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Corporate ethics in TQM: management versus employee expectations and perceptions

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Abstract

Purpose – The objective of this research is to develop and describe a conceptual framework of corporate ethics in total quality management (TQM).

Design/methodology/approach – The research is based on a summarised in-depth and longitudinal case illustration. The summarised case describes corporate ethics in an intra-corporate relationship.

Findings – TQM requires human resources and failing to care for them will affect accordingly the success of TQM. The case description illustrates the evolution of management versus employee expectations and perceptions of corporate ethics. It has an emphasis on the human resources of a company that strives towards TQM. As the quality of corporate ethics decreases the outcome of TQM is also affected (i.e. directly or indirectly). The case is initialised in an atmosphere of management and employee optimism and positivism of corporate ethics, which is a requisite from both parties in order to ensure prosperous TQM. The successive change towards pessimism and negativism of corporate ethics in the intra-corporate relationship concludes the in-depth case description.

Research limitations/implications – Four parameters of corporate ethics are used to incorporate corporate ethics into TQM, namely management versus employee expectations and perceptions. Internal corporate quality management should always be regarded as dependent upon the achieved equilibrium between management and employee perceptions. It is also dependent upon the derived equilibrium between management and employee previous expectations.

Practical implications – An important insight of this research is that TQM requires the continuous attention to the management versus employee expectations and perceptions inherent in corporate ethics of internal business operations. Furthermore, corporate ethics is complementary to business ethics.

Originality/value – The case description has shown that TQM may be running well and accomplishing the hard goals. However, TQM is not only about figures, profits and costs. It is also a business approach that should penetrate all activities inside and outside that are related to the company, including the soft issues.

Topic and limitations
Total quality management (TQM) has an internal focus on a corporation's business operations. Additionally, it has an external focus. A rare topic examined in these contexts of TQM is ethics. In the first place, the core values of TQM should be built upon ethical fundamentals. In the second place, techniques and tools used in the implementation of TQM should also consider these ethical fundamentals. An internal approach of ethics in TQM stresses the issue of corporate ethics in intra-organisational business operations, while an external approach of ethics in TQM stresses the issue of business ethics in inter-organisational business operations.

Ethics, business ethics and corporate ethics are dependent upon reigning values in the societal, business, and organisational environments. Reigning values, norms, and beliefs construct current ethics. Therefore, ethics might be seen as an on-the-spot-account that reflects the society in general. Business ethics considers the gap between the corporation's ethical behaviour and the marketplace's perception of the corporation's ethics in its business operations. Corporate ethics, on the other hand, has an internal emphasis. In particular, corporate ethics considers the gap between the management's ethical behaviour and the employees’ perception of the management's ethical behaviour in business operations. We do not confine business operations to just the marketplace, but to the internal behaviour towards employees of the corporation by the corporation.

There is a close relationship between business ethics and corporate ethics. Business ethics applies an outside-in perspective of the corporation's business operations, while corporate ethics has an inside-out perspective. An outside-in perspective means that the outcome of the corporation's ethical behaviour is determined by external sources in the marketplace, such as customers, suppliers, competitors, the general public and other publics. An inside-out perspective means that management’s ethical behaviour is determined by internal sources within the corporation, such as the employees. Despite the fact that core values are crucial in the implementation of TQM, ethical frameworks are rarely discussed in the field. Svensson and Wood (2004b) discuss the importance of business ethics in TQM through a case illustration. Still, there is a lack of discussion of corporate ethics in TQM. Therefore, the objective of this research is to develop and describe a conceptual framework of corporate ethics in TQM. Also, the idea of this research is to explore corporate ethics in TQM through an in-depth and longitudinal case illustration.

Based upon Wood’s (2002) partnership-model of corporate ethics, this research is limited to a corporation's commitment to an ethical culture and the corporation's commitment to and from staff and shareholders. It is also restricted to the values of TQM as a primary source, while techniques and tools are seen as a secondary source of derivation. The values should underpin the use of techniques and tools in order to achieve successful TQM in a corporation’s business operations.

**TQM**

TQM gained increased interest among practitioners and scholars during the 1990s. Lagrosen (2001) writes that TQM has become well established as a system for improving both the performance of corporations and the satisfaction of customers. Despite its popularity, the meaning of TQM is rather ambiguous. Amsden et al. (1996) state that many business people
and academicians regard the development and practice of TQM as an evolutionary process rather than a revolutionary one. It is also considered to be either a buzzword (e.g. Hackman and Wageman, 1995; Harari, 1993; Binney, 1992) or something to reach for in order to enhance corporate competitiveness and profitability in the business environment (e.g. Gobeli and Gallace, 1996; Becker, 1993). A set of core values, such as customer focus, management commitment, process focus, continuous improvements, and fact-based decisions, unites the descriptions of TQM (e.g. Bergman and Klefsjö, 1994; Hellsten, 1997; Hellsten and Klefsjö, 2000; Lagrosen, 2002).

Hellsten and Klefsjö (2000) provide a framework of TQM consisting of three components, namely core values, techniques, and tools. Other similar wording is used to describe these phenomena. These words include but are not restricted to principles, procedures, and tools (e.g. Shea and Gobeli, 1995). Other authors have identified different core values in TQM (e.g. Bergman and Klefsjö, 1994; Hellsten, 1997; Hellsten and Klefsjö, 2000; Lagrosen, 2002). Hellsten (1997) concludes that there are a number of common core values in most descriptions of TQM. These values consist of a focus on customers, management commitment, everybody’s commitment, focus on processes, continuous improvements, and fact-based decisions.

TQM requires cross-functional thinking, planning, and doing (Schonberger, 1995). An important core value neglected in most descriptions of TQM is ethics in the society in general, and business ethics in the marketplace in particular (Svensson and Wood, 2004b; Vinten, 1998; Peters, 1997a). Furthermore, corporate ethics is also neglected in most descriptions of TQM, which is the topic of this research. Representing the soft and hard sides of management, ethics and quality are crucial aspects of an organisation (Bowman and Wittmer, 2000). The implementation of TQM would benefit from a conscious consideration of ethics in management practice (Peters, 1997b). Stainer and Stainer (1995) argue that management’s ethical behaviour is moulded by five main factors, namely the business situation itself, the task to be performed, the group of peers, leadership style, and past experience. Svensson and Wood (2003) show that the dynamics of business ethics is a function of time and culture. Business ethics performance is affected by evolutionary and contextual issues (Svensson and Wood, 2004a). Likewise, corporate ethics is influenced by the same functions and issues. We contend that TQM and the performance of TQM are also dependent upon these functions and issues. For example, Lagrosen (2002) explores and describes the influence of culture on the way quality management is practised, and concludes that some differences in focus have been found in his international study.

**Corporate ethics in TQM**

Peters (1997a) argues that social responsibility is good capitalism or that good capitalism is socially responsible. Therefore, corporate ethics is an important ingredient in social responsibility, and in turn a determinant of good capitalism. In and of itself, being ethical requires one to embrace a belief in incorporating social responsibility into one’s corporate thinking and planning. Bowman and Wittmer (2000) state that organisations exist to improve the quality of people’s lives by producing goods and services. Yet, whilst producing these goods and services, managers have to realise the worth of the idea that their purpose is not only to do the right things, but also to do things right. Stainer and Stainer (1995)
conclude that ethical behaviour should be an integrative factor within the productivity and quality management process because a better understanding of corporate responsibilities as well as providing a competitive edge may be achieved. Vinten (1998) points out that within TQM sufficient emphasis has not been placed on ethical considerations.

Corporate ethics, besides business ethics (Svensson and Wood, 2004b), may also be seen as a generic or grounded core value for the other core values in TQM. Therefore, it may serve as an umbrella to be incorporated and considered in the internal implementation of TQM. Townsend and Gebhardt (1997) argue that the way that corporations go about their business operations, with particular respect to ethical concerns, is increasingly important to their customers. Customers in the marketplace are becoming increasingly aware of, and increasingly discriminating against, corporations that fail to meet the customers’ criteria of ethical consideration in business operations. We would postulate that this concern does not just apply to customers, but to all stakeholders of the corporation and the society in general.

Corporate ethics is a core value per se that should underpin a corporation's business ethics and should affect the techniques and tools used in a corporation’s implementation of TQM. Corporate ethics (i.e. besides business ethics) should be aggregated to the list of core values or what Bergman and Klefsjö (1994) labelled as ‘the cornerstones of TQM’. If corporate ethics was added to this selection of core values, it would make a fruitful and crucial contribution to the concept of TQM. Corporate ethics should be considered as a part of the internal process of TQM and not be seen as extraneous to it. Therefore, the topic of corporate ethics in TQM is an important issue to discuss and for which to develop a generic conceptual framework.

Ethics in TQM is affected by contextual issues (Svensson and Wood, 2004b), since the management system and business environment certainly will affect what are ethical business operations in the marketplace. Stainer and Stainer (1995) write that there is undoubtedly a close relationship between productivity, quality and ethics. Culture is a generic contextual issue of business ethics in the society (Svensson and Wood, 2003). Generally, the actors, the activities and the resources in the marketplace form another group of contextual issues (e.g. Håkansson and Snehota, 1995; Håkansson, 1987). In particular, the business environment, the business atmosphere and the interaction of businesses are all influential contextual issues on a corporate level of ethics performance (Håkansson, 1982). Some of these influences are from society and the industry in which the corporation operates, the corporation mores and the norms and behaviour of individuals within the corporation. The impact of contextual issues of corporate ethics in TQM is more or less implicit or explicit in a managerial setting. Studies on international and national levels have been performed considering different contextual issues in ethics (e.g. Fisher et al., 2001; Seitz, 2001; Peppas and Peppas, 2000; Singhapakdi et al., 1999; Fernandez-Fernandez, 1999).

Ethics in TQM is also surrounded by evolutionary issues (Svensson and Wood, 2004a). Time is a generic contextual issue of business ethics in society (Svensson and Wood, 2003). Another one is change. Change is the only constant. The contextual issues such as the actors, the activities and the resources in the marketplace are influenced by the
evolutionary issues. Furthermore, the business environment, the business atmosphere and the interaction of businesses are also affected on a corporate level. The evolution of contextual issues in TQM certainly will affect the impact in the marketplace of the core values on one's business operations. The impact of evolutionary issues on business ethics in TQM is more or less implicit or explicit in a managerial setting (e.g. Kilcullen and Kooistra, 1999; Giacalone and Knouse, 1997; Yamaji, 1997; McDonald and Zepp, 1989). A growing number of corporations are devoting attention to evolutionary issues in ethics, such as time and culture, and the impacts that these two dimensions may have on the corporation. These corporations are trying to move themselves towards an ethical business philosophy in the expectation that ethical behaviour by their employees will result.

Commentary

In the frame of reference we have suggested the managerial importance of considering the impact of ethics on core values in TQM, since ethics originates from reigning values in the society, marketplace, and corporation. Ethics may therefore be seen as a crucial core value per se in TQM. The world wide business environment is changing towards a stronger focus on ethics. As this environment changes, then as a consequence one can assume that its members will expect and even demand more ethical behaviour from its business leaders and their corporations. To not recognise this progression of core values in TQM can be a fatal omission from both the corporation’s philosophy and the corporation’s subsequent application of the core values of TQM in the marketplace.

Ethics has to be considered internally and externally in the ethical audit for it places the corporation's value system in its cultural and societal context. This idea needs to be explored further. We contend that the reasons for the malpractice that we continue to see in the corporate world are centred upon the self-indulgent, introspective and myopic perspectives of corporations that are not able to transform their thoughts to consider all possible perceptions and ramifications of their actions: thoughts that are transferred on corporate and/or personal self-interest to the exclusion of other possible options.

Corporate ethics in TQM: a conceptual framework of core values

This section introduces a conceptual framework of corporate ethics in TQM. The framework fits into the generic management system of TQM as discussed by Hellsten and Klefsjö (2000) that consists of three components: core values, techniques, and tools (see Figure 1). It also describes management versus employee expectations and perceptions of the core values in TQM (see Figures 2 and 3).

The framework may facilitate for corporations a means by which they can implement TQM and at the same time include a consideration of corporate ethics. The implementation process originates from the identification of core values that should characterise the corporation's corporate ethics. Thereafter, the corporation has to distinguish appropriate techniques to use and underpin the corporation's core values of corporate ethics. Finally, adequate tools have to be selected to contribute to the techniques. Corporate ethics should influence the core values of a corporation's internal management system, that in turn influences the techniques and tools used. Consequently, corporate ethics should penetrate
the values, the techniques and the tools in TQM and TQM as a whole quality management system (Figure 1).

The principal parameters of corporate ethics in TQM are management expectation and perception versus employee expectation and perception. There should be a match between management expectation and perception of corporate ethics. Likewise, there should preferably be congruence between employee expectation and perception. Ideally, there should be a harmony between management and employee expectations and perceptions.

The gap-dualism-model in TQM creates a typology that consists of and describes different situations of corporate ethics (see Figure 3). It describes four potential gaps between the expectations and perceptions of management and employee. Each gap is labelled as a dualism-situation, which means that each situation may be interpreted from either the perspective of management and/or the employee. The two dotted lines in Figure 3 illustrate the ideal situations where there is congruence between either expectations or perceptions of management and employee. A perfect match is desirable, although it is rather unrealistic in a real-life situation. Therefore, the four situations illustrated in the gap-dualism-model have academic and managerial interests. The four dualism-situations of corporate ethics in TQM are characterised as follows:

1. The management expectation of corporate ethics is more favourable (i.e. management optimism) than the employee expectation of corporate ethics (i.e. employee pessimism).
2. The employee expectation of corporate ethics is more favourable (i.e. employee optimism) than the management expectation of corporate ethics (i.e. management pessimism).
3. The employee perception of corporate ethics is more favourable (i.e. employee positivism) than the management perception of corporate ethics (i.e. management negativism).
4. The management perception of corporate ethics is more favourable (i.e. management positivism) than the employee perception of corporate ethics (i.e. employee negativism).

Accordingly, all of the dualism-situations may be troublesome or cause a dilemma in the implementation of TQM. Therefore, there is a need to maintain internal harmony between management and employee expectations and perceptions. Besides, corporate ethics is the fundament of the corporation's business ethics. The corporation's inherent ethical values in the business operations are sooner or later reflected in ongoing relationships in the marketplace. It may be not readily evident or may be even concealed for some time, but in the long run others in the business environment may well reveal it. These revelations will surely be to the detriment of the corporation. This means that the values, techniques and tools of TQM should strive to accomplish harmony between the intra-organisational approach of corporate ethics and the inter-organisational approach of business ethics in the marketplace. In addition, the corporation's business ethics in the marketplace should be in harmony with the societal ethics in general.
Summarised case description of corporate ethics: management versus employee expectations and perceptions

The summarised case in this section describes corporate ethics in an intra-corporate relationship. TQM requires human resources and failing to care for them will affect accordingly the success of TQM. The case description illustrates the evolution of management versus employee expectations and perceptions of corporate ethics. It has an emphasis on the human resources of a company that strive towards TQM. As the quality of corporate ethics decreases the outcome of TQM is also affected (i.e. directly or indirectly). The case is initialised in an atmosphere of management and employee optimism and positivism of corporate ethics, which is a requisite from both parties in order to ensure prosperous TQM. The successive change towards pessimism and negativism of corporate ethics in the intra-corporate relationship concludes the in-depth case description.

The case description is based upon a real-life situation focusing on the determinants of management versus employee expectations and perceptions in an intra-corporate context. The illustration contains delicate and sensitive information. For this reason, the names, the locations and the dates have been changed in order to secure anonymity and confidentiality in the case description. Nevertheless, the sequence of happenings narrated summarises and reflects the time-span of the case at hand. They illustrate the successive evolution of management and employee from optimism of expectations and positivism of perceptions towards pessimism of expectations and negativism of perceptions. This is an unfortunate evolution in TQM.

Management versus employee: from optimism of expectations and positivism of perceptions

Robert was an engineer working for a large and multifaceted engineering company that looked to expand its business into the South Pacific. The company was looking to expand its operations to cater for work that was becoming available to it. The company needed to appoint a regional manager. Someone who could lead this new venture and build the business for the company. It was a position of importance to the company's business operations in the region.

Robert had been summoned from his field job in Melbourne to meet with the General Manager of his division. He had no idea of what was to transpire. He was ushered into a superior's office and made to feel very welcome. George was not the sort of person to mince words or to beat around the bush. He came straight to the point. He explained the venture in the South Pacific and asked Robert if he wanted to take the job. Robert was at first surprised, then as reality sunk in his mood moved to one of elation and heightened expectation. What a great opportunity. He was only 32 years old and this move would enhance not only his own personal skills, but his career in the company. The superior was optimistic about engaging Robert for this assignment based upon his previous positive achievements within the company. Robert discussed the situation with his wife and they came to the conclusion to accept the offer.
Robert and his wife, Karen, set off on their great adventure abroad. Both had positive expectations about this sudden change in their lives. The assignment would require Robert to travel and he would be away about two weeks in every four. Karen looked forward to a life of some leisure, but hoped to maintain her accounting skills whilst awaiting other developments with their plans. As the months rolled on she was feeling irritable and becoming anxious over their inability to conceive a child. Her optimistic expectations started to be less positive. Robert was away frequently, Karen was irritable and agitated and missing her work. She had not made many friends and felt isolated. Karen asked Robert if she could return to Australia to visit her family. Robert was not an insensitive man and he readily agreed. Karen returned to Australia and Robert immersed himself in his business.

Management versus employee: towards pessimism of expectations and negativism of perceptions

As the days turned into weeks, Robert started to sense that something was wrong. His previous positive expectation to this career move began to be pessimistic. Karen was becoming less communicative and becoming quite withdrawn. Robert learnt from a family friend that she had started work part time, back at her old company and that she was really enjoying it. He spoke to her and the conversation was muddled. His negative perception became obvious. He realised that there were a lot of unresolved problems between them. Problems of which he had not really been aware but which now had come to the surface. It was evident to him that without some drastic action he may be left with his career and not much else.

He immediately rang George and discussed the situation with him. This time the topic of discussion was not handled in an optimistic way. On the contrary, he gave Robert an ultimatum that he would have to make a decision between his wife and his career. Robert was dumbfounded. In a fit of angst, he resigned on the spot and told George what he thought of him. George cautioned him that if he left to return to Australia that the company would take legal action against him to recover its costs. Robert was mortified. He was hurt, confused and felt abjectly let down. How could this situation have come to this? His expectations had gone from positive to negative and his optimism about his life and career was cast asunder. What could he do?

Unbeknownst to Robert, his old boss in Melbourne had spoken to the company CEO, about Robert's situation. The CEO was amazed that it had come to this situation and he rang Robert immediately. Robert was ecstatic as it was the only ray of hope in what was turning about to be a gloomy passage in his life. The CEO said that the company would bring him back to Melbourne to continue his career. The company did not want to lose him. However, he was not so sure that Karen would feel the same. Unfortunately, for Robert she was not as accepting as the company had been and they became estranged. Robert was extremely disconcerted by where he found himself. His expectations, his perceptions and now reality all had collided and imploded. However, he was consoled to some degree by the realisation that he still had his job.

When he returned to Australia he was returned to his old division, but was assigned to projects of a much lesser significance than those that he had previously managed. Whilst he
was not technically demoted, it was obvious to all that he was not as senior as he had once been. Robert decided that he would just have to wait his time and re-establish himself again. Surely, the company wouldn't hold this against him forever.

At the end of the first year since his return, Robert was working really well. He had established a rapport with his line managers and even George was acknowledging him again. He was being assigned larger projects to manage and his career was appearing to be moving forward. Robert however, was looking for more challenges. He had always had a skill in the procurement area of the business and would have liked to establish a niche there. His previous boss in Melbourne was the head of the procurement division and he and Robert had worked together a couple of years before Robert went to the South Pacific. Robert rang him and Geoff told him that the deputy's position was coming available and Robert should keep it in mind and keep on the look out for the advertisement. Robert was excited by the prospect.

A number of weeks passed and Robert had heard or seen nothing. One morning he was reading his local newspaper when a job advertisement in the executive section caught his eye. It read extremely similar to the job on offer at his company. The advertisement had been placed by his company's executive recruitment agency. Robert went into work and rang Geoff. He was unavailable so he went on to his line supervisor, Max, who said that he would make some inquiries for him. A few hours later Max returned to tell Robert that it was not the job that he thought that it was. Robert felt apprehensive about the message, but in all good faith accepted it.

Two months later Robert ran into Geoff. Geoff was aloof with him. This was unusual, as they had always got on well. He seemed to want to leave Robert as soon as he could. Robert asked him about the position, to which Geoff angrily retorted that it was a bit late now to inquire, when Robert had already turned it down. Robert was aghast. He had been made no such offer. Geoff was taken aback at Robert's reaction and the two began to talk earnestly. He revealed to Robert that he had asked HR for Robert to fill the role and they had responded that Robert had been asked and he had declined. Both men were astounded. Robert realised that he had been engineered out of his next possible career move. He returned to his office, tendered his resignation, cleared out his desk and left the building. The company that he had joined a decade ago, now was not the same company. Robert had been badly misled and he felt uncomfortable and betrayed. He had not deserved this type of treatment for his many years of service. His perception of the individuals managing the company was extremely negative. How disillusioned he felt!

The company lost an entrepreneur that would have contributed to the continuous implementation of TQM. In addition, other individuals in the company may have seen or heard about Robert's case and realised that the company's TQM efforts may not apply to the human resources (i.e. soft side).

**Lessons learned and concluding thoughts**

The case description has taught us that TQM may be running well and accomplishing the hard goals. However, TQM is not only about figures, profits and costs. It is also a business
approach that should penetrate all activities inside and outside related to the company, including the soft ones. At any given point in time, all corporations face the dilemma of reading the mood of the marketplace and society. They also face the dilemma to interpret the mood within their corporations among the employees. Environmental scanning in the marketplace and in society is practised throughout the world as a means of ensuring that one is in touch with the moods and events going on around you. This is an obvious part of TQM. The case description shows that this ought to be done internally among the employees too. There is a human determinant of TQM that has to be seriously considered. Employees are a corporation's most valuable asset. They are the ones who make and implement TQM processes that affect all other assets. Without the employees’ optimism and positivism TQM will be less successful. A company's investments in its employees is an investment in the business and an investment in the performance of that business in the marketplace. Likewise, pessimism and negativism suffocate the intellectual spirituality and endeavours of employees and make the TQM implementation harder to perform.

To misread the current internal environment is a critical corporate error, that in itself leaves the corporation open to the vagaries of the employees. In extension, the outcome of TQM may be severely affected as pessimism and negativism reign. With their products and brands in mind many corporations try to lead the market and tune into the moods of society in order to obtain a competitive advantage. If one suggested that a corporation's management behaviour should be reactive to the marketplace and to their employees, and not proactive in the marketplace and to their employees, one would be seen as recalcitrant. Corporations need to take the same proactive response to their ethical values as they do to their product positioning. Corporate ethics cannot or should not be an afterthought in a corporation's planning and implementation of TQM.

In this article, a conceptual framework of corporate ethics in TQM has been proposed and a brief case description affecting a company's TQM has been used to lead the reader to a number of conclusions that might be drawn. First of all, corporate ethics should be seen as an intra-organizational value of importance in TQM. The human issues (soft side) of business operations should be an obvious part of TQM, not just the operational issues (hard side). Second, the importance of continuously considering the gap of ethical performance, i.e. the match or mismatch between management and the employee perspectives cannot be overstated. TQM requires human resources and a company needs to, and should strive to, maintain optimism and positivism amongst its employees. Otherwise, the ultimate outcome will be affected negatively. Third, the consequences of internal ethical weaknesses in management behavior in TQM may become threats to the corporation in the marketplace. Likewise, the lack of internal strengths in TQM may cause the loss of external opportunities. Employee pessimism and negativism may be disastrous to a company's TQM and even threaten the survival of the company. Finally, corporate ethics per se rest on an ethical value ground, that is based upon the contention that corporations need to be mindful of the role of internal and external business operations and relationships in their every day TQM. They need to be ever vigilant and cautious, as it should not only be the marketplace that they are wary of disenfranchising, but the very employees that they send into that marketplace. Corporate ethics should be an explicit core value of TQM.
A consideration of one's corporate ethics in TQM cannot be left until a major crisis arises, for a lack of preparation both philosophically and practically will leave the corporation unduly exposed. The desire of corporations to protect themselves first and then to examine the impacts on employees or other stakeholders in itself leads to reactive ethical behaviour rather than proactive ethical behaviour. The very litigation and poor public relations experience feared by corporations invariably comes to fruition as disgruntled staff can take that next step to embarrass the corporation publicly and such actions can cause TQM to fail.

As we have attempted to show in our case description in this article, corporations and their management behaviour towards employees who are actually allies and not foes in the battles in the marketplace can suffer immeasurably from these poor, self-centred decisions: decisions which are taken in a reactive manner without due consideration of the prevailing circumstances and the impacts on us all. In extension, these types of decisions and actions make investments in TQM appear to be in vain.

**Contributions, limitations and suggestions for future research**

One of the theoretical contributions of this research is the conceptual framework of corporate ethics in TQM. It may also be used in management practice to analyse and describe corporate ethics in TQM, which is a practical contribution. In management practice, this puts attention on the importance of the internal considerations of ethics in TQM. In addition, this research has contributed methodologically to a case description of corporate ethics in an intra-corporate relationship, which has not been pinpointed sufficiently in previous TQM and ethics research.

The fact that the research was based upon a single case description implies that the empirical findings of this research might not be generalised beyond the case at hand. Nevertheless, the theoretical and practical contributions of this research serve as a fundament and a structure for further research into corporate ethics in TQM. A suggestion for further research is therefore to explore the impact of corporate ethics in intra-corporate relationships. Accordingly, it should be further explored in different relationships, business operations, and industries involved in the implementation of TQM.
Figure 1 Corporate ethics in TQM

Figure 2 Principal parameters of corporate ethics in TQM
Figure 3 The gap-dualism-model of corporate ethics in TQM

References


