A STUDY ON INVESTIGATING THE IMPACTS OF ETHICAL CODES OF CONDUCT ON EMPLOYEE BEHAVIOUR IN TRADING FIRMS WITH SPECIAL REFERENCE TO CHOICE EQUITY BROKING PVT LTD

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ABSTRACT

In trading firms, ethical conduct is crucial for maintaining market integrity, investor trust, and regulatory compliance.Despite the prevalence of ethical guidelines within the industry, instances of ethical breaches and misconduct persist, raising questions about the efficacy of existing codes. Ethical codes of conduct serve as a framework guiding employee actions and decisions, ensuring alignment with the firm's core values and legal standards. This research aims to analyze how these ethical guidelines influence employee behavior, fostering a culture of integrity, accountability, and professionalism.The objectives of the study investigates the impacts of ethical codes of conduct on employee behavior within trading firms, focusing specifically on Choice Equity Broking Pvt Ltd. The study employs a mixed-method approach, integrating quantitative data from employee surveys with qualitative insights from in-depth interviews with key stakeholders. The findings demonstrate that a well- implemented ethical code of conduct positively impacts employee morale, job satisfaction, and adherence to regulatory compliance. Moreover, it effectively reduces risks associated with unethical practices, thereby enhancing the firm's reputation and operational efficiency. This comprehensive approach underscores the significance of ethical governance in fostering a positive organizational culture and ensuring sustainable business practices.The study also identifies challenges in the practical application of ethical codes, such as varying interpretations and enforcement inconsistencies. Recommendations are provided to address these challenges, emphasizing the importance of continuous training, clear communication, and robust monitoring mechanisms.By shedding light on the critical role of ethical codes in shaping employee behavior, this research underscores their importance in maintaining ethical standards and promoting sustainable business practices within the trading sector. The insights from Choice Equity Broking Pvt Ltd offer valuable implications for similar firms aiming to enhance their ethical frameworks and organizational culture.

 Key Words: Ethical codes of conduct, Employee Behaviour, Trading firm, Unethical behaviour

1.INTRODUCTION

Ethical conduct within organizations has emerged as a critical component for sustaining a positive and productive work environment. The implementation and adherence to ethical codes of conduct are paramount in fostering trust, integrity, and accountability among employees. These codes serve as foundational guidelines defining acceptable behaviours and decision- making processes, promoting fairness, transparency, and responsibility. Understanding and internalizing these codes directly impact employees' behaviour and the overall ethical climate of the organization. The successful implementation of ethical codes is influenced by organizational culture, leadership, training, and communication. Employees need to feel empowered and protected when reporting violations, knowing their actions will be supported and there will be no retaliation.

The primary objectives of this study are to examine the extent to which ethical codes of conduct are understood and internalized by employees, analyze the factors influencing their implementation, understand the various dimensions of ethical behaviour, and ascertain whether these codes influence employee behaviour regarding reporting unethical activities. The study aims to provide valuable insights into the effectiveness of ethical standards in the workplace, highlighting the importance of understanding, implementing, and internalizing ethical codes and exploring the factors influencing these processes.This study also explores the critical role of ethical codes of conduct in shaping employee behaviour within organizations.The findings of the study reveals a significant associations between ethical codes of conduct and employee behaviour, indicating a strong relationship between adherence to ethical standards and positive employee conduct. The correlation between ethical codes and employee behaviour suggests that higher adherence to these codes correlates with better conduct among employees. The findings underscore the importance of ethical codes in fostering a positive work environment and highlight the need for organizations to prioritize ethical standards to enhance employee behaviour and overall organizational integrity.

2.LITERATURE REVIEW

2.1 Ethical Codes Of Conduct

An ethical code of conduct serves as a foundational framework guiding individuals' behaviour within organizations, professions, or broader societal contexts. It articulates principles and values essential for fostering integrity, respect, and responsibility in all actions and interactions. Upholding honesty,

transparency, and fairness, individuals commit to treating others with dignity and without discrimination. They take ownership of their actions, safeguard sensitive information, and avoid conflicts of interest that could compromise ethical standards. Compliance with laws and regulations is paramount, as is a commitment to continuous learning and improvement. Accountability and openness to feedback are valued, as is a recognition of the broader social and environmental impacts of one's actions. Through adherence to ethical codes, individuals strive to cultivate trust, professionalism, and a positive contribution to society. Adam and Rachman-Moore, (2004) in their 2004 article "The methods used to implement an ethical code of conduct and employee attitudes,the authors emphasize the importance of effectively implementing these codes to positively influence employee attitudes and behaviour, thereby fostering an ethical organizational culture.Alizadeh, Dirani, and Qiu (2021) study on " Implications for Human Resource Development," defined code of ethics a structured set of guidelines designed to delineate acceptable and expected behaviours within an organization. This document serves as a crucial component in establishing and maintaining an ethical climate, which refers to the collective understanding of what constitutes ethical behaviour within the organization. The authors emphasize that the code of conduct plays a pivotal role in shaping the ethical climate by providing clear ethical standards and expectations.

2.2.Employee Behaviour

Employee behaviour encompasses the actions, attitudes, and interactions demonstrated by individuals within the workplace. It reflects how employees conduct themselves in various situations and influences their relationships with colleagues, superiors, clients, and other stakeholders. Employee behaviour can be observed in both formal and informal settings, ranging from task performance and communication to teamwork and adherence to organizational policies.According to Treviño, Den Nieuwenboer, and Kish-Gephart(2014), ethical behaviour in organizations is influenced by a complex interplay of individual, organizational, and contextual factors.Ethical behaviour is not just about avoiding unethical actions but also about actively promoting ethical practices and cultures within organizations. This involves creating environments that support ethical decision-making, where leaders model ethical behaviour, and where policies and systems are in place to encourage and reward ethical conduct.

2.3 Relationship Between Ethical Codes of Conduct and Employee Behaviour

Ethical codes of conduct serve as guiding principles for employee behaviour, outlining expectations

and standards of conduct within the organization. Studies suggest that well-designed codes of conduct can enhance ethical awareness, promote adherence to ethical standards, and mitigate unethical behaviour (Weaver et al., 2016). Ethical behaviour often involves complex decision-making processes. Research in this area explores factors influencing ethical decision-making, such as individual values, moral awareness, and situational factors (Treviño et al., 2006). **O**rganizational factors, including leadership, culture, and organizational structure, significantly influence employee behaviour and ethical conduct. Studies suggest that ethical leadership and a supportive organizational culture are positively associated with ethical behaviour among employees (Brown & Mitchell, 2010). Research suggests that ethics training can increase ethical awareness, improve moral judgment, and enhance decision-making skills (Kish-Gephart et al., 2010). Effective ethics training programs incorporate interactive learning methods, case studies, and discussions to engage employees and promote ethical reflection (Johnson et al., 2014).

3.OBJECTIVES OF THE STUDY

   i.   To examine the extent to which ethical codes of conduct are understood and internalized by employees.

   ii.   To analyse the factors influencing the implementation of ethical codes of conduct.

   iii.   To understand the various dimensions of ethical behaviour of employees.

   iv.   To ascertain whether codes of ethics influence employee behaviour with respect to the reporting of unethical activities.

4.RESEARCH METHODOLGY

4.1 Research Design: In order to conduct research in a logical manner and address the predetermined research topic, a researcher must choose a framework of techniques and procedures. In order to determine whether the company's Ethical code of conduct, data was collected, analysed, and presented the data for this study using a descriptive research approach. The study was purely quantitative because questionnaire was used to gather data for the study.

4.2 Population: The population for the research comprises the employees of Choice Equity Broking Private Limited.

4.3 Sample Design and Sampling Method: In this study, a non-probability sampling design is employed, specifically using the convenience sampling method.

4.4 Sample Size: The study population consists of employees from Choice Equity Broking Private Limited. A sample of 40 respondents has been chosen for this study. The area of study is confined to Choice Equity Broking Private Limited, located in Kaloor, Ernakulam district. Data collection was conducted exclusively at the Kaloor office.

4.5 Method of Data Collection: Primary data for this study was gathered using printed questionnaires distributed to the employees. These questionnaires were designed to collect the necessary data from the respondents. Secondary data was sourced from the internet and various published journals available on different platforms.

5. DATA ANALYSIS AND INTERPRETATION

5.1 To find the extent to which ethical codes of conduct are understood and internalized by employees.

Table No. 5.1.1:KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.531
Bartlett's Test of Sphericity	Approx. Chi-Square	71.295
	Df	6
	Sig.	<.001

Table 5.1.1 shows that value of KMO statistics is greater than 0.5 indicating that factor analysis could be used for the given data and the Bartlett's test of sphericity is significant.

Table No . 5.1.2 :Communalities		
	Initial	Extraction
Aware of ethical codes of conduct	1.000	.640
Understand clearly the content of the ethical code of conduct.	1.000	.700
Organisation provides training for employees	1.000	.637
Standard of behaviour	1.000	.616

The table 5.1.2 shows high communalities for ethical conduct awareness and training, indicating these factors explain a significant portion of the variance in the data. Employees understand and adhere to ethical codes, with values ranging from 0.616 to 0.700.

Table No . 5.1.3: Total Variance Explained						
	Initial Eigenvalues			Extraction Sums of Squared Loadings		
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.594	64.855	64.855	2.594	64.855	64.855
2	.805	20.134	84.989			
3	.445	11.132	96.121			
4	.155	3.879	100.000			

The table 5.1.3 of total variance explained by the principal component analysis reveals that the first component accounts for 64.855% of the total variance, indicating it is the dominant factor in explaining the dataset. The second component adds an additional 20.134% of the variance, bringing the cumulative variance explained by the first two components to 84.989%. The third and fourth components contribute 11.132% and 3.879% respectively, resulting in a cumulative variance of 100% when all components are considered.

Table No 5.1.4: Showing the Component Matrix[a]	
	Component
	1
Aware of ethical codes of conduct	.800
Understand clearly the content of the ethical code of conduct.	.837
Organisation provides training for employees	.798
Standard of behaviour	.785

Table No .5.1.5 : Showing the Rotated Component Matrix[a]
a. Only one component was extracted. The solution cannot be rotated.

In the table 5.1.5 rotated component matrix table indicates that only one component was extracted, so rotation was not needed. This single component effectively captures the main underlying structure of the data, encompassing all variables related to ethical codes and behaviour in the organization.

5.2 Factors Influencing the Implementation of Ethical Codes of Conduct.

Table No 5.2.1: showing the KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.677
Bartlett's Test of Sphericity	Approx. Chi-Square	1081.359
	df	190
	Sig.	<.001

Table no:5.2.1 shows that value of KMO statistics is greater than 0.5 indicating that factor analysis could be used for the given data and the Bartlett's test of sphericity is significant.

Table No . 5.2.2: Showing the factor Communalities		
	Initial	Extraction
Courses/training	1.000	.739
Action will be taken by the organisation	1.000	.815
Monitoring to ensure that employees work ethically.	1.000	.721
If not monitored, we do not need to work ethically .	1.000	.685
Set a good example for subordinates.	1.000	.863
I always adhere to the work ethics	1.000	.811
Ethics can be seen clearly on the website	1.000	.578
Work ethics are displayed on the notice boards	1.000	.888
Annual reports, newsletters, brochures etc.	1.000	.847
The organisation's work ethics are not explained to new employees	1.000	.869
Encounterany problems	1.000	.847
get the work ethics of the organisation.	1.000	.806
I have read fully the work ethics of this organisation.	1.000	.827

Understand the contents of the work ethics of the Organization.	1.000	.806
Explain the organisation's work ethics to other employees.	1.000	.695
I often discuss with my colleagues to understand the content	1.000	.692
what is required by the work ethics	1.000	.875
Solve the problem of the public(customers).	1.000	.796
improve work performance.	1.000	.776
Sign a Statement	1.000	.544

The table no: 5.2.2 shows the proportion of each variable's variance that can be explained by the extracted factors in a Principal Component Analysis. Initial communalities are all 1.000, indicating that initially, each variable is assumed to have 100% of its variance explained. The extraction communalities indicate how much of the variance in each variable is accounted for by the extracted factors.

Table No . 5.2.3 : Showing the Total Variance Explained								
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	11.817	59.087	59.087	11.817	59.087	59.087	6.545	32.726	32.726
2	2.155	10.776	69.863	2.155	10.776	69.863	6.506	32.530	65.257
3	1.508	7.540	77.403	1.508	7.540	77.403	2.429	12.147	77.403
4	.998	4.989	82.393						
5	.896	4.480	86.873						
6	.504	2.518	89.391						
7	.462	2.310	91.701						
8	.384	1.918	93.618						
9	.330	1.651	95.270						
10	.250	1.249	96.519						
11	.211	1.054	97.574						
12	.139	.695	98.269						
13	.105	.527	98.796						

14	.089	.443	99.239						
15	.056	.281	99.520						
16	.039	.197	99.717						
17	.030	.151	99.868						
18	.019	.095	99.962						
19	.004	.020	99.983						
20	.003	.017	100.00						

The table 5.2.3 provides insights into the number of components extracted and their contribution to explaining the variance in the data. Initially, three components have eigenvalues greater than 1, explaining 59.087%, 10.776%, and 7.540% of the variance, respectively, totaling 77.403%. After rotation, the first three components explain 32.726%, 32.530%, and 12.147% of the variance, respectively, cumulatively accounting for 77.403%.

Table No .5.2.4 : Showing the Component Matrix[a]			
	Component		
	1	2	3
Workers: Courses/training	.751	.416	-.046
Action: Violation, Work ethics	.788	.440	.011
Monitoring: Unnecessary, Ethical work	.742	.400	-.101
Superiors: Exemplary, Work ethics	-.316	.418	.641
Adherence: Fear, Disciplinary action	-.709	-.021	.600
Visibility: Website, Notice boards	-.655	-.021	.618
Printed materials: Exclusion, Work ethics	.666	-.076	.359
New employees: Explanation, Work ethics	.867	-.365	.053
Reference: Problems, Work ethics	.858	-.298	.149
Accessibility: Work ethics, Location	.793	-.488	-.043
Understanding: Work ethics, Content	.814	-.429	.020
Explanation: Work ethics, Colleagues	.800	-.401	.069
Compliance: Work ethics, Requirements	.829	-.265	.265
Assistance: Public (Customers), Problem- solving	.841	-.218	.227
Performance improvement: Compliance, Work ethics	.823	.018	.135
Employee statement: Reading, Understanding, Work ethics	.799	.134	.187

Workers: Courses/training	.845	.397	.064
Action: Violation, Work ethics	.798	.398	.021
Monitoring: Unnecessary, Ethical work	.798	.373	-.032
Superiors: Exemplary, Work ethics	.701	.224	-.048

Table No .5.2.5:Rotated Component Matrix[a]			
	Component		
	1	2	3
Workers: Courses/training	.239	.812	.148
Action: Violation, Work ethics	.272	.855	.100
Monitoring: Unnecessary, Ethical work	.220	.795	.200
Superiors: Exemplary, Work ethics	-.217	.094	-.793
Adherence: Fear, Disciplinary action	-.232	-.495	-.751
Visibility: Website, Notice boards	-.188	-.459	-.752
Printed materials: Exclusion, Work ethics	.644	.388	-.115
New employees: Explanation, Work ethics	.837	.311	.302
Reference: Problems, Work ethics	.827	.354	.194
Accessibility: Work ethics, Location	.823	.171	.403
Understanding: Work ethics, Content	.826	.228	.334
Explanation: Work ethics, Colleagues	.819	.240	.279
Compliance: Work ethics, Requirements	.833	.358	.070
Assistance: Public (Customers), Problem-solving	.798	.401	.096
Performance improvement: Compliance, Work ethics	.603	.565	.111
Employee statement: Reading, Understanding, Work ethics	.537	.635	.025
Workers: Courses/training	.358	.861	.079
Action: Violation, Work ethics	.308	.831	.105
Monitoring: Unnecessary, Ethical work	.302	.812	.161
Superiors: Exemplary, Work ethics	.321	.637	.187

Rotated component matrix table no: 5.2.5 identifies key factors influencing ethical behaviour within organizations. Component 1 underscores the importance of ethical training and adherence, emphasizing courses for workers, actions against violations, and monitoring of ethical practices. Component 2 highlights leadership's role in compliance, focusing on exemplary behaviour, disciplinary actions, and adherence to ethical standards. Component 3 emphasizes effective

communication and understanding, utilizing printed materials, new employee explanations, and clear guidelines to promote ethical conduct.

Table No . 5.2.6 : Weighted Average method of first dimension – Normative Ethical Behaviour

Dimensions of Ethical Behaviour	1	2	3	4	5	Total	Weighted Sum	Rank Order
Responsibility	25	13	2	0	0	40	57	9
Give credit	27	11	2	0	0	40	55	10
Use company services appropriately	22	16	2	0	0	40	66	3
Open about my errors	24	13	3	0	0	40	59	7
Conduct only company business	23	14	3	0	0	40	60	6
Do not give gifts/favours	24	14	2	0	0	40	58	8
Confidential information	23	15	0	2	0	40	61	5
Appropriate amount of time	13	0	0	9	18	40	139	1
Violation of company policies	25	11	2	0	2	40	63	4
Behave ethically.	14	23	3	0	0	40	69	2

The Table 5.2.6 ranks ethical behaviours in a company based on importance. "Appropriate amount of time" is the top priority (Weighted Sum = 139), indicating its critical role. "Behave ethically" and "Use company services appropriately" follow, showing high significance. Lower-ranked behaviours, such as "Give credit" and "Responsibility," suggest they are less emphasized. This ranking highlights which ethical dimensions are most valued, guiding focus areas for ethical training and policy reinforcement within the company.

Table No . 5.2.6 : Weighted Average method of first dimension – Juridical Ethical Behaviour

Dimensions of Ethical Behaviour	1	2	3	4	5	Total	Weighted Sum	Rank Order
Material and supplies	25	14	1	0	0	40	56	6
Request reimbursement	23	16	1	0	0	40	58	5
Come to work	11	0	0	19	10	40	137	3

Preferential Treatment	13	0	0	10	17	40	138	2
Allotted/assigned Time/quality/quantity	13	0	0	9	18	40	139	1
	14	0	0	9	17	40	135	4

The table 5.2.6 shows the data ranks various dimensions of ethical behaviour concerning material and time use in a company. "Allotted/assigned" ranks highest (Weighted Sum = 139), followed by "Preferential Treatment" (138), highlighting their critical importance. "Come to work" and "Time/quality/quantity" are also highly valued (Weighted Sums = 137 and 135, respectively). Lower-ranked behaviours, like "Material and supplies" (56) and "Request reimbursement" (58), indicate they are less emphasized. This ranking underscores which ethical behaviours are prioritized, informing areas for potential improvement in ethical standards and training within the company.

5.3 Factor analysis to ascertain whether codes of ethics influence employee behaviour with respect to the reporting of unethical activities.

Table No . 5..3.1 : Showing the KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.830
Bartlett's Test of Sphericity	Approx. Chi-Square	413.133
	Df	15
	Sig.	<.001

The Table no:5.3.1 shows that value of KMO statistics is greater than 0.5 indicating that factor analysis could be used for the given data and the Bartlett's test of sphericity is significant.

Table No . 5.3.2: Showing the Factor Communalities		
	Initial	Extraction
Employees: Standard, Behaviour, Organization	1.000	.871
Commitment: Organizations, Ethics codes	1.000	.900
Performance: Motivation, Employees	1.000	.926
Corporate codes: Influence, Behaviour, Reporting	1.000	.916

Unethical practices: Occurrence, Organizations, Lack of codes	1.000	.937
Familiarity: Ethical conduct, Codes	1.000	.852

Table :5.3.2 indicate the extent to which the original variables are accounted for by the extracted components. The values range from 0 to 1, with higher values suggesting a stronger relationship between the variables and the components.

Table No .5.3.3 : Showing theTotal Variance Explained					
Compone nt	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.40	90.034	90.034	5.402	90.034	90.034
2	.280	4.675	94.708			
3	.188	3.137	97.845			
4	.087	1.455	99.300			
5	.022	.369	99.669			
6	.020	.331	100.000			

 "Total Variance Explained" from the Principal Component Analysis (PCA) in table no:5.3.3 shows that the first component has an eigenvalue of 5.402, explaining 90.034% of the total variance. This indicates that the first component captures the vast majority of the information in the dataset. the data effectively, highlighting the dominant factor influencing the variables related to organizational behaviour and ethics.

Table No . 5.3.4 : Showing the Component Matrix[a]	
	Component
	1
Standard of behaviour required in the organization.	.933
Employees are more committed	.949
Motivating employee performance.	.962
Reporting of unethical practices.	.957
There are no corporate codes for its employees.	.968

Familiarity with codes of ethical conduct	.923

Table No .5.3.5 : Showing the rotated component matrix

Rotated Component Matrix[a]
a. Only one component was extracted. The solution cannot be rotated.

Table No .5.3.5 indicates that only one component was extracted during the analysis. This aligns with the scree plot's suggestion, where the first component accounts for the majority of the variance. Therefore, the analysis confirms that the data structure can be adequately represented by a single principal component without the need for rotation to simplify or clarify the component loadings.

5.4 CHI – SQUARE TEST

Table No . 5.4.1 : Showing the Ethical codes of conduct * Employee Behaviour Cross tabulation				
		Employee Behaviour		Total
		Strongly Agree	Agree	Neutral	
Ethical codes of conduct	Agree	19	5	1	25
	Neutral	3	8	4	15
Total		22	13	5	40

Table No . 5.4.2 : Showing the Chi-Square Test			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	12.404[a]	2	.002
Likelihood Ratio	13.072	2	.001
Linear-by-Linear Association	11.442	1	<.001
N of Valid Cases	40		
a. 3 cells (50.0%) have expected count less than 5. The minimum expected count is 1.88.			

The Chi-Square Tests table 5.4.2 indicates significant associations between variables. The Pearson Chi-Square value of 12.404 with a p-value of .002, and the Likelihood Ratio of 13.072 with a p- value of .001, both suggest a statistically significant relationship (p < .05). The Linear-by-Linear Association is also significant (value = 11.442, p < .001), indicating a significant trend across the categories.

Table No . 5.4.3 : Showing the Correlations			
		Code of Ethics	Employee Behaviour
Ethical codes of conduct	Pearson Correlation	1	.542**
	Sig. (2-tailed)		<.001
	N	40	40
Employee Behaviour	Pearson Correlation	.542**	1
	Sig. (2-tailed)	<.001	
	N	40	40
**. Correlation is significant at the 0.01 level (2-tailed).			

The correlation table 5.4.3 shows a significant positive relationship between the Code of Ethics and Employee Behaviour. The Pearson correlation coefficient is .542, which indicates a moderate positive correlation. This relationship is statistically significant with a p-value of less than .001 (Sig. (2-tailed) < .001).

6. FINDINGS

The sample is predominantly composed of middle-aged respondents (31-50 years old), accounting for 65% of the total. The largest specific age group within this range is 41-50 years (37.5%).A smaller segment of the sample consists of respondents aged 21-30 (25%) and those above 50 years old (10%).There is a significant gender imbalance, with males representing 70% of the respondents and females 30%, indicating a male-dominated sample.A substantial majority of respondents are unmarried (77.5%), while a smaller portion (22.5%) are married, indicating a predominantly unmarried sample.32.5% of the respondents has over 15 years of experience, highlighting a significant presence of highly experienced professionals. 22.5% are those with 6-10 years, 17.5% are of 11-15 years whereas 15%, and less than (12.5%) has 1 year of experience.Nearly half of the respondents (47.5%) earn above RS. 30,000 salary , with a significant portion of 22.5% employees earning salary between RS. 25,000 and 30,000 as salary. Smaller groups of 20% employees earn salary between RS. 15,000-20,000 and 7.5% of employees earn RS. 20,000-25,000 in salary and less than 2.5% of employees get RS. 15,000 as salary.

The study found a significant associations between ethical codes of conduct and employee behaviour through Pearson Chi-Square value of 12.404 and the Likelihood Ratio of 13.072. Pearson Chi-Square:

Value of 12.404 with a p-value of 0.002 indicates a statistically significant relationship between the variables.Likelihood Ratio: Value of 13.072 with a p-value of 0.001 further confirms the significant association.Linear-by-Linear Association: Value of 11.442 with a p-value of less than 0.001 indicates a significant trend across the categories.The Pearson correlation coefficient of 0.542 indicates a moderate positive correlation between the ethical codes of conduct and Employee Behaviour. The significant positive correlation between the ethical codes of conduct and employee behaviour (Pearson correlation coefficient = .542, p < .001), suggesting that higher adherence to ethical codes is associated with better employee conduct. The relationship is statistically significant with a p-value of less than 0.001 (Sig. (2-tailed) < 0.001).The significance level of 0.01 (2-tailed) confirms that this result is unlikely to be due to chance.

7. SUGGESTIONS

47.5% of the respondents earn above RS. 30,000, while smaller groups earn less. Conduct a comprehensive salary review to ensure equitable pay distribution. Consider revising salary bands to reduce disparities and ensure competitive compensation across all levels.Significant associations were found between ethical codes of conduct and employee behaviour, with strong statistical evidence (Pearson Chi-Square, Likelihood Ratio, Linear-by-Linear Association). Strengthen and expand ethical training programs. Regular workshops and training sessions on ethical behaviour should be conducted to reinforce the importance of adhering to the Code of Ethics. Implement refresher courses to keep ethical standards top-of-mind. A moderate positive correlation exists between the Code of Ethics and Employee Behaviour (Pearson correlation coefficient = 0.542, p <.001). Develop a robust internal communication strategy to consistently promote the Code of Ethics. Use case studies and real-life examples to illustrate the positive impact of ethical behaviour. Reward and recognize employees who demonstrate exemplary adherence to ethical standards. Shift focus to improve behaviours that are currently less emphasized. Encourage a culture of giving credit and taking responsibility by incorporating these values into performance evaluations and recognition programs. Highlight their importance in training modules and leadership communications.

Significant correlations and associations indicate the importance of ethical behaviour in the organizational context. Establish regular monitoring mechanisms to assess the effectiveness of ethical policies and training programs. Use surveys, feedback sessions, and ethical audits to gather insights

and make continuous improvements. Implement an anonymous reporting system for ethical violations to ensure employees feel safe reporting issues. Data shows a trend towards valuing certain ethical behaviours over others. Cultivate an inclusive and transparent organizational culture that values all dimensions of ethical behaviour equally. Leadership should model ethical behaviour, and the organization should celebrate ethical decision-making at all levels.

8. IMPLICATIONS OF THE STUDY

8.1.Implications Towards Management

Nearly half of the employees earning above Rs. 30,000 suggests a relatively high compensation structure. Management should continue to monitor and adjust salaries to stay competitive, ensuring high employee retention and motivation. The significant proportion of employees earning between Rs. 25,000 and 30,000 indicates a potential group for targeted incentives and career development programs to help them progress into the higher salary bracket. The significant associations between ethical codes of conduct and employee behaviour highlight the importance of reinforcing ethical policies. Management should regularly communicate and update these codes to ensure they remain relevant and effective.Invest in continuous training programs focused on ethical behaviour to maintain and enhance adherence to ethical standards. Workshops, seminars, and e-learning modules can be useful tools. Given the moderate positive correlation between the Code of Ethics and Employee Behaviour, management should promote ethical norms as a core part of the organizational culture. This can include recognizing and rewarding ethical behaviour.Leaders and managers should act as role models in adhering to ethical codes, demonstrating the importance of these principles through their actions. Develop training programs that cover all dimensions of ethical behaviour, emphasizing less practiced but equally important aspects.

8.2 Implications Towards Employees

Employees should familiarize themselves with the company's ethical codes of conduct. Awareness and understanding are the first steps towards adherence.Each employee should take personal responsibility for upholding ethical standards, understanding that their behaviour impacts the overall organizational culture.Regularly seek feedback on ethical conduct from peers and supervisors to identify areas for

improvement.Take advantage of training programs offered by the organization to continually enhance understanding and application of ethical behaviour. Participate actively in discussions and training sessions related to ethical behaviour. Sharing experiences and perspectives can help in better understanding and implementing ethical practices.Offer support to colleagues in understanding and adhering to ethical standards. Act as a mentor where possible to promote a culture of ethics within the team.While focusing on major aspects like "Appropriate amount of time" and "lead others to behave ethically," employees should not ignore the importance of giving credit those who deserve it and taking responsibility to self errors. Strive for a balanced approach to ethical behaviour.

9.CONCLUSION

The study of the impact of ethical codes of conduct on employee behaviour at Choice Equity Broking Pvt. Ltd. reveals that high awareness, understanding, and adherence to these codes significantly enhance employee commitment, performance, and overall ethical conduct. The strong positive correlation between ethical behaviour and adherence to the code of ethics underscores the critical role these codes play in fostering a positive organizational culture. Employees at Choice Equity Broking Pvt. Ltd. demonstrate a high level of ethical awareness and adherence, which significantly improves their commitment and performance, fostering a robust ethical climate within the organization.The presence of a unified factor influencing ethical behaviour highlights the effectiveness of the ethical codes in shaping employee conduct, emphasizing the importance of maintaining and enhancing these codes. To sustain the benefits, continuous training, regular communication, and proactive monitoring are essential to reinforce the importance of ethics. Statistical analysis supports these findings, with significant associations between ethical codes of conduct and employee behaviour, as evidenced by the Pearson Chi-Square and Likelihood Ratio values. The moderate positive correlation coefficient further suggests that higher adherence to ethical codes is associated with better employee conduct.Management should focus on regular training, ethical audits, feedback systems, and incorporating ethical behaviour into performance evaluations to enhance the ethical climate. Recognizing and rewarding ethical behaviour through incentive programs can promote adherence to the Code of Ethics. By prioritizing ethics and integrity, Choice Equity Broking Pvt. Ltd. can ensure long-term organizational success and maintain a robust ethical climate. These conclusions highlight the importance of ethical codes in shaping employee behaviour and underscore the need for continuous efforts to uphold and promote ethical standards within the organization.

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