.

Variable 2 shows a mean score of 4.03 indicating acceptance as it was higher than the mean cut off point of 3.00. This means that employees' adherence to rules and regulations will enhance organizational performance.

Variable 3 has a mean score of 4.18 which was higher than the cut off point. This indicates acceptance of the item, meaning that business ethics are set of rules that guide the behaviors of employees in an organization

Variable 4 shows a mean score of 4.18 which means acceptance as the mean score was more than the mean cut off point. By interpretation it means that failure to adhere to rules and regulations affect the integrity and credibility of the organization.

In variable 5, the mean score was 4.18 which shows that the respondents agreed with the item as the mean score was higher than the mean cut off point of 3.00. This means that ethical principles are affected when rules and regulations are not observed.

Variable 6 shows a mean score of 4.19 indicating acceptance of the item as it was higher than the mean cut off point. This means that employees that do not adhere to established organizational rules and regulations are punished by the management.

Variable 7 has a mean score of 4.19 which was more than the mean score of 3.00. This means that the respondents agreed with the item that failure to adhere to rules and regulations affect performance as unethical activities come into play.

In variable 8, the mean score is 4.20 which signifies acceptance of the item as it was higher that the mean cut off point. This means that employees' obedient to rules and regulation enhances their productivities. Variable 9 scored 3.92 indicating acceptance of the item because it was higher than the mean cut off point. This means that employees' adherence to rules and regulations fosters harmonious relationship at work place.

Variable 10 shows a mean score of 3.52 signifying acceptance as it was greater than the mean cut off point. This can be interpreted that there is ethical principles in rules and regulations which enables organization to stand out and have competitive advantages when they are obeyed by employees.

Effect of Corporate Adherence to Standards on Organizational Profitability
Table 3.

S/N	Variables	Indicator	Frequency N=120	Percent %	Mean	Remark
1	Corporate adherence to standards will not enhance corporate performance	SA	17	14.2		
		A	7	5.8		
		U	78	65.0	2.19	Disagreed
		D	18	15.0		
		SD	-	-		
2	Adherence to standards by corporate bodies will help to build the trust of its stakeholders.	SA	9	7.5		
		A	107	89.2		
		U	2	1.7	4.01	Agreed
		D	-	-		
		SD	2	1.7		
3	Business ethics aims to guard both corporate bodies and their employees to always adhere to standards at all cost.	SA	24	20.0		
		A	95	79.2		
		U	1	8	4.19	Agreed
		D	-	-		
		SD	-	-		
4	Adherence to standards by organization brings about profit in the long-run.	SA	53	44.2		
		A	67	55.8		
		U	-	-	4.44	Agreed
		D	-	-		
		SD	-	-		
5	Corporate image is enhanced if standard is the watchword of the organization.	SA	23.3	23.3		
		A	76.7	76.7		
		U	-	-	4.23	Agreed
		D	-	-		
		SD	-	-		
6	Organizations that adhere to standard have advantage of high patronage from the public.	SA	23	19.2		
		A	95	79.2		
		U	2	1.7	4.17	Agreed
		D	-	-		
		SD	-	-		
7	Stakeholders' morale increases when standard is adhered to by the organization thereby enhancing collective effort towards the growth of the organization.	SA	27	22.5		
		A	90	75.0		
		U	3	2.5	4.20	Agreed
		D	-	-		
		SD	-	-		
8	Failure to adhere to standard by the organization may bring about legal suit.	SA	23	19.2		
		A	90	75.0		
		U	6	5.0	4.13	Agreed
		D	1	0.8		
		SD	-	-		
9	Adherence to standard and its sustainability enables an	SA	8	6.7		
		A	108	90.0		

	organization to outperform other competitors.	U	4	3.3	4.03	Agreed
		D	-	-		
		SD	-	-		
10	Adherence to standard is expensive but pays off.	SA	7	5.8		
		A	64	53.3		
		U	47	39.2	3.63	3.63
		D	2	1.7		
		SD	-	-		

Overall mean = 3.94
Agreed
Source: Field Work 2023

Analysis and Interpretation of Data on Effect of Corporate Adherence to Standard on Organizational Profitability as pointed out in Table 3.

Variable 1 shows a mean score of 2.19 which was greater than the mean cut off point of 3.00 indicating that the respondents disagreed with the item. This by interpretation means corporate adherence to standards will enhance corporate performance

Variable 2 has a mean score of 4.01 indicating acceptance of the item as it was higher than the mean cut off point. This means that adherence to standards by corporate bodies will help to build the trust of its stakeholders.

Variable 3 shows a mean score of 4.19 which was higher than the mean cut off point signifying acceptance of the item. This means that business ethics aim to guard both corporate bodies and their employees to always adhere to standards at all cost.

Variable 4 has a mean score of 4.44 indicating acceptance of the item as it was greater than the mean cut off point. By interpretation this means that adherence to standards by organization brings about profit in the long-run.

Variable 5 scored 4.23 which was more than the cutoff point. This shows acceptance of the item. This means that corporate image is enhanced if standard is the watchword of the organization.

Variable 6 shows that the respondents agreed with the item as the mean score of 4.17 was higher than the cutoff point. This signifies that Organizations that adhere to standard have advantage of high patronage from the public.

In variable 7, the mean score is 4.20 meaning acceptance as it was higher than the cutoff point. This indicates that stakeholders' morale increases when standard is adhered to by the organization thereby enhancing collective effort towards the growth of the organization.

Variable 8 has a mean score of 4.13 which was more than the cutoff point of 3.00 signifying acceptance of the item. This means that failure to adhere to standard by the organization may bring about legal suit.

Variable 9 scored 4.03 showing acceptance of the item which means that adherence to standard and its sustainability enables an organization to outperform other competitors.

Variable 10 shows a mean score of 4.63 indicating acceptance as it was higher than the mean cut off point. This explains that adherence to standard is expensive but pays off.

Effect of Corporate Social Responsibility on Organizational Profitability

Table 4.

S/N	**Variables**	**Indicator**	**Frequency N=120**	**Percent %**	**Mean**	**Remark**
1	CSR enables an organization to be recognized and patronized.	SA	20	16.7		
		A	99	82.5		
		U	1	0.8	4.16	Agreed
		D	-	-		
		SD	-	-		
2	Organizations that are into CSR make huge profit as a result of societal acceptance and patronage than organizations that shirk such social responsibility.	SA	33	27.5		
		A	85	70.8		
		U	1	0.8	4.25	Agreed
		D	1	0.8		
		SD	-	-		
3	Organizations into CSR drive some benefits from the government.	SA	16	13.3		
		A	99	82.5		

		U	3	2.5	4.07	Agreed
		D	1	0.8		
		SD	1	0.8		
4	CSR helps to improve the wellbeing of the society.	SA	6	5.0		
		A	88	73.3		
		U	17	14.2	3.73	Agreed
		D	6	5.0		
		SD	3	2.5		
5	CSR does not contribute to corporate recognition and growth	SA	12	10.0		
		A	5	4.2		
		U	62	51.7	1.90	Disagreed
		D	41	34.2		
		SD	-	-		
6	CSR is a mere sacrifice that has no reward now and in the long run.	SA	2	1.7		
		A	10	8.3		
		U	7	5.8	1.89	Disagreed
		D	55	45.8		
		SD	46	38.3		
7	Some organizations that may have the intention of carrying out corporate social responsibility shy away from doing so not because they don't know the benefits accruable to it but because it is expensive to execute.	SA	7	5.8		
		A	92	76.7		
		U	16	13.3	3.83	Agreed
		D	3	2.05		
		SD	2	1.7		
8	CSR brings development to the community in terms of infrastructure.	SA	36	30.0		
		A	82	68.3		
		U	1	0.8	4.28	Agreed
		D	1	0.8		
		SD	-	-		
9	CSR promotes harmonious relationship and understanding between the organization and the community.	SA	31	25.8		
		A	88	73.3		
		U	1	0.8	4.24	Agreed
		D	-	-		
		SD	-	-		
10	Organizations that embark on CSR enjoy communal protection and security in times of crisis.	SA	28	23.3		
		A	92	76.7		
		U	-	-	4.23	Agreed
		D	-	-		
		SD	-	-		
11	Ethical organizations consider CSR as an obligation that must be carried out.	SA	9	7.5		
		A	109	90.8		
		U	2	1.7	4.06	Agreed
		D	-	-		
		SD	-	-		

Overall mean = 3.69
Agreed

Source: Field Work 2023

Analysis and Interpretation of Data on Effect of Corporate Social Responsibility on Organizational Profitability as stated in Table 4.

Variable 1 shows a mean score of 4.16 which was more than the mean cut off point of 3.00 indicating acceptance. This means that CSR enables an organization to be recognized and patronized.

Variable 2 shows a mean score of 4.25 which was more than the mean cut off point signifying acceptance of the item. This means that organizations that are into CSR make huge profit as a result of societal acceptance and patronage than organizations that shirk such social responsibility.

Variable 3 has a mean score of 4.07 which shows that the respondents agreed with the item as it was more than the cutoff point. This means that organizations that are into CSR drive some benefits from the government.

Variable 4 shows that the respondents agreed with the item as the mean score is 3.73 which was greater than the cutoff point. This explains that CSR helps to improve the wellbeing of the society.

Variable 5 has a mean score of 1.90 which was less than the mean cut off point meaning that the respondents disagreed with the item that CSR does not contribute to corporate recognition and growth.

Variable 6 indicates that the respondents disagreed with the item with a mean score of 1.89 which was less than the mean cut off point. This means that the respondents disagreed that CSR is a mere sacrifice that has no reward now and in the long run.

Variable 7 shows a mean score of 3.83 which is above the mean cut off point signifying acceptance of the item. This means that some organizations that may have the intention of carrying out corporate social responsibility shy away from doing so not because they do not know the benefits accruable to it but because it is expensive to execute.

In variable 8, the respondents agreed with the item as the mean score of 4.28 was greater than the cutoff point meaning that CSR brings development to the community in terms of infrastructure.

Variable 9 shows a mean score of 4.24 which is higher than the mean cut off point indicating acceptance which means that CSR promotes harmonious relationship and understanding between the organization and the community.

In variable 10, the respondents agreed with the item as the mean score of 4.23 was more than the cutoff point. This means that organizations that embark on CSR enjoy communal protection and security in times of crisis.

Variable 11 shows a mean score of 4.06. This was higher than the cutoff point indicating acceptance of the item which means that ethical organizations consider CSR as an obligation that must be carried out.

Hypotheses Testing

This section presents the result from the test of the four hypotheses generated for the study. ANOVA was used to analyzed the data.

Hypothesis 1*:* There is no significant effect of unethical behavior in business transaction on organizational profitability.

Table 1.1 Summary of Regression

VARIABLES	CO-EFFICIENT	T-STATISTICS	P-VALUES
Constant	0.781	3.309	0.001
Unethical behavior	0.230	4.272	0.000
R^2	0.663		
Adj. R^2	0.571		
F-Statistics		47.417	
F-Significance			0.000

Source: ***SPSS 23.0***

Table 1.1 revealed that there is a strong relationship at R^2 = 0.663 between unethical behavior in business transaction and organizational profitability. An examination of the table shows that R^2 square = 0.663which implies that the unethical behavior in business transaction accounts for 66% of variations having a significant effect on organizational profitability. It shows that the F-value is the Mean Square Regression (6.901) divided by the Mean Square Residual (0.142), yielding F=47.417. From the results, the model in this table is statistically significant (Sig =.000). Therefore, unethical behavior in business transaction is a significant predictor of organizational profitability at $F(3,184)$ =47.417. It also revealed the degree of influence of unethical behavior in business transaction have impact on organizational profitability. Based on the results in the Anova table above, the significance level for all items are less than 0.05 therefore we accept the alternative hypothesis and reject the null hypothesis. That is, there is significant effect of unethical behavior in business transaction on organizational profitability.

Hypothesis 2: There is no significant effect of employees' adherence to rules and regulations on organizational profitability

Table 1.2: Summary of Regression

VARIABLES	CO-EFFICIENT	T-STATISTICS	P-VALUES
Constant	3.638	11.735	0.000
Employees' adherence to rules and regulations	0.229	1.459	0.015
R^2	0.093		
Adj. R^2	0.067		
F-Statistics		4.035	
F-Significance			0.013

Source: *SPSS 23.0*

The Table 1.2 above revealed that there is a relationship at R^2 = 0.093 between effect of employees' adherence to rules and regulations and organizational profitability. An examination of the table shows that the R^2 square =0.093 which implies that employees' adherence to rules and regulations have impact organizational profitability.9.3%of variations having a significant effect. The model in this table shows that employees' adherence to rules and regulations statistically significant at (Sig=0.013) and is a significant predictor of organizational profitability at F(4,184) =4.035. It also revealed the degree of influence of employees' adherence to rules and regulations and its level of significance. The statistical result implies employees' adherence to rules and regulations on organizational profitability. Based on the results in the Anova table above, the significance level for employee motivation is less than 0.05 therefore we accept the alternative hypothesis and reject the null hypothesis. That is there is significant effect of employees' adherence to rules and regulations on organizational profitability.

Hypothesis 3: There is no significant effect of corporate adherence to standards on organizational profitability

Table 1.3: Summary of Regression

VARIABLES	CO-EFFICIENT	T-STATISTICS	P-VALUES
Constant	0.806	3.973	0.000
Corporate adherence to standards	0.146	3.118	0.002
R^2	0.740		
Adj. R^2	0.541		
F-Statistics		73.155	
F-Significance			0.007

Source: *SPSS 23.0*

Table 1.3 above revealed that there is a relationship at R^2= 0.740 between corporate adherence to standards and organizational profitability. An examination of the table shows that the R^2 square = 0.740 which implies that corporate adherence to standards accounts for 74% of variations having a significant impact in organizational profitability. The model reveals that corporate adherence to standards is statistically significant at (Sig=.000) therefore it is a significant predictor of organizational profitability at F(3,184)=73.155. Based on the results in the Anova table above, the significant levels corporate adherence to standards is less than 0.05 therefore we accept the alternative hypothesis and reject the null hypothesis. That is, there is significant effect of corporate adherence to standards on organizational profitability.

Hypothesis 4: There is no significant effect of corporate social responsibility on organizational profitability

Table 1.4: Summary of Regression

VARIABLES	CO-EFFICIENT	T-STATISTICS	P-VALUES
Constant	3.634	12.735	0.000
Corporate social responsibility	0.219	3.419	0.015
R^2	0.630		
Adj. R^2	0.581		

F-Statistics	3.031
F-Significance	0.008

Source: ***SPSS 23.0***

The Table 1.4 above revealed that there is a relationship at R^2=0.630 between corporate social responsibility and its influence on organizational profitability. An examination of the table shows that the R^2 =0.630 which implies that corporate social responsibility have impact on organizational profitability. 63% of variations having a significant effect. The model in this table shows that corporate social responsibility is statistically significant at (Sig=.008) and is a significant predictor of organizational profitability at F(3,419)=3.031. It also revealed the degree of influence of corporate social responsibility and its level of significance. The statistical result implies that corporate social responsibility play significant impact on organizational profitability. Based on the results in the Anova table above, the significance level for corporate social responsibility is less than 0.05 therefore we accept the alternative hypothesis and reject the null hypothesis. That is there is significant effect of corporate social responsibility on organizational profitability.

4.5 Discussion of Major Findings

The main objective of the research was to find out the effect of business ethics on organizational performance in four selected organizations in Kaduna metropolis. The study was circumscribed to the four specific objectives which formed the basis of this research and was designed to find out the effect of the following; unethical behavior in business transactions on organizational profitability; employees' adherence to rules and regulations on organizational profitability; corporate adherence to standards on organizational profitability and effect of corporate social responsibility on organizational profitability.

On the issue of the effect of unethical behaviour in business transaction on organistional profitability, it was found out that unethical behaviour in business results in losing business to competitors and even affecting organization's image. This is because we are in a dynamic and competitive business environment where rivalry is on the increase. Unethical organizations lose patronage and consequently, may be forced to close down. This corroborates Adeyeye (2015) that ethical misconduct in any organization can lead to very serious consequences which can cause the organization time and money in trying to repair their business reputation and any legal issues arise depending on the severity of the situation. Integrity breakdown can dramatically cost a business millions of naira and even prison time in some extremely serious cases. Furtherance to this, Freeman and Reed (2003) pointed out the following as some of the consequences of unethical behavior in business; productivity levels decrease, loss of respect, loss of credibility and legal issues.

The study also revealed that employees' adherence to rules and regulations is instrumental to organization's performance. Rules and regulations are meant to guide employees' behaviour towards desirable outcomes. Failure to adhere to rules and regulations affects the integrity and credibility of the organization. It is an incontrovertible fact that rules and regulations are made by the management of an organization with absolute ethical consideration. Obedience to them by the employees serves as a booster of ethical standard which further enhances their performance. The behaviour of employees when align with rules and regulations does two main things; firstly, it projects the image of the organization and secondly, it enhances organization's performance. This is in direct conformity with Gross and Holland (2011) that adherence to clear code of conduct and by extension, rules and regulations can definitely strengthen employees' commitment to ethical customs. Business ethics aims to guard both corporate bodies and employees to always adhere to rules at all cost, that is, to be fair in all aspect (Kotter & Heskett, 2004). From the findings, it was discovered also that employees' adherence to rules and regulations fosters harmonious relationship at work place. This further enhances performance as employees are motivated.

The result of this study also revealed that corporate adherence to standards will enhance corporate performance as well as building the trust of its stakeholders. More importantly, it brings about high patronage and huge profit. The study also revealed that corporate adherence to standard enables the organization to outperform its competitors. Suffice to say therefore that corporate adherence to standard is catalytic to high performance. Obicci (2015) opined that ethical organizations are committed to standards in all circumstances. Ackoff (2015) made it abundantly clear that corporate adherence to standard attracts

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both customers and investors which in turn boosts the competitive advantage of the organization.

The study further revealed that corporate social responsibility is sine qua non to organizational performance as it boosts recognition and patronage. Every organization exists to serve human society and it depend on human society for survival. It is therefore ethical for the organization to improve the wellbeing of the society. The study revealed that CSR brings development to the community in terms of infrastructure which subsequently promotes harmonious relationship and understanding between the organization and the community.

According to Elegido (2009), when discussing business ethics it is also important to emphasize CSR because business does not function in a vacuum, but exists to serve, depends upon its environment, cannot be separated from it, and therefore, has a responsibility to ensure its wellbeing. The goal of every company is to maintain viability through long-term profitability and suggest that when a company behaves responsibly, benefits accrue directly to the bottom line.

Also according to Gross and Holland (2011) expressing their own opinion concerning CSR said that for an organization to be effective, it should behave ethically and be socially responsible, which means that an organization engages in quality relationship management with its publics. It is important to stress here that ethical organizations that observe CSR stand to benefit a lot from the society which according to the findings include societal protection and patronage.

V. Conclusion

Following the findings from the study, conclusions are hereby drawn as follows;

Unethical behaviour in business transactions has negative effects on organizational profitability which results in losing business to competitors and even affecting organization's image and in some cases leading to closing down of business. There is significant effect of unethical behavior in business transaction on organizational profitability.

Employees' adherence to rules and regulations has impact on organizational profitability. The behaviour of employees when align with rules and regulations projects the image of the organization and also enhances organization's performance. The findings show that there is significant effect of employees' adherence to rules and regulations on organizational profitability.

Corporate adherence to standards enhances corporate performance as well as building the trust of its stakeholders. More importantly, it brings about high patronage and huge profit. The study therefore concluded that there is significant effect of corporate adherence to standards on organizational profitability.

Corporate Social Responsibility plays significant impact on organizational profitability. Based on the finding the researcher concludes that there is significant effect of corporate social responsibility on organizational profitability.

VI. Recommendations

The following recommendations are made based on the findings;

1. Corporate entities should ensure that ethical principles are strictly followed which will invariably preclude unethical tendency in business on the part of the management as well as the employees. This will greatly promote the image of the organization and subsequently records exponential growth.
2. Management should ensure that its employees are enlightened through training on the need to be ethically transparent and equally observe corporate rules and regulations in their day to day business activities. This is because corporate image can easily be marred or built by employees' activities in the organization.
3. Organizations should ensure that standard is maintained at all cost despite the prevailing circumstance. This will enable the organization to always have competitive advantage and outperform other organization that may downplay standard in the course of their businesses.
4. Organizations should be involved in social responsibility in order to build loyalty and support from the public.

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