

ETHICAL MANAGEMENT AS A WAY TO CORPORATE SOCIAL RESPONSIBILITY – ANALYSIS OF CASE STUDIES

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Purpose: The purpose of this paper is to explore the ways in which Corporate Social Responsibility (CSR) results can be significantly influenced by ethical management.

Design/methodology/approach: There is combined in the paper the research analysis and narrative approach. The social side of ethical management was explored by looking at the history of these companies, focusing on the unethical practices they had to deal with.

Findings: As a result of the research performed it became apparent that ethical management is more than just a theory. It affects how businesses interact with staff, comply with legal requirements, safeguard whistleblowers, and evaluate their ethical performance.

Research limitations/implications: There are some limitations of the investigation. Deeper research need to be conducted to fully capture the diversity of organizational contexts and industries to understand in what way ethical management can impact their CSR strategy.

Practical implications: Implementing these results to the real world means that ethical management is more than a slogan used by businesses. It's about establishing ethically conscious workplaces, encouraging values, and, in the end, influencing how companies interact with society.

Originality/value: The personal perspective that was brought to the frequently theoretical field of ethical management sets these investigation apart. The goal was to provide insights that will benefit both academics and individuals navigating the challenges of ethical leadership in the real world by combining research with true stories.

Keywords: Ethical Management, Corporate Social Responsibility, Ethical Performance Measurement, Employee Engagement, Moral Judgment.

Category of the paper: Literature review, case study.

1. Introduction

Ethical management practices are like guiding stars in the continually evolving business world; they show the way toward meaningful Corporate Social Responsibility (CSR) initiatives. It is important to understand that every choice we make has the potential to improve the world we live in, and it goes beyond simply checking boxes. Together, ethical management and corporate social responsibility create a rhythm that speaks to a greater awareness of moral behavior. The International Organization for Standardization (ISO) is important in this regard; it offers guidelines on social responsibility in the form of ISO 26000:2010 standards. This standard encourages businesses to adopt transparency, show moral leadership, and take an active role in the larger narrative of community engagement. It is not just a collection of rules.

Corporate Social Responsibility has become an important part of today's business strategies, showing its commitment to ethical, accessible, and socially responsible behavior. The relationship between ethical management and the fight against corruption becomes more and more important as businesses engage CSR into their operations. The importance of ethical management in maintaining the quality of initiatives related to corporate social responsibility has become more obvious in recent years. Bravi, L., Gori, R., & Musso, F. (2022) found that the effectiveness of CSR in creating beneficial social effects is directly related to the ethical foundations on which an organization operates.

A change in the mindset regarding a more ethically driven approach is taking place in the business landscape following a number of high-profile corporate scandals and violations of ethics (Snellman, 2015). For example, reports about unethical behavior at large corporations like Volkswagen and Enron have brought attention to the need for strong ethical management practices in the field of corporate social responsibility. Organizations are now being forced to review internal processes and encourage a culture that values moral judgment at all levels while also keeping up with legal requirements as a result of this increased awareness. In order to meet the dynamic challenges presented by an environment that is continually shifting, the combination of CSR and ethical management requires ongoing adaptation and improvement (Course Sidekick, 2023).

The need for businesses to negotiate a complex environment of corporate social responsibility with integrity and accountability has been amplified by recent global events, including the COVID-19 pandemic and a greater focus on corporate behavior. In times of crisis, the relationship between CSR and ethical management is especially important because companies are being held responsible for both their financial stability and their commitment to the welfare of society. In order to rebuild and strengthen stakeholders' trust in the corporate sector, it is essential that CSR strategies be given another look in the post-pandemic era with an emphasis on ethical considerations, as shown by Zhang et al. (2023) recent research.

2. Ethical Management background

The main components of ethical management provide a foundation for responsible leadership in the complex network of business today. Knowing the history of ethical management is important as we navigate a time with changing social environments and increased standards of ethics. There is extended a challenge to explore the complicated elements of ethical leadership, where moral guidance, integrity, and values come together. The ethical management means creating a culture where honesty is valued above all other rules and regulations (Course Sidekick, 2023).

In the context of the world economy becoming more interconnected, ethical management is becoming more and more important in daily life. According to IPAG Business School (2021), ethical management is a proactive commitment to solving moral issues in an ethical way, rather than just following the regulations of the law. Encouraging organizational cultures that accept a true ethical guide and go beyond mere obedience requires taking a proactive approach.

The methodologies behind ethical management are reflected in Bravi, L., Gori, R., & Musso, F. (2022) writings, which stress the importance of just, fair, and socially responsible leadership. The requirement for ethical management is for organizations to set goals for a higher standard of behavior rather than for perfection. It involves creating environments where people are free to make moral decisions and where accountability and integrity become automatic in all levels of the organizational structure.

Ethical management is becoming more and more important as companies have trouble to meet the changing expectations of the public and stakeholders. Ethical management becomes a compass guiding organizations through the complex terrain of ethical decision-making, developing cultures of responsibility that extend beyond profit margins in a world where image is as valuable as financial capital.

The Hyosung's Code of Ethics is a powerful secret weapon that can be used to fight corruption in the area of Corporate Social Responsibility, as shown in the Figure 1. The whole principles of the code utilize to all connected businesses and employees, providing an effective structure that places a high priority on ethical conduct and respect to regulations and laws. The code not only sets clear expectations for customers but also aligns with CSR values through a strong emphasis on ethical and open business practices. The effort made to immediately reporting violations is especially important, emphasizing a proactive strategy for combating ethical conduct. Furthermore, Hyosung is positioned as a socially conscious corporate entity committed to achieving equilibrium with society as a whole by the code's emphasis on social responsibility and shared growth management with suppliers. The Hyosung's Code of Ethics is an essential tool for strengthening the company's commitment to ethical management and, in turn, performing as a secret force against corruption in the interest of corporate social responsibility since CSR projects succeed on trust, honesty, and responsible business practices.



Figure 1. The code of conduct of ethical management

Source: Hyosung Code of Ethics (2014, January 2). Announced on January 2, 2014. <http://www.hyosung.cn/en/csr/ethics/principles.do.>, 1.12.2023.

The statement, "Strong Ethics Make for Good Business" is more relevant in the rapidly evolving business world than ever. A notable pattern has developed over the last 17 years: businesses that implemented strong ethical standards have frequently outperformed their competitors and rivals. The development of the World's Most Ethical Companies has been made possible thanks in large part to Ethisphere's Ethics Index (Figure 2), a reliable indicator of moral behavior. This index proves definitive evidence that ethical behavior and financial success have an unbreakable connection.



Figure 2. Performance benefits of ethical excellence.

Source: Ethisphere (2023). World's Most Ethical Companies. Retrieved from: <https://worldsmoethicalcompanies.com/>, 1.12.2023.

This phenomenon is clearly shown by the recently released Ethisphere-curated 2023 list of the world's most ethical companies. The 2023 honorees, recognized as the most ethical companies globally, outperformed the other companies in a similar large-cap index by an impressive 13.6 percentage points, according to Ethisphere's ethics index. The observed financial outperformance between January 2023 and 2018 highlights the real benefits that organizations that prioritize ethical management receive. These businesses go above and beyond the traditional financial profit level by specifically including ethical considerations in their fundamental operations. This promotes trust among society as well as increased profitability. The cultural change toward ethical management is a calculated decision that understands businesses' larger obligation to make constructive contributions to society. Businesses come as moral managers dedicated to long-term success based on values and public trust as well as economic entities that negotiate the complicated connection between ethical management and corporate social responsibility.

3. The Relationship between CSR and Ethical Management

The interrelated movement that is the relationship between Corporate Social Responsibility and Ethical Management in the world of fast-paced business influences how organizations behave and how society is influenced. Researchers as Khan, Golpîra and Sharif (2019) provide a theoretical framework for understanding this complex relationship. They claim that companies that adopt ethical management techniques are naturally better suited to incorporate CSR into their strategic decision-making procedures. This alignment shows an honest desire to incorporate moral principles into the fundamental principles of the company culture, going beyond an approval mentality.

Looking at the arrangement in detail, Gheraia, Z., Saadaoui, S., & Abdelli, H.A. (2020) writings highlight that there is a unique relationship between CSR and ethical management. Organizations must modify their ethical frameworks to correspond with the specific situations in which they function. When considered in this context, corporate social responsibility takes on a dynamic quality that reflects an organization's responsiveness to the requirements and expectations of its different stakeholders. Reviewing case studies yields clear examples of this interaction. The Volkswagen emissions scandal (BBC News, 2015) is a powerful illustration of what happens to corporate social responsibility initiatives when moral leadership fails. On the other hand, the story of Patagonia's success, as documented by Chouinard and Stanley (2006), perfectly captures the mutually beneficial relationship between moral leadership and strong corporate social responsibility results. Patagonia's dedication to fair labor practices and environmental sustainability is a prime example of how moral leadership inspires CSR initiatives that go beyond simple business giving back. The relationship between CSR and

ethical management is not without its difficulties, nevertheless. Dobers, P., & Halme, M. (2009) claim that organizations must deal with conflicts and dilemmas as they manage this complex relationship. Leadership that is responsive to the conflict between company priorities and public responsibilities is necessary to maintain the dynamic equilibrium between profitability and ethical considerations.

Mitchell, Agle, Chrisman and Spence (2011) believe that those within the organization are also affected by the interaction between CSR and ethical management in the context of stakeholder engagement. The organizational ecosystem is impacted by ethical management practices, which have an effect on employee satisfaction, engagement, and commitment to CSR objectives. They contend that the genuine external expression of CSR depends on this internal unity.

In its basic form, the relationship between corporate social responsibility and ethical management is a complicated trend that has become established in organizational culture and decision-making processes. It is a delicate dance that is shaped by case studies from the real world, theoretical viewpoints, and reports and academic discourse from a practical standpoint.

4. Methodological Framework and Case Study Analysis

This study sets out on an exploratory journey to explore the complex relationship between ethical management and Corporate Social Responsibility and to identify the benefits that support responsible business practices. Based on a qualitative approach, the research explores a thorough examination of case studies covering different sectors and regions. The qualitative dimension uses theme analysis to interpret the complex effects of ethical management on CSR outcomes, implementing inspiration from The Economic Times. (2023, September 7) research on ethical leadership and CSR. This method enables a complex understanding of the organizational specifics and contextual details that influence how moral decision-making interacts with socially conscious activities.

4.1. Volkswagen's Emissions Scandal: An Ethical Crisis Unveiled

Background

According to BBC News in 2015, Volkswagen, a major worldwide automaker, came across a serious ethical problem. It turned out that the company had put software in its diesel cars to manipulate emissions standards, giving incorrect information about how the cars affected the environment.

Non-Ethical Management

VW's management betrayed consumer confidence and violated environmental regulations by allowing the installation of "defeating devices" in order to fool authorities. This scandal was caused in part by a lack of transparent culture and moral management techniques.

The consequences

- **Legal Impacts:** Volkswagen was facing a number of legal consequences including major penalties and settlements with regulating agencies and consumers who were affected.
- **Reputation Damage:** As part of the scandal, VW's standing was damaged internationally, which reduced consumer confidence and significantly lowered the company's stock price.
- **Improvements in Leadership:** As a result of the scandal, important executives were either replaced or resigned from their positions in top management.

Lessons Learned

In the automotive industry, ethical management, transparency, and regulatory compliance are crucial. The Volkswagen case emphasizes these points. It serves as a warning about the far-reaching effects of wrongdoing.

4.2. Patagonia: Maintaining Achievement via Moral Guidance

Background

The outdoor space apparel and equipment brand Patagonia is well known for its dedication to sustainable environmental practices and ethical business practices.

Ethical Standards for Management

- **Ecological Management:** Patagonia is very focused on sustainability of the environment. It makes investments in environmentally friendly products, cuts waste, and promotes environmental issues.
- **Right Employment Practices:** The business is well-known for using fair labor practices to make sure that all of the workers in its supply chain receive fair pay and treatment.
- **Transparent Communication:** In order to establish consumer trust, Patagonia keeps its company policies, challenges, and objectives clearly communicated.

Results

- **Brand Loyalty:** Patagonia has developed a loyal base of customers who value its moral position, which fosters brand loyalty.
- **Positive Public Perception:** The company's overall success has been assigned to the positive media coverage and public opinion that its ethical practices have made.
- **Business Growth:** Patagonia has seen in accordance business growth in regardless of its commitment to moral and ethical company conduct, showing that ethical management and profitability are compatible.

4.3. Wells Fargo Unauthorized Accounts Scandal (2016)

Background

In 2016, an employee-created unauthorized customer account scandal rocked Wells Fargo, one of the greatest banks in the US. The company's unethical tactics were intended to help it reach its ambitious sales goals (Corkery, Eavis, 2016).

Unethical Management

Unauthorized Account Creation: Under the influence of sales targets, staff members opened millions of credit card and bank accounts for clients without their knowledge or approval.

Inappropriate Sales Methods

Workers used dishonest sales techniques, like transferring money between accounts and falsifying customer signatures, to reach inflated sales targets.

Consequences

- **Regulatory penalties:** Significant regulatory penalties were imposed on Wells Fargo, including fines from the Consumer Financial Protection Bureau (CFPB) and other agencies.
- **Management Changes:** The CEO and other senior executives resigned as a result of the scandal. The bank's management and ethics were addressed by changing the bank's leadership.
- **Customer and Investor Losses:** Customers and investors suffered financial losses as a result of the unauthorized accounts scandal, which also damaged the bank's reputation.

Lessons Learned

- **Corporate Culture and Oversight:** The Wells Fargo scandal brought to light the significance of creating an organizational culture that places a high value on ethical behavior and making sure that there are strong oversight procedures in place to identify and stop wrongdoing.
- **Whistleblower Safety Measures:** The unethical practices were largely exposed thanks to the efforts of whistleblowers. The case demonstrated how important it is for businesses to have strong whistleblower protection policies.
- **Customer-Centric Approach:** Prioritizing a customer-centric strategy will help companies make sure that sales goals don't come at the expense of customers' happiness and confidence.

4.4. Facebook–Cambridge Analytica Data Scandal (2018)

Background

It was discovered in 2018 that millions of Facebook users' personal information had been improperly collected and used by the political consulting firm Cambridge Analytica without their knowledge or consent. It is purported that the information was utilized for focused political advertising in the run-up to the 2016 US presidential election (Cadwalladr, Graham-Harrison, 2018).

Unethical Management

The improper use of data: Through a third-party app, Cambridge Analytica obtained the personal information of approximately 87 million Facebook users without their knowledge or consent.

Privacy violations

Facebook came under fire for its poor data privacy practices, insufficient security measures, and inability to stop illegal access to and use of user information.

The consequences

- **Clear Regulatory Review:** Facebook and Cambridge Analytica came under more regulatory investigation because of the scandal. Numerous regulatory agencies, including the Federal Trade Commission (FTC) of the United States, conducted investigations.
- **CEO Testimonies:** In their testimony before congressional committees, Facebook CEO Mark Zuckerberg and other executives were questioned regarding the company's data practices and privacy policies.
- **Financial Penalties:** In connection with the data scandal, Facebook was hit with fines and settlements, including a \$5 billion agreement with the FTC.

Lessons Learned

- **Data Privacy Regulations:** This dispute drove debates about the need for stronger regulations regulating data privacy, which resulted in the European Union establishing the General Data Protection Regulation (GDPR).
- **Corporate Responsibility:** Businesses were made aware of their obligation to protect user data and give privacy a top priority, which raised awareness of the ethical issues involved in data handling.

These case studies demonstrate the real-world effects that moral and immoral business conduct have on an organization's performance, standing, and sustainability around the world.

5. Applying Ethical Management – Case study results

Looking at consequences resulting from big company problems turns the examination of case study findings to a journey into the fundamentals of ethical management's revolutionary impact on how organizations function. The emissions scandal involving Volkswagen (BBC News, 2015) and the model practices of Patagonia (Chouinard, Stanley, 2006) provide valuable perspectives for analyzing the complex relationship between ethical management and Corporate Social Responsibility. The story takes place in the context of legal frameworks, transparency campaigns, employee involvement, protection for whistleblowers, cooperative projects, and the methodical evaluation of moral performance. The complex perform between

ethical management practices and corporate social responsibility results becomes obvious as we examine these case study results. This narrative highlights the significant and frequently paradigm-shifting impacts of ethical decision-making on corporate behavior and social responsibility.

- **Regulation Framework:** The regulatory framework had a significant change in reaction to the Volkswagen emissions scandal (BBC News, 2015). Because of the incident, the global automotive industry was subject to increased investigation and updated emissions standards. Governments enforced stronger laws, highlighting the necessity of open reporting and moral behavior in the aim of corporate social responsibility, recognizing the vital function that ethical management plays. This regulatory change reflects a shared commitment to promoting ethical business practices and is evidence of the contributing effect that ethical management has on industry-wide frameworks (Khan et al., 2019). Patagonia's scenario, on the other hand, represents a proactive approach to transparency and regulation. The company voluntarily complies with exact environmental and labor standards, going beyond regulatory requirements, driven by its ethical management principles (Chouinard, Stanley, 2006). Patagonia's dedication goes beyond only obedience to regulations; it illustrates how moral leadership can motivate organizations to exceed minimum standards and adopt a more raised belief in accountability.
- **Accountability and Transparency:** Transparency and accounting processes experienced a paradigm change after Volkswagen. The situation brought attention to how important it is to report with integrity, which led some organizations to review their openness policies. A trend toward greater disclosure has been observed in the industry as businesses use more open accounting techniques in their CSR reports. This change highlights the critical role that moral leadership plays in restructuring organizational transparency and bringing business practices into compliance with public expectations (Smith, Brown, 2019). Being transparent is fundamental to Patagonia's identity. The business provides thorough CSR reports that include information on fair labor practices, philanthropic activities, and environmental impact (Chouinard, Stanley, 2006). This is an ideal instance of how transparency is promoted by ethical management, which goes beyond simple compliance to create an honest dedication to accountability (The Accountant Online, 2023).
- **Engagement and Training of Employees:** Following the Volkswagen scandal, employee engagement and training became crucial. Employers realized they needed to emphasize the part that each person plays in maintaining ethics and foster a culture of ethical awareness among staff members. According to Brown and Davis (2021), ethical management serves as a catalyst for thorough employee training programs that promote ethical behavior and a sense of accountability. An employee base that shares Patagonia's values is the foundation of the company's success. Fair labor practices are not just a policy; they are a cultural norm that is fostered by ongoing engagement and training

programs. In this case, ethical management is shared principles that is supported at all organizational levels rather than just a top-down directive.

- **Whistleblower Protection:** Whistleblower protection became more popular after Volkswagen because businesses wanted to provide a way for people to report unethical behavior without worrying about being punished. According to Arnold and Bustos (2019), ethical management causes the establishment of strong whistleblower protection mechanisms. Companies understand that maintaining ethical standards depends on creating a culture in which workers feel comfortable raising ethical concerns. In a comparable way, Patagonia's example shows a dedication to protecting whistleblowers through its private reporting systems. This demonstrates the importance of ethical management in creating a climate of trust and safety within the workplace in addition to guaranteeing ethical compliance.
- **Collaborative Initiatives:** The examples demonstrate the transformative potential of ethical management in encouraging teamwork. Following Volkswagen, the auto industry saw cooperative attempts to improve environmental regulations and receive back public confidence. Partnerships that extends the industry have been established by ethical management principles, which emphasize shared accountability for environmental stewardship (Khan et al., 2019). Patagonia works with like-minded companies and environmental organizations to create partnerships that go beyond industry boundaries. This collaborative ethos has its origins in ethical management, emphasizing how these management techniques may reduce across organizational boundaries and support group initiatives for the improvement of society.
- **Measuring Ethical Performance:** The need for methodical evaluation of ethical performance is emphasized by the development of ethical management beyond 2020. Aware of the ever-changing ethical landscape, organizations are using metrics more frequently to assess and document their ethical performance. The previously mentioned trend is consistent with the tenets of ISO 26000:2010, which prioritize the assessment and ongoing enhancement of ethical behavior (ISO, 2010). Patagonia is an example of a company that measures its impact on the environment and society and openly shares these metrics in its annual reports. This is a prime example of how ethical management helps businesses accept ethical behavior while also methodically tracking and reporting on their ethical performance.

The real-world effects of both ethical and unethical business conduct on organizational performance, image, and sustainability are shown by the analysis of case studies on the Wells Fargo Unauthorized Accounts Scandal (2016) and the Facebook-Cambridge Analytica Data Scandal (2018) (Corkery, Eavis, 2016; Cadwalladr, Graham-Harrison, 2018). These case studies provide useful details about the significance of moral leadership in overcoming difficult business obstacles.

According to Corkery and Eavis (2016), the Wells Fargo scandal's unethical management resulted in regulatory fines, management changes, and financial losses for investors and

consumers. The importance of corporate culture, whistleblower protection policies, and a customer-centric mindset were highlighted as lessons learned.

According to Cadwalladr and Graham-Harrison (2018), the Facebook-Cambridge Analytica Data Scandal showed privacy violations and resulted in regulatory reviews, CEO testimonies, and financial penalties. Among the lessons learned were the necessity of data privacy laws and the importance of corporate accountability when managing user data.

The study also identifies significant fields that are impacted by ethical management, such as accountability and transparency, employee engagement and training, protection for whistleblowers, cooperative projects, and the evaluation of ethical performance. These examples show how industry-wide frameworks, cooperative efforts, and the continuous assessment and improvement of ethical behavior can all be influenced by ethical management practices.

6. Discussion and conclusion

By closely examining actual cases, especially the Volkswagen scandal and Patagonia's policies, we hope to gain understanding of the transformative potential of moral leadership in guiding companies toward ethical and socially responsible business practices.

Corporate Social Responsibility (CSR) has become an integral aspect of modern business, reflecting the recognition that companies have a broader impact on society beyond their immediate economic functions. Ethical management practices play a pivotal role in shaping the CSR initiatives of organizations, influencing their relationships with stakeholders, and contributing to sustainable business practices.

Several case studies were presented to illustrate how organizations have successfully integrated ethical management into their operations, resulting in meaningful CSR contributions. These real-world examples provide insights into the challenges faced and lessons learned, offering practical implications for businesses aiming to enhance their ethical and CSR practices.

Expanding upon these case studies, the analysis of Patagonia's ethical practices and the Volkswagen emissions scandal highlights the revolutionary influence of ethical management on corporate conduct and social responsibility (BBC News, 2015; Chouinard, Stanley, 2006). After the Volkswagen scandal, the regulatory environment changed, placing more emphasis on the need of moral leadership in encouraging openness and compliance (BBC News, 2015). According to Chouinard and Stanley (2006), Patagonia's proactive position on transparency, accountability, and engagement shows how moral leadership can go above and beyond legal obligations to promote an ethically conscious culture.

The analysis of these case studies supports the notion that corporate social responsibility is significantly shaped by ethical management (Corkery, Eavis, 2016; Cadwalladr, Graham-Harrison, 2018; BBC News, 2015; Chouinard, Stanley, 2006). Ethical management opens the

way for the development of a culture of accountability, transparency, and ethical awareness within organizations as they negotiate the challenges of ethical business conduct. This, in turn, advances societal progress.

Ethical management plays a pivotal role in shaping and influencing corporate social responsibility within organizations. At its core, ethical management involves the integration of moral principles and values into decision-making processes and business practices. When organizations adopt ethical management practices, they inherently foster a culture that prioritizes social responsibility. Ethical leaders set the tone for responsible business conduct, promoting transparency, fairness, and accountability. Consequently, this fosters a setting in which CSR seamlessly aligns with ethical conduct. Companies with ethical leadership are more inclined to undertake sustainable and socially responsible projects, taking into account the effects of their activities on different stakeholders, such as employees, consumers, communities, and the environment. Therefore, ethical management acts as a driving force for the creation and execution of significant CSR strategies, strengthening the interdependence between ethical leadership and corporate social responsibility.

Managing ethically is not just a moral imperative; it is also a strategic choice that yields numerous tangible benefits for organizations. Ethical management contributes to enhanced corporate reputation (Singh, Misra, 2021; Javed et al., 2020), fostering trust among stakeholders such as customers, employees, investors, and the wider community. A positive reputation, in turn, can lead to increased customer loyalty and support (Islam et al., 2021), attracting top talent and securing long-term financial stability. Ethical management practices mitigate legal and regulatory risks, reducing the likelihood of costly legal battles and associated damages. Moreover, ethical organizations often enjoy improved employee morale and productivity, as employees are more likely to be engaged and committed when working for a company that aligns with their own values. Ethical management is also instrumental in attracting socially responsible investors and partners, further contributing to a company's overall success. Ultimately, the long-term viability and success of an organization are intertwined with ethical management, making it not only a matter of ethical responsibility but also a prudent and sustainable business strategy.

Ethical decision-making not only aligns with societal expectations but also brings about tangible benefits for organizations, including stakeholder satisfaction, risk mitigation, enhanced brand reputation, and long-term sustainability (Sen, Bhattacharya, 2001). As businesses navigate the complex landscape of CSR, ethical management emerges as a critical factor in shaping responsible and impactful corporate practices. Embracing ethical management principles is not only a moral imperative but also a strategic imperative for organizations seeking sustained success in the modern business environment.

There is advocated therefore to continuously focus on ethical considerations in managerial decision-making as an integral aspect of corporate responsibility in the 21st century.

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