

## **Professional Codes of Ethics: A Contribution to Business Ethics in Brazil**

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# **PROFESSIONAL CODES OF ETHICS: A CONTRIBUTION TO BUSINESS ETHICS IN BRAZIL**

## **Abstract**

Professional associations have specific codes of ethics that establish limits of conduct for their members' performance, either independently or as employees in private companies. Thirteen of these documents - created in Brazil - were analyzed with the perspective of their contribution to the ethical climate and professionals' conduct in private organizations. The Virtue Ethics served as framework for the analysis. Solomon (1999) suggests a number of important virtues for business and this study includes forty seven of them. The objective is to understand how the organizations can benefit from their employees' ethical concern learned from their professional education and training.

## **Introduction**

As the modern business community becomes more complex, it requires an increasingly more specialized knowledge, an advanced training and the development of services that imply always more specific abilities. Such specialization tends to create groups that identify themselves as professions, through which they seek prestige and prosperity. Education and training are offered in professional schools and universities, aiming the needs for business (DE GEORGE, 1995, p.454).

Employees in an organization are not to be treated as resources or capital. They do not constitute a *commodity* to be sold or bought, despite their wages or salaries usually follows the market tendencies. They are to be considered human beings with talents, rights and obligations normally explicit in the work contracts (RODRIGUEZ LUÑO, 1991, p. 251).

Professional associations create specific ethics codes that establish limits of their members' performance, either independently or as employees of private companies. Thirteen of these documents created in Brazil were analyzed with the perspective of a contribution to the ethical climate and to the conduct of professionals in private organizations. The Virtue Ethics served as framework for the analysis. Solomon (1999) suggests many important virtues for business and this study includes forty-seven of them. The objective of this paper is to understand how the organizations can benefit with their employees' ethical concern, learned in their professional formation and training.

## **Professional ethics**

Such professional associations or unions care about the professionalism of their members, the self-government of the professions and their ethical and moral responsibility. The analysis of the professionals' activity and role in the organizations stimulated the creation of professional codes of ethics. However, not all occupations already constitute professions that are recognizes for their prestige, respect, social *status* and autonomy as the engineers', pharmacists', lawyers' and medical doctors. More and more the members of a new profession establish their own standards, regulate the admission into a profession, discipline their own members, define and promulgate a professional code of conduct (DE GEORGE, 1995, p. 458-460).

Therefore, one of the objectives of a professional code of ethics is the formation of the professional conscience about standards of personal and interpersonal conduct of each employee in the organization (LISBOA, 1997, p. 58-9).

The faithful fulfillment of duties and obligations of a professional naturally leads him/her to the development of many virtues, that is, to the repetition of morally good acts that make him/her useful to the society in general and to the organization for which he/she particularly works.

The employee's virtues lead him/her to be competent in accomplish his work: doing things well, being punctual, using the time appropriately, informing what is not perfect, caring the professional preparation. The employee has the right of being respected in what concerns his dignity in the physical work environment, the compensation for accidents, the social insurance and retirement, the time to relax, rest and to attend religious, family and formative needs. His wage or salary can vary according to the professional quality, previous preparation, risks and difficulties inherent to the work (RODRIGUEZ LUÑO, 1991, p. 251-3).

### **Ethics in the organizations**

The professionals should be motivated to cooperate among themselves, with the organization for which they work, in order to achieve specific goals. The more structured organizations have hierarchy, rules, practices and habits. Many of them even define codes or documents to guide the behavior of persons that work for them. Thus, one of the major responsibilities of modern practitioners has been identified as the establishment and communication of the value system that will support the organizational culture (BOATRIGHT, 1993, p. 10-3).

Nevertheless, the majority of Brazilian companies do not have this concern so concrete yet. It is for these firms that the professional codes of ethics or conduct assume more importance. The ethical set of ideas of the professionals indicates general norms of behavior, either for specific activities or for the "conduct style" in what relates to the organization and the social context. This way, the mature professional that acts in conformity with his/her code knows how to apply it with the necessary flexibility, because he/she recognizes the responsibilities toward the company as his/her own. Such a professional also knows how to adjust or rectify aspects of the company that seem inadequate or infeasible, suggesting practices that lead to the real effectiveness of the organization (LLANO, 1985, p. 208-9). This continuous and organized effort will maintain and increase the moral behavioral standards of the organization toward the excellence (ARRUDA, WHITAKER & RODRIGUEZ RAMOS, 2001, p. 70).

Frequently people experience a conflict between their own moral values and the obligations toward the organizations for which they work. The same way, at times values and attitudes of the companies are distant from those of the society where these companies are inserted. Examples of this fact are issues of integrity that may appear in the conflicts between consumers and manufacturers. The consumers are eager to buy products that are safe and hold good quality, while the producers yearn adequate profits.

When the codes of ethics are not sufficient to guide the employees and the company does not have clear rules, the way to diminish the conflicts are usually the laws of judicial norms (LECLAIR; FERRELL & FRAEDRICH, 1998, p. 17). However, most ethical problems seem to arise from personnel or the human resources management: performance evaluation, hiring, firing, lowering, benefits and relationship in work place (TOFFLER, 1993, p. 3-4).

## Virtue ethics

Ethics associated to excellence develops virtues, that is, qualities that capacitate people to find motivation for freely acting well. The virtues are values transformed into actions (ARRUDA et al., 2001, p. 71). Although Aristotle did not refer to companies, he identified many important virtues to be lived in these institutions: prudence, justice, moderation, liberality, ambition, wisdom and friendship (ARISTOTELES, Books II, IV to VI).

For its social character, persons influence others through the effects of their action. In the organization, the effort to reach the goals shows a consideration toward the leaders and other colleagues. Then it is clear that the virtue requires the attitude of seeking the good, not only for oneself but also for the others, and not only because this is economically profitable (FONTRODONA; GUILLÉN & RODRÍGUEZ 1998, p. 27-8).

The value of the human factor is essential for the productive process and, being its addressee, gives it the right of preference over the technological and material resources (MELEÉ, 1994, p. 27).

Solomon (2000, p. 111) identifies the most important virtues for business as being honesty, justice and credibility. However, he develops the *Catalogue of Virtues*, explaining the meaning of each one, the context in which it can be practiced in the organization, the myth with which it can be seen, the utility for oneself and for the other, the excess and the deficiency, and the “rule of nine”, a diverted exemplification of how a true exercise of a virtue is opposed to its superficial performance (SOLOMON, 2000, p. 110-54). It is a sample that may seem excessive and confusing, but it helps to define the *ethical style* of a professional and the contribution of his/her virtuous behavior to the organization.

### Survey on professional codes of ethics in Brazil

The objective of the survey was to evaluate the ethics code of the different professions correspondent to the employees of a Brazilian company, while they could help the exercise of virtues in their work. The study was focused on the professional while employee of a profitable institution and not as an autonomous worker, government employee or member of a non-governmental organization.

Data were collected to identify the professions that are valuable for a company, in what concerns the specific activities, career, job market, professional regulation and areas to which each one can dedicate himself/herself in a business environment (GUIA DO ESTUDANTE, 1994, 1999 and 2000). The professional codes of ethics that were analyzed were collected directly with the respective Regional Councils, i.e., the boards in charge of ethical professional issues in different geographic areas of Brazil. Thirteen codes were identified, selected and analyzed, according to the virtues described in Solomon's *Catalogue* (Table 1 – Exhibit 1). Although considered very important, the lawyers' code of ethics was not included in the analysis. Its more complex structure would not enable comparisons with the other professions'.

The frequency with which each virtue appeared in the codes of ethics of the thirteen professions, either implicitly or explicitly, served as criterion to define a stronger collaboration to the person and to the corporate success: integrity, prudence, honesty, justice, cooperation, responsibility, loyalty, dedication, honorability and charisma (Table 2 – Exhibit 2).

Assuming that these virtues arise – among other reasons – from a professional formation that stimulated the ethical conduct, the intention was to know which professionals could - theoretically speaking - more strongly influence their colleagues and the ethical culture of the company.

Three or four professions that more stimulated the ten selected virtues were identified (Exhibit 2). It is interesting to observe the strong contribution of psychologists, social workers and administrators. Although the government employee does not work for the company, it was included in this analysis for the contribution that he/she can offer to the ethical culture of the company. His/her correction and honesty in the relationship with the company's professionals can strongly and positively influence them, given the charisma and dedication with which he/she performs his/her functions. The conduct of the administrator, essential professional in a company, revealed to be of enormous importance for the ethical climate, if his/her activities are guided by seven of the ten most frequent virtues: integrity, honesty, cooperation, loyalty, dedication, honorability and charisma.

### **Final considerations**

The ethical culture of a company can be seen by its values, by the virtues of the persons that integrate the organization and by the good products and services that arrive go to the society. The emergent modern technologies of automation and telecommunication require higher levels of knowledge and professional abilities to produce goods and services.

The need for more professionalization and creativity corresponds to an increase in the expectation and capacity on the employees' side. Indeed they want to be treated as grownups, able to act with their own criteria, capable of a conduct that can be considered entrepreneurial, autonomous, flexible and committed with values, in a word, a responsible conduct.

The emphasis on the professional codes of ethics was intentional: to recover this important document and commitment of persons who work with others and for others. This is not meant to be the only or the most important tool to create or maintain an organizational ethical climate or to define an ethical decision making process for the company. If many professionals work for private companies, a suggestion can be that the professionals' associations act in partnership with corporations for frequently updating their codes of ethics.

Considering the three traditional levels of business ethics analysis: micro, meso and macro, the professional codes of ethics only contribute in the personal, therefore micro level.

Further studies could also contemplate topics as organizational codes of conduct, ethical standards and best practices, ethical climate and ethics in corporate governance. These issue areas help to define the ethicity of the organizational behavior.

On a macro level perspective, good studies could evaluate how employees with so different professional backgrounds can cooperate with an organization, when environmental threatening and changing economic conditions, for instance, impact the businesses. The ethical reasoning should offer sound alternatives and perspectives to solve problems either in the meso or in the macro levels.

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## EXHIBIT 1 – Table 1

### Professions and virtues selected in the survey

| Virtues/Professions | 1          | 2        | 3          | 4         | 5         | 6          | 7          | 8          | 9          | 10        | 11        | 12        | 13        | Total       |
|---------------------|------------|----------|------------|-----------|-----------|------------|------------|------------|------------|-----------|-----------|-----------|-----------|-------------|
| Ability             | 2          | 0        | 1          | 2         | 1         | 0          | 0          | 0          | 0          | 0         | 1         | 1         | 2         | 10          |
| Acceptance          | 3          | 1        | 1          | 0         | 0         | 1          | 3          | 1          | 0          | 1         | 4         | 3         | 1         | 19          |
| Ambition            | 1          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 1         | 2           |
| Amiability          | 1          | 0        | 2          | 1         | 1         | 1          | 1          | 2          | 1          | 1         | 2         | 3         | 1         | 17          |
| Attention           | 0          | 1        | 0          | 1         | 0         | 0          | 0          | 0          | 1          | 0         | 0         | 0         | 1         | 4           |
| Autonomy            | 1          | 0        | 6          | 1         | 0         | 2          | 1          | 2          | 1          | 0         | 0         | 0         | 1         | 15          |
| Care                | 0          | 1        | 0          | 1         | 1         | 1          | 0          | 9          | 6          | 0         | 0         | 1         | 2         | 22          |
| Charism             | 6          | 0        | 6          | 1         | 3         | 2          | 0          | 4          | 2          | 1         | 2         | 4         | 1         | 32          |
| Collaboration       | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 1          | 0          | 0         | 0         | 0         | 0         | 1           |
| Compassion          | 0          | 0        | 0          | 1         | 0         | 1          | 0          | 0          | 0          | 0         | 0         | 0         | 1         | 3           |
| Competitiveness     | 2          | 0        | 0          | 0         | 0         | 0          | 0          | 1          | 0          | 0         | 0         | 0         | 0         | 3           |
| Cooperation         | 14         | 2        | 17         | 4         | 1         | 6          | 14         | 0          | 7          | 7         | 9         | 6         | 1         | 88          |
| Courage             | 0          | 0        | 0          | 0         | 0         | 0          | 1          | 3          | 0          | 0         | 0         | 0         | 0         | 4           |
| Credibility         | 3          | 1        | 0          | 6         | 1         | 1          | 3          | 0          | 8          | 2         | 2         | 0         | 1         | 28          |
| Creativity          | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 7          | 0         | 0         | 0         | 0         | 7           |
| Dedication          | 12         | 1        | 9          | 1         | 1         | 5          | 5          | 3          | 0          | 6         | 8         | 10        | 2         | 63          |
| Determination       | 4          | 0        | 5          | 0         | 0         | 0          | 3          | 0          | 3          | 2         | 1         | 3         | 0         | 21          |
| Dignity             | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 1          | 0         | 0         | 0         | 0         | 1           |
| Eloquence           | 0          | 2        | 2          | 1         | 0         | 1          | 1          | 0          | 2          | 5         | 1         | 0         | 1         | 16          |
| Entrepreneurship    | 0          | 1        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 1         | 2           |
| Firmness            | 1          | 0        | 2          | 0         | 0         | 1          | 0          | 0          | 3          | 0         | 0         | 2         | 1         | 10          |
| Generosity          | 1          | 0        | 0          | 0         | 1         | 0          | 0          | 0          | 1          | 0         | 0         | 0         | 0         | 3           |
| Grace               | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Gratitude           | 0          | 0        | 0          | 0         | 1         | 0          | 1          | 1          | 2          | 0         | 0         | 0         | 0         | 5           |
| Heroism             | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Honesty             | 20         | 5        | 19         | 11        | 8         | 13         | 15         | 12         | 17         | 8         | 7         | 10        | 4         | 149         |
| Honorability        | 8          | 2        | 7          | 4         | 2         | 3          | 5          | 3          | 7          | 4         | 7         | 6         | 3         | 61          |
| Humility            | 4          | 0        | 5          | 2         | 3         | 1          | 0          | 8          | 3          | 0         | 0         | 0         | 1         | 27          |
| Humor               | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Impartiality        | 2          | 0        | 4          | 1         | 0         | 0          | 6          | 1          | 0          | 1         | 0         | 1         | 0         | 16          |
| Independence        | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Integrity           | 28         | 3        | 32         | 12        | 5         | 19         | 20         | 17         | 27         | 12        | 9         | 17        | 1         | 202         |
| Justice             | 7          | 6        | 10         | 7         | 0         | 18         | 18         | 6          | 4          | 3         | 3         | 6         | 1         | 89          |
| Loyalty             | 10         | 2        | 8          | 8         | 4         | 10         | 6          | 10         | 8          | 3         | 2         | 1         | 3         | 75          |
| Passion             | 0          | 0        | 0          | 0         | 0         | 4          | 0          | 0          | 1          | 0         | 1         | 0         | 1         | 7           |
| Pride               | 7          | 0        | 0          | 1         | 1         | 0          | 0          | 1          | 3          | 0         | 4         | 2         | 2         | 21          |
| Prudence            | 9          | 4        | 14         | 7         | 3         | 6          | 28         | 16         | 33         | 17        | 4         | 8         | 2         | 151         |
| Responsibility      | 1          | 2        | 10         | 4         | 1         | 2          | 25         | 3          | 10         | 10        | 5         | 8         | 2         | 83          |
| Sanctity            | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Satisfaction        | 1          | 0        | 0          | 0         | 0         | 1          | 1          | 0          | 0          | 0         | 2         | 1         | 1         | 7           |
| Serenity            | 1          | 0        | 1          | 1         | 0         | 0          | 0          | 3          | 0          | 0         | 0         | 0         | 1         | 7           |
| Shame               | 0          | 2        | 0          | 1         | 0         | 0          | 2          | 0          | 0          | 0         | 0         | 0         | 0         | 5           |
| Spirit              | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 0         | 0           |
| Spirituality        | 0          | 0        | 0          | 1         | 0         | 0          | 0          | 0          | 0          | 0         | 0         | 0         | 2         | 3           |
| Style               | 0          | 0        | 0          | 0         | 0         | 0          | 0          | 0          | 0          | 1         | 0         | 0         | 2         | 3           |
| Tolerance           | 1          | 0        | 1          | 1         | 0         | 1          | 4          | 0          | 0          | 0         | 0         | 0         | 0         | 8           |
| Trust               | 1          | 0        | 0          | 2         | 0         | 1          | 0          | 7          | 1          | 0         | 0         | 0         | 0         | 12          |
| <b>TOTAL</b>        | <b>151</b> | <b>0</b> | <b>162</b> | <b>83</b> | <b>38</b> | <b>101</b> | <b>163</b> | <b>114</b> | <b>159</b> | <b>84</b> | <b>74</b> | <b>93</b> | <b>44</b> | <b>1302</b> |

#### LEGEND

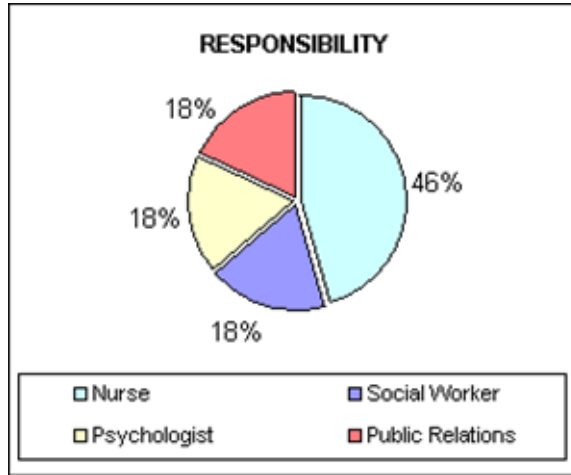
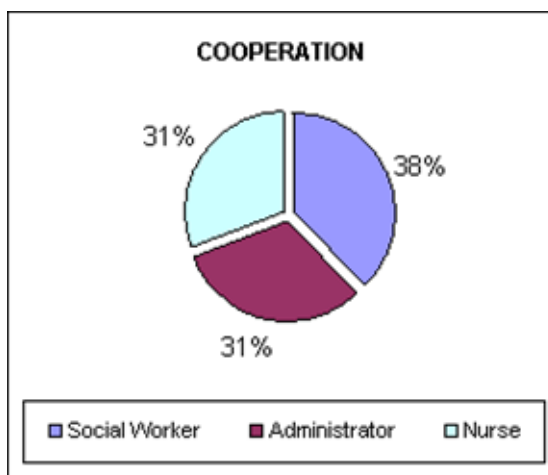
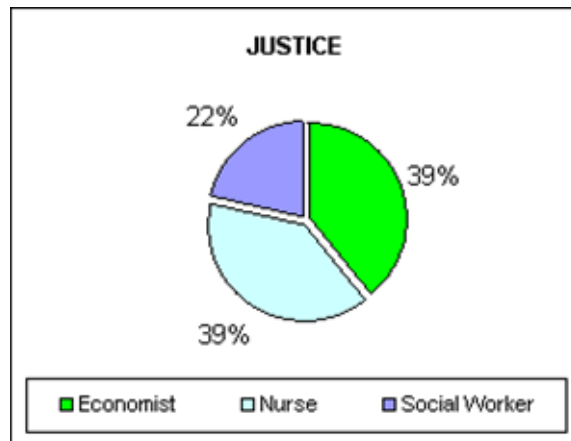
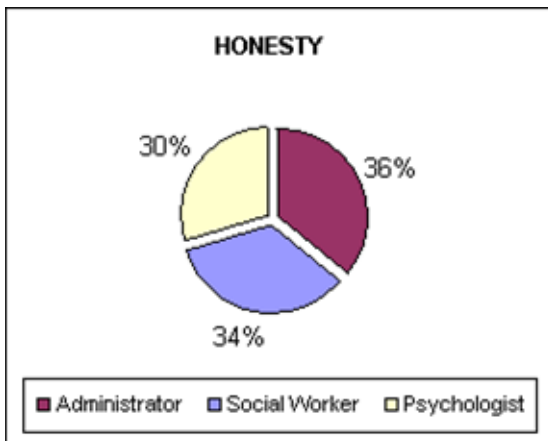
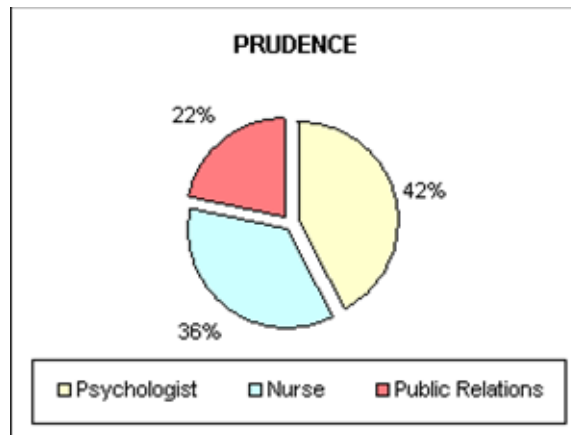
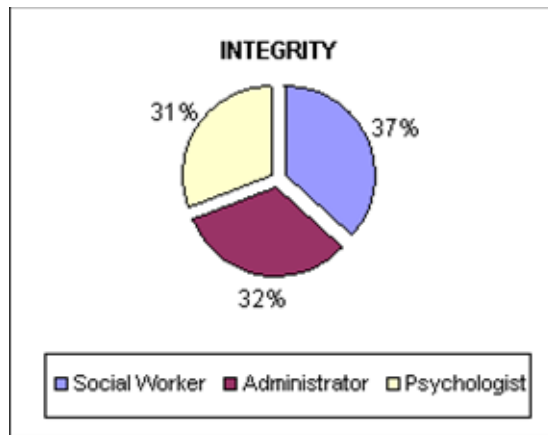
1 – Administrator  
 2 – Systems Analyst  
 3 – Social Worker  
 4 – Accountant  
 5 – Designer

6 – Economist  
 7 – Nurse  
 8 – Engineer  
 9 – Psychologist  
 10 – Public Relations

11 – Secretary  
 12 – Government Employee  
 13 – WEB

## EXHIBIT 2

### The ten most frequent virtues per profession



## EXHIBIT 2 (Continuation)

### The ten most frequent virtues per profession

