

RELATIONSHIP MARKETING, ORGANIZATIONAL ETHICS & ORGANIZATIONAL PERFORMANCE: A CASE OF CHAIN STORES OF ETKA IN KHOOZESTAN (IRAN)

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ABSTRACT

Increasing complexity in organizations and increasing levels of unethicity in work place have received attention from professionals of ethics and organization superiors. Organizations are forced to deal with different problems due to their workplace and organizational conditions. On the other hand, organizations' observance of ethical rules is of great significance in today's economy and ethics exerts significant impact upon development and maintenance of long-term relationship between organizations and customers. Indeed, ethics in work place builds up trust which in turn as a social capital guarantees long-term success of organizations. Findings demonstrate that organizations having ethicality can empower their customers, provide them with satisfaction, and ultimately gain competitive advantages in future.

The present study examines how relationship marketing can improve innovation and maintain ethicality among employees in Chain Stores of Etkā (Khoozestan, Iran) and how it can improve performance of business in these stores. This study intends to evaluate relationship between relationship marketing and ethics and performance of employees in Chain Stores of Etkā. The population consisted of 145 employees in 18 Chain Stores of Etkā in cities of Khoozestan (Iran), which were selected by consensus. Validity and reliability of questionnaires were assessed and confirmed in a pilot study. Hypotheses were examined by Pearson's correlation coefficient and they all were accepted.

Keywords: *Relationship Marketing, Ethics, Organizational Performance, Organizational Commitment, Organizational Trust, Communication, Job Satisfaction*

INTRODUCTION

Today, organizations deal with more than one market: Employees as internal market & customers as external market. Organizational situation is subject to organizational capability for effective management of relationship between these two markets. In Rinse's viewpoint, employees are internal customers of corporations and their satisfaction is a mirror of external customers' satisfaction. Employees of sale sectors play a significant role in organizational profitability. As a result, they are forced to cope with mental pressure on putting in better performance. Sometimes, this pressure causes employees in sale sectors to employ immoral and inappropriate methods for rising sale. This behavior is humanistically and morally unacceptable. Additionally, sellers are viewed as representative of their firms and mostly communicate with customers. Customers' imagination is affected by interaction with these employees and their tendency for maintaining or breaking off relationship with the organization is influenced by their interaction with organizational members (Barari and Ranjbaran, 2011). Due to important impact of relationship marketing upon organizational communication, commitment and trust and upon employees' job satisfaction through mediating variables, the present study attempts to propose solutions for respective organizational difficulties by examining these mechanisms as mediators between organizational ethics and organizational performance.

Theoretical Principles & Previous Studies

Studies over development of human resource management demonstrate great focus of attention on humans in world of management among management scholars in a way that human resources are called customers of organizations. This means that in new era, employees' organizational requirements are fulfilled in the first order of priority since organizational objectives are accomplished by fulfillment of

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employees' reasonable demands (Abtahi, 2004). As relationship marketing involves evaluation, development, and maintenance of relationship, internal market is considered as one of this relationship's dimension. Assumption of internal market underpins that employees are internal purchasers and tend to gain satisfaction akin to external purchasers. Indeed, employees' satisfaction makes contribution to development and maintenance of relationship marketing. Accordingly, organization can supply external customers with necessary services in a better situation and with a better quality (Javadian *et al.*, 2011).

On the other hand, relationship marketing involves strong moral and ethical traits (Khanifar *et al.*, 2009), which impact upon employees' performance through mechanisms of internal markets. In other words, internal market of relationship marketing (employees) acts as a mediator between ethics and organizational performance.

A Historical Review of Relationship Marketing

Although relationship marketing is generally based on restrictions of transactional market and emphasis on advantages as well as on long-term relationship with purchasers, scholars define it by different vocabulary. Epistemic and theoretical content of relationship marketing provokes discussions among scholars (Gentry *et al.*, 2008).

This term was coined by Leonard Berry in 1983 and was defined as development, maintenance and continuation of relationship with customers (Akhavan and Yazdi, 2014). Foundation of this branch of marketing –which is closely related with behavior of customers, was built by studies about relationship between buyers and sellers in medium-sized and relatively large corporations. Customers and parties to transactions have achieved dramatic progress on marketing and advent of attitudes towards marketing has forced considerable changes in marketing methods. According to theory of Leonard Berry and scientific attempts of Hokinson, theory of theory structure was formulated in 1980s and involved different dimensions of relationship between buyers and sellers. Some other analysts in 1980s, also, developed theory of theory structure and transformed it into a managerial approach, which was called relationship marketing (EI-Alaoui *et al.*, 2012).

While definitions for relationship marketing are different in terms of scope and significance, most of them convey similar meanings. Sheet & Parvatiyar describe relationship marketing as understanding, description, and management of cooperative and commercial relationship between manufacturers and consumers. Gomason views relationship marketing as a marketing practice on the basis of relationship, interaction, and networks (Barari and Ranjbaran, 2009). Also, as Cutler points out, relationship marketing involves development, maintenance, and management of strong relationship with customers and other beneficiaries (Khanifar *et al.*, 2009).

Most cases of definitions suggest that relationship marketing describes long-term mutual relationship between organizations and beneficiaries and is based on efficient and satisfactory communication for the purpose of maintaining relationship. Additionally, relationship marketing regards customers as non-wasted assets and the most significant beneficiary groups. Relationship marketing intends to establish relationship with customers in a way that they are encouraged to receive its services and encourage others to purchase them. It aims at maintenance of a larger number of customers and losing smaller number of customers (Salari, 2004). Accordingly, attraction and maintenance of customers are main aims of relationship marketing. Relationship marketing is interpreted as a relational practice with an emphasis on maintenance of customers, supply of efficient services, and commitment fulfillment (Whitener, 1997).

Relationship Marketing & Internal Marketing

In traditional marketing, internal markets play no role while relationship marketing makes concentration on internal customers. In latter, employees are viewed as a capacity for increased performance in external markets. Sharesack indicates fulfillment of employees' demands on the basis of their desires builds foundation for fulfillment of customer's demands on the basis of their needs. Cutler & Color divide marketing into three groups: internal marketing, external marketing, and mutual marketing. External marketing involves pricing, distribution and promotion of products and services among customers while mutual (relationship) marketing accounts for employees' skills in providing customers with goods and services and deals with employees' behavior towards customers and internal marketing is defined as

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training for employees and improvement in their motivation for supplying customers with efficient services. Consequently, internal marketing should increase its pace as compared with external marketing. Internal marketing is rooted in development of service industry in 1980s and takes quality of service sectors into consideration by examining and controlling service mechanism. Its assumption underpins that services are provided efficiently by performance of motivated and customer-concerned employees.

Organizational Ethics & Performance

Directors and managers can examine codes of ethics in their organizations through interaction and communication. When employees realize organizational expectations, observe organizational rules and regulations, and make their everyday decisions in compliance with codes of ethics, satisfactory outcomes will be produced (Doaee, 2012). Since implementation of training plans and awareness of employees' planning make contribution to development of communication means including establishment and enforcement of codes of ethics, communication is a way for gaining confidence about effectiveness of codes of ethics.

Warbuck *et al.*, (1996) reveal that communication in organizations impact upon employees' ethical decisions. Furthermore, as members regularly interact with each other, they tend to gain awareness of other demands in conformity with ethics. On the other hand, efficient organizational relationship helps employees gain awareness of others' welfare requirements (Meyer and Herscovitch, 2001).

Relationship Marketing & Organizational Performance

Relationship marketing assumption underpins that corporations being concerned with buyers take higher competitive advantages. Findings reveal that this causal relationship is valid only if a shared culture indicates attention focus to customers. Evans and Mirolfer (2003), examining how corporations can improve effectiveness of relationship marketing for improving organizational performance, suggest that relationship marketing effectiveness should have compatibility with supplied services.

Ethics & Relationship Marketing

As far as relationship marketing is concerned, Gundlach and Murphy (1993) consider ethics essential for group outcomes and relationship marketing success. Moreover, they evaluate ethical and legal groundings of relationship marketing in a series of market.

From viewpoint of Murphy *et al.*, (2007), relationship marketing as a general concept is inherently rooted in ethics because ethics is significant to continuation of relationship. They identify several ethical dimensions but suggested theory of ethics on the basis of good ethical habits. They believe that there are three main ethical traits in relationship marketing, which put emphasis on organizational and individual difficulties of organizational members. They are as follows: trust, commitment, and effort. Findings of Chakor *et al.*, (2012) evaluating relationship between ethics, relationship marketing, and group performance, show a significant correlation between these variables. Relationship marketing, as they point out, exerts impact upon organizational ethics and group performance by mediating variables.

Ethics & Organizational Trust

On the basis of findings of Lamsa and Pook (2008), organizational trust is gained by using ethical tools including codes of ethics, ethical training, etc. Organizational trust involves ethical-based organizational activities. As management of ethics directly controls organizational principles, behavioral patterns, and values, patterns of behavior are strengthened by organizational, ethical activities. In the case that tools of ethical management are regularly used, organizational trust is gained.

Direx and Farin (2002) show that trust is a significant determinant for job performance, organizational behavior, organizational commitment, and tendencies. Trust brings about significant effect upon job performance. After trust is gained, organizational members devote greater time and effort to their job performance and social relationship is developed more qualitatively.

Organizational Trust & Performance

As professionals point out, trust can make contribution to cooperation between individuals, groups, and organizations. Today, organizations attempt to explore ways for encouragement of cooperation between individuals, groups, and organizations. Organizations seek for actualization of organizational trust. For instance, most organizations consider cooperation as reengineering organizational structure of trust and

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put emphasis on different forms of teamwork in a way that exercise of power is non-concentrated and power is granted to lower classes as well; yet grant of power promotes organizational cooperation and improves organizational performance only if trust is gained. Functionalism is based on need to success and determines to what extent organizations offer encouragement to improved performance and provide rewards for it. As a result, organizational performance shows that organizational members are encouraged challenging objectives and hope to achieve success (Pool and Pool, 2007). Shockley-Zalabak *et al.*, (2000) suggest that development of greater trust in organizations results in better organizational performance.

Ethics & Job Satisfaction

Sergio (2003) highlights significant impact of sellers' behavior upon satisfaction of buyers. Sellers' behavior brings about effect upon customers' satisfaction due to a number of necessary services along with organization's satisfaction. More specifically, implicit/explicit and traditional manner of employees' behavior positively affects customers' satisfaction. On the other hand, traditional manner of ethics enriches understanding of employees about ethical performance within rules and regulations and codes of ethics.

Job Satisfaction & Organizational Performance

Job satisfaction is necessary for having competent employees. Also, organizational performance is related to employees' job performance. A large number of studies have concentrated on job satisfaction (Pool and Pool, 2007), which is one of most crucial concepts in studies over work place (Rogelberg, 2007) in industrial communities and different organizations (Sinclair *et al.*, 1995).

Job satisfaction is defined as employees' general evaluation of workplace and work experience and as one of personal values and beliefs. Chan *et al.*, (2004; as cited in Choo and Bowley, 2007) describe job satisfaction as employee's positive feeling of their job career i.e. they view job satisfaction as a parameter which determines how persons think about their job career. Job satisfaction is a multidimensional concept i.e. scholars identify different components and dimensions for it. Organizational performance has been widely studied. However, this focus of attention is significant when we gain understanding of the fact that organizational failure and success are dependent upon employees' performance (Shockley-Zalabak *et al.*, 2000) which is a degree of assigned duty fulfillment (Trevino *et al.*, 2003).

Employees' Commitment & Behavior

Tete and Meyer (1989), in review of studies about relationship between employees' commitment and organizational outputs, explore a strong relationship between employees' commitment, turnover, and job satisfaction. Also, Madoovi *et al.*, (1979) and Sagi (1989) observe a significant correlation between organizational commitment and leave of job.

As findings show, highly committed employees are (1) happy in workplace, (2) devote little or no time to activities which are unrelated to their duties, and (3) tend less likely to leave their organization (Tahir, 2006). Additionally, organizational commitment is not a constant or stable trait in life period (Hunt *et al.*, 1989) and is affected by different organizational parameters, which should be studied in detail. It is subject to personal traits and situational parameters such as age, which are related to workplace (Gummeson, 2002).

Organizational Commitment & Performance

Theoretical and experimental studies (Hunt *et al.*, 1989; Valentine and Barnett, 2003; Kolirend and Steban, 2007; English, 2008) show positive correlation between organizational ethical values and organizational commitment in economic markets. As they suggest, by honoring greater organizational commitment, leaders and managers should define ethics with regard to organizational strategies, activities, and performance and by gaining awareness of specific organizational benefits including effectiveness and productivity. Fritz *et al.*, (1999) demonstrate distinction between employees' commitments with regard to organizational levels. They divide organizational levels into three groups: aggregate level, centralized level, and higher level. Employees' commitment in these levels is dependent upon authenticity of exchanged information in compliance with ethical standards. Additionally, Turker (2009) evaluates how shared social duty exerts impact upon organizational commitment while theoretical

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basis is built on social cognition and reveals that social duty to social/unsocial shareholders, employees and buyers makes organizational commitment.

Employees' Relationship & Their Ethics

Social management in all sectors should find strategies and solutions for accomplishment of objectives at their best. Participative decision making is one of ways for promoting efficiency by controlling employees, providing them with greater satisfaction, and for establishing an efficient organization. Findings often highlight a direct relationship between employees' participation and their job satisfaction.

Employees' Relationship & Organizational Performance

Alvani (2011) evaluates relationship between employees' empowerment and performance of Guilan's education department and shows that titles such as successful organization, ideal organization, and organizational excellence are of common phraseology in studies about organizations and management and different groups of people attempt to identify features of these organizations. An organization putting in better performance produce more satisfactory outcomes by having compatibility with changes and quick response to alterations, by establishing a systematized structure, by carrying out constant improvement in key capacities, and by showing acceptable behavior towards employees (Moosa, 2012).

Conceptual Model of Relationship Marketing in This Study:

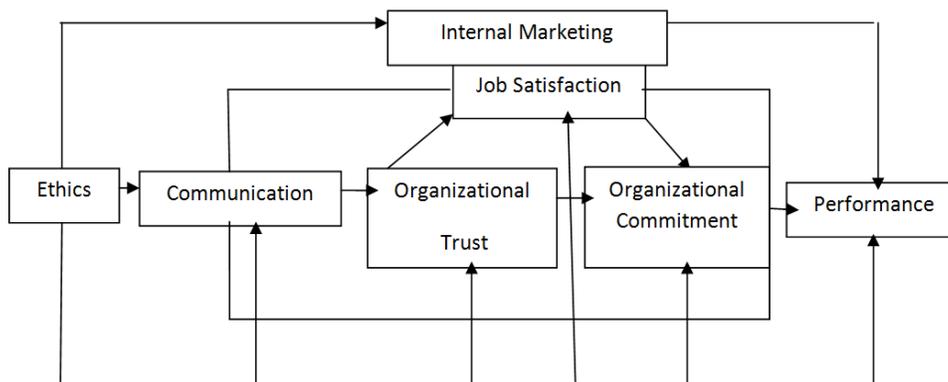


Figure 1: Conceptual Model of Relationship Marketing

Hypotheses of Study

Main Hypotheses

- 1- There is significant relationship between employees' ethics and organizational performance.
- 2- Relationship marketing is significantly related with organizational performance.
- 3- There is significant relationship between employees' ethics and relationship marketing.

Subsidiary Hypotheses:

- 1- Employees' organizational trust is significantly related with their ethics.
- 2- Employees' organizational trust is significantly related with their performance.
- 3- There is significant relationship between employees' job satisfaction and their ethics.
- 4- There is significant relationship between employees' job satisfaction and their performance.
- 5- There is significant relationship between employees' organizational commitment and their ethics.
- 6- Employees' organizational commitment is significantly related with their performance.
- 7- Employees' communication is significantly related with their ethics.
- 8- Employees' communication is significantly related with their organizational performance

MATERIALS AND METHODS

This study is an applied descriptive research. The population consisted of employees in 18 Chain Stores of Etko in cities of Khozestan (Iran), which were selected by consensus. All 145 employees were selected as sample of study. For data collection, we distributed questionnaires including 30 question items in Likerts' five-point scale and analyzed collected data by using SPSS software and descriptive indices

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including frequency, Percentage, mean and standard deviation. We evaluated data by performing correlation coefficient, regression analysis, path analysis, and Freedman analysis. Reliability was calculated by measuring variance of question items in a pilot study and then by using Cronbach's Alpha (Table 1). As regards validity, the questionnaire was studied by some professionals and academics and then was revised.

Table 1: Coefficients of Cronbach's Alpha

	Cronbach's Alpha
Organizational Commitment	0.78
Job Satisfaction	0.86
Organizational Communication	0.81
Trust	0.73
Relationship Marketing	0.88
Organizational Ethics	0.87
Organizational Performance	0.76

Table one show values greater than 0.7, and therefore all values are reliable.

Table 2: Demographic Features of Respondents

	Gender		Level of Education				Age Range			Organizational Career	
	Male	Female	High school certificate	Associate of Arts	BA	MA	20-30	31-40	41 years old and more	Employee	Manager
Frequency	91	54	72	48	21	4	49	77	19	139	6
Relative Frequency	%62.8	%37.2	%49.7	%33.1	%14.5	%2.8	%33.8	%53.1	%13.1	%95.9	%4.1

As Table 2 shows, %62.8 and %37.2 of respondents were respectively males and females. This distribution is normal because these stores are related to military forces in which women put in performance to a lowest extent. Additionally, the most frequency occurred for 31-40-years-old. As youths in Iran often cover an age range of 31 to 40 years old, this range was most frequently observed. On the other hand, descending order of respondents in terms of level of education was as follows: high school certificate (%50 of respondents), Associate of arts (%33.1), and BA and MA (%17.3).

Table 3: Descriptive Indices of Variables

	Mean	Standard Deviation
Organizational Commitment	4.04	0.68
Job Satisfaction	3.74	0.68
Organizational Communication	4.07	0.58
Trust	4.02	0.54
Relationship Marketing	3.97	0.52
Organizational Ethics	4.28	0.45
Organizational Performance	3.93	0.60

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Normality of Variables

Normality was examined by performing Kolmogorov-Smirnov test, in accordance with which we formulated a null hypothesis as follows: The considered variables shows normal distribution in population. Statistical assumption underpins that considered variable has not normality in population. Accordingly, in the case that calculated level of significance is greater than the related value (0.05), null hypothesis is accepted and the studied variable shows normality. Conversely, if calculated level of significance is smaller than the related value, null hypothesis is rejected and the studied variable lacks normality.

Table 4: Results of Kolmogorov-Smirnov Test for Examining Normality of Variables

	Number of Respondents	Kolmogorov-Smirnov Test Value	Level of Significance
Organizational Commitment	145	1.26	0.08
Job Satisfaction		1.13	0.16
Organizational Communication		0.75	0.63
Trust		0.84	0.48
Relationship Marketing		0.65	0.78
Organizational Ethics		0.86	0.44
Organizational Performance		0.1.41	0.06

As levels of significance for all variables are greater than 0.05, they all are consistent with normality assumption.

Table 5: Results of Freedman Test for Ranking of Variables

Freedman Test	
Chi-square	134.72
Degree of Freedom	6
Level of Significance	0.001

As table 5 shows, values of Freeman test are statistically significant. As a result, variables are significantly different in ranking.

Hypothesis 1 suggests significant relationship between employees' ethics and organizational performance. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. This finding is consistent with findings of Parbotis *et al.*, (2010), Werbuck *et al.*, (1996), Thomas (2010) and Fung (2002).

Hypothesis 2 indicates that relationship marketing is significantly related with organizational performance. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Our study confirms findings of Evans and Mirolfer (2003), Cantiyod (2010), Ismael (2009), Alsadi (2010), and Hasani *et al.*, (2012).

Hypothesis 3 predicts a significant relationship between employees' ethics and relationship marketing among employees of Etko Chain Stores in Khoozestan. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Similarly, Murphy and Laczniak (1998), Hunt *et al.* (1985), Chari and Frederick (2002), Murphy *et al.*, (2007), Takakkaw and Estee (1996), Mackle *et al.*, (2006), Ahmadi *et al.*, (2011), and Chakor *et al.*, (2012) show this relationship.

Hypothesis 4 concerns that employees' organizational trust is significantly related with their ethics. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. This finding is consistent with Lamsa and Pook (2008) and Direx and Farin (2002).

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Table 6: Results of Study

		Correlation Coefficient	Level of Significance	Result
1	There is significant relationship between employees' ethics and organizational performance.	0.46	0.001	Hypothesis is Accepted
2	Relationship marketing is significantly related with organizational performance.	0.54	0.001	Hypothesis is Accepted
3	There is significant relationship between employees' ethics and relationship marketing.	0.62	0.001	Hypothesis is Accepted
4	Employees' organizational trust is significantly related with their ethics.	0.61	0.001	Hypothesis is Accepted
4	Employees' organizational commitment is significantly related with their performance.	0.44	0.001	Hypothesis is Accepted
6	There is significant relationship between employees' job satisfaction and their ethics.	0.52	0.001	Hypothesis is Accepted
7	There is significant relationship between employees' job satisfaction and their performance.	0.48	0.001	Hypothesis is Accepted
8	There is significant relationship between employees' organizational commitment and their ethics.	0.48	0.001	Hypothesis is Accepted
9	Employees' organizational commitment is significantly related with their performance.	0.48	0.001	Hypothesis is Accepted
10	Employees' communication is significantly related with their ethics.	0.47	0.001	Hypothesis is Accepted
11	Employees' communication is significantly related with their organizational performance.	0.31	0.001	Hypothesis is Accepted

Hypothesis 5 suggests that employees' organizational commitment is significantly related with their performance. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Likewise, Chantari (2008), House (2012), Salim and Bounds (2009), and Shockley-Zalabak *et al.*, (2000) find this relationship.

Hypothesis 6 concerns that there is a significant relationship between employees' job satisfaction and their ethics. In this study, a positive and direct relationship was found between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Accordingly, this study confirms findings of Sergio (2003), Elki and Alpaca (2009), Chiki *et al.*, (2001), and Yazdi (2013).

Hypothesis 7 predicts a significant relationship between employees' job satisfaction and their performance. In this study, a positive and direct relationship was found between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Therefore, our finding is consistent with study of Pool and Pool (2007), Davis (2004), Bowley (2007), Chan *et al.*, (2004), Tahir (2006), Rogelberg (2007) and Zakerfard (2011).

Hypothesis 8 suggests a significant relationship between employees' organizational commitment and their ethics. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. This finding confirms findings of Stevens *et al.*, (1987), Colbert *et al.*, (2003), and Robinson *et al.*, (1992).

Hypothesis 9 concerns that organizational commitment of employees in Chain Stores of Etko is significantly related with their performance. We observed positive and direct relationship between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the

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other. Likewise, Hunt *et al.*, (1989), Valentine & Barnett (2003), Kolirend & Steban (2007), English (2008), Fritz *et al.*, (1999), and Turker (2009) discovered this relationship.

Hypothesis 10 predicts that employees' communication is significantly related with their ethics. In this study, a positive and direct relationship was found between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. This relationship was also found by Mohamadi (2013), Trevino *et al.*, (2013), Hosseinzadeh (2010), Young & Olive (2000), and Abdolfatah (2007).

Finally, Hypothesis 11 predicts that employees' communication is significantly related with their organizational performance. In this study, a positive and direct relationship was found between these two variables i.e. increase and decrease in one of them causes increase and decrease respectively in the other. Similarly, Moosa (2012), Alvani and Rahmati (2007), and Doaee (2012) highlight this relationship.

Conclusion and Recommendation

Trust is one of crucial parameters for success of organization. Findings demonstrate that fragile trust aggravates anxiety, reduces productivity, stifles innovation, and causes harm to decision making. Conversely, greater trust boosts morale, decreases turnover, stimulates organizational innovation, and makes contribution to management of changes. Trust is built up by a shared-value-based culture and involves interpersonal relationship in compliance with honesty, unity, and openness. Accordingly, organizations are suggested to create a climate full of trust. Trust is not developed by a simple process. It is a dynamic phenomenon and its subsequent benefits attach more significance to it.

For improvement in structure, jobs should be defined explicitly and organized effectively. Organizational policies and instructions should be explained clearly. Additionally, strict administrative orders should be minimized. Favorable climate of organization can bring greater job satisfaction. More positive attitudes to the related organizational climate make employees accept objectives of their organizations and attempt to accomplish them.

As far as organizational commitment is concerned, directors and managers of organization should monitor performance of employees and encourage them to participate in decision making with freedom of act. Organizations are recommended to establish a system of job promotion. To put it differently, organizational members should move up organizational hierarchy on the basis of their competence. Jobs alone cannot offer encouragement. Rather, stimuli should be given. One of most important incentives is reward.

Directors and managers should hold sessions for fostering awareness among organizational members and avoid environment going into unhealthy competition. They are required to improve their relationship with staff. In cases of mistakes, organizational members should be supported and their emotions should be handled. At the time of trust and friendship, employees' dissatisfaction is identified by communicating it to directors and management and by determining its underlying causes. Lack of favorable climate as a component of working context causes dissatisfaction, turnover, negligence of duty, etc.

There are some main causes for unethical behavior in organization, which are as follows: Absence of sense of responsibility, lack of ethical beliefs, lack of consciousness, noncompliance with organizational commitment, and dominance of material values over spirituality, etc. Also, directors' and managers' policy and organizational objectives can impact upon employees' ethics. Therefore, directors and managers are expected to improve organizational ethics by satisfying employees' needs, establishing codes of ethics, and providing ethical training. Gharamaleki (2003) points out that ethicality of organization is subject to ethicality of organizational objectives and desires. Seniors, policy makers, and public communities place organizational performance into ethical perspectives. Contrarily, as cited by Peter Drucker, directors devoid of a virtue ethics are involved in corruption i.e. these directors make employees (as one of most valuable organizational resources) involved in corruption. These directors end life of organization and seriously affect its performance. Specifically, senior managers display this pattern of behavior because higher organizational hierarchy can encourage organizational members to burst with vitality. High organizational spirits are lifted by dignity of organization's superiors. Conversely, organizational spirits are dampened by corruption of organizational superiors. Meanwhile, directors and

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managers of organizations cause unethical behavior among employees. Directors with ethical virtue covertly teach ethical commitment to their employees and manifest signs of dominant organizational values. On one hand, directors expecting accountability, participation, and enthusiasm in employees cope with their negligence of duty and other hand, non-recognition of employees' needs and nonfulfillment of their requirements in organizational environment are not accepted.

Decisions of directors and employees in workplace are affected by ethics irrespective of legal considerations because legal framework alone cannot make contribution to reasonable decision making. Universal-religious standards lead to acceptable behavior in organizations. Due to their organizational status, directors and managers bring about significant impact upon organizational ethical climate. Their behavior, belief, and value affect behavior of other organizational members. Improved organizational communication and interaction, problem-solving sessions, employees' participation in decision making, their freedom of act, respect for their personality traits and establishment of codes of ethics and of reward system are determinants of favorable organizational climate, which in turn makes contribution to ethics.

On the other hand, commitment is an attitude towards organizations, jobs, and groups, which impacts upon judgment, performance, and loyalty of organizational members. Relative to organizational nature, loyalty ensures organizational survival and shapes organizational destiny. Specifically, employees' commitment has more profound significance when organization is forced to deal with difficulties. Trust among organizational members as well as competition between organizations make committed employees essential. Findings often show a significant correlation between personal traits and organizational patterns of behavior including commitment. Performance is improved in organizations concentrating on trust, shared value, group unity, and compatibility between personal needs and organizational desires. In other words, an integrated atmosphere which is based on mutual trust and confidence is positively correlated with innovation and performance. Training and development are determinants of organizational attainment. As suggested by findings, organizations put in a better performance when they do planning for intervention, training, and development. Development of human resources is a fundamental solution for improving productivity and bridging gap between employees' levels of skills and present and future requirements. Organizational learning directly affects employees' job satisfaction. Accordingly, organizations are suggested to open up opportunities for training of employees for providing them with greater job satisfaction. When they receive necessary training, they are satisfied to a greater extent. This satisfaction gives grounds for satisfaction to subordinates.

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