

**The Impact of Business Ethics on Corporate Profitability
Performance: Evidence from Small and Medium-Sized Enterprises**

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Abstract

This study aims to examine the relation among business ethics and corporate profitability performance (CPP) of small and medium-sized enterprises (SMES), by analyzing how adherence to ethical practices affects profitability performance outcomes and corporate reputation. This study used 107 small and medium enterprises from 2020 to 2025 in Malaysian context. The sources of the data are from annual reports and DataStream, and the statistical software Stata was used to analyze the data. The importance of the study is highlighted in light of the growing interest and need to understand the relationship between business ethics and

profitability performance. A descriptive-analytical approach was used, with financial data and field surveys of medium-sized and small-sized companies analyzed. The results found that there is a positive and important relationship between business ethics and profitability performance. Indicators such as return on assets and profitability were also used. It was found that organizations that adhere to business ethics achieve higher profitability performance in the long term. Legal and financial risks are lower in ethical organizations compared to those that ignore the ethical dimension. The study confirms that business ethics is not merely a moral obligation, but rather a strategic element that directly contributes to profitability and sustainable growth. It also emphasizes the adoption of clear and binding codes of conduct within organizations. It also emphasizes employee training on professional ethical standards. It also emphasizes the link between individual performance evaluation and moral behavior.

Keywords: business ethics, corporate profitability performance, small and medium-sized enterprises

1. Introduction

Business ethics is a set of moral values and principles that govern the behavior of individuals and organizations in business and commerce (Doman, & Sitorus, 2023). These ethics aim to ensure that businesses are conducted fairly and responsibly toward all stakeholders, both internal and external. In other words, business ethics means adhering to ethical values in daily decisions and practices, such as honesty, fairness, respect for the rights of others, transparency, and social and environmental responsibility. Profitability performance is a measure used to assess a company or organization's capability to generate profits from its operations and economic activity. Profitability performance reflects management's efficiency in utilizing available resources to achieve the highest possible return on investment and is considered a key indicator of

business success and sustainability. Analyzing profitability performance is not limited to determining profitability alone; it also includes examining the factors that affect it, such as sales volume, costs, financing structure, and market conditions, to improve decision-making and increase the company's market value (Ezinwa, & Ekwutosi, 2021).

The following are the most prominent issues related to the relationship between business ethics and profitability performance in developing countries, with a particular focus on Malaysia. Weak culture of social responsibility. In many developing countries, small and medium-sized enterprises (SMEs) remain solely focused on profit without sufficient attention to social responsibility or workers' rights. Challenges in the work environment include poor working conditions and a lack of protection for workers, and weak training on business ethics. In developing countries, there is often a lack of awareness and training programs for employers and employees on the importance of business ethics. Malaysia is making good strides in this area, but it needs continued improvement to ensure that business ethics are integrated into the corporate culture (Ezinwa, & Ekwutosi, 2021).

The most prominent issues affecting profitability performance in developing countries, with some reference to the case of Malaysia. Weak financial and banking infrastructure. In many developing countries, the financial infrastructure is underdeveloped, making it difficult for companies to access financing at reasonable rates. Malaysia, by contrast, has a more developed financial system but still faces challenges in providing financing to small and medium-sized enterprises (SMEs). Limited admission to finance and liquidity, lack of liquidity, and the high cost of borrowing limit companies' ability to invest and grow, negatively impacting profitability. In Malaysia, despite a well-developed financing structure, small businesses may face difficulties obtaining loans due to high collateral requirements and market volatility, and economic instability. Developing countries often experience economic volatility, high inflation, and fluctuating exchange rates, which impact companies'

profitability and financial stability. Malaysia has a relatively more stable economy, but it is not immune to global economic shocks such as financial crises. Lack of innovation and technology, and weak adoption of technology and innovation, reduce operational efficiency and corporate profitability. Malaysia strives to promote the digital economy, but disparities in adoption between large and small companies persist. A lack of skilled workers impacts job quality and productivity, reducing profitability (Doman, & Sitorus, 2023).

Malaysia invests in education and training, but it requires continuous development to keep pace with economic changes. Business ethics vary depending on the environment, but can generally be classified into the following (Abbas et al., 2022). Honesty and integrity are the employee's or employer's commitment to telling the truth, and not cheating or deceiving. Transparency in business and financial transactions. For example, not concealing product defects from customers. Fairness and equality, treating all employees and customers fairly and without discrimination. Making decisions based on competence, not favoritism or bias. For example, hiring based on skills, not personal relationships. Responsibility is, individual's commitment to taking responsibility for the consequences of their actions. Performing tasks with proficiency and respecting time and rules. For example, admitting mistakes and taking responsibility for them rather than blaming others. Respect, respecting colleagues and customers regardless of their background or position. Respecting laws, rules, and different beliefs (Ezinwa, & Ekwutosi, 2021). For example, not ridiculing the opinions or beliefs of others in the workplace. Loyalty, an employee's commitment to the greater good of the organization or company. Maintaining business secrets and not leaking them to competitors. Commitment to teamwork, collaborating with others to achieve common goals. Avoiding selfishness or monopolizing success. Example: Sharing information and expertise with the team. Transparency and accountability, clarity in procedures and decisions. Accepting

evaluation and accountability for errors. For example, providing accurate performance reports and not falsifying results. Respect for laws and regulations, adhering to local and international labor regulations. Not violating intellectual property rights or labor laws. Investing in business ethics is not a burden, but rather an essential element in the long-term success and sustainability of companies (Ezinwa, & Ekwutosi, 2021 & Ali et al., 2025).

Theories used in the study and supporting the study, such as the stakeholder theory focuses on the fact that an organization must consider the interests of all stakeholders (customers, employees, society, the environment, and investors), and adherence to ethics enhances stakeholder satisfaction, leading to improved financial performance and profitability. Corporate social responsibility theory argues that companies should not focus solely on profits but also on ethical and social responsibility. Ethical and social practices lead to a good reputation, which enhances customer loyalty and, consequently, improves profitability. Social capital theory focuses on relationships, trust, and shared values within an organization and with society. Ethical practices foster trust and strong relationships, contributing to a successful business environment and stable profitability. Reputation theory, the concept mean the reputation is an intangible asset that directly impacts financial performance (Abbas et al., 2023). Companies that engage in ethical behavior gain a strong reputation, leading to increased investor and customer confidence, and consequently, increased profitability. Agency theory emphasizes on the association between managers (agents) and shareholders (owners). Ethical behavior by managers reduces conflicts of interest and increases decision-making efficiency, which positively impacts profitability (Abbas et al., 2022).

In light of the rapid changes taking place in the business world, business ethics have become one of the fundamental pillars of corporate success and sustainability. Profitability is no longer the sole indicator of good performance; rather, adherence to ethical values, transparency, and

integrity has become an integral part of modern corporate strategies. With consumers, investors, and society increasingly aware of the significance of ethical behavior in the workplace, the need to study the association among corporate ethics and corporate performance at the financial and profit levels has emerged (Abbas et al., 2023). This study aims to discover the influence of corporate commitment to business ethics on corporate profitability by analyzing ethical practices such as fairness, respect for employee rights, and compliance with laws, and their impact on productivity, customer satisfaction, and financial performance stability. The importance of this study comes at a time when ethical exposures are on the rise, negatively impacting corporate reputation and profitability. This makes it imperative to evaluate ethical dimensions as a factor influencing profitability, not just a moral value. Therefore, the aim of this study to investigate the relation between the business ethics on corporate profitability performance of Malaysian small and medium enterprises.

2. Literature review

In the fast-paced and ever-changing business world, business ethics have become a fundamental pillar that determines the success and sustainability of organizations. They represent the values and principles that guide the behavior of individuals and organizations in the workplace and contribute to building trust between various stakeholders, such as customers, employees, partners, and the community. Business ethics is not limited to compliance with laws alone; it also encompasses adherence to ethical standards that promote integrity, transparency, and fairness. Interest in business ethics has grown in recent years due to the challenges and problems facing companies, such as corruption, manipulation, resource exploitation, and human rights violations. This has prompted many organizations to adopt clear ethical policies to ensure business is conducted in a responsible and sustainable manner. In today's business world, achieving and improving profitability is a key goal for any

organization seeking growth and expansion. Profitability performance reflects a company's ability to convert its resources into net profits, which directly impacts its sustainability and attractiveness to investors.

A set of financial ratios and indicators, for example net profit margin, “return on assets (ROA)”, and return on equity (ROE), are used to measure profitability performance. These indicators help management and investors understand the company's financial strength, efficient asset utilization, and cost control. Ali and Al-Owaihah (2008) tested the relationship between work ethics derived from Islamic values and employee performance. The results found a positive association exists adherence to Islamic work ethics and increased organizational performance, which is reflected in increased profitability. Turyakira et al., (2014) study the influence of CSR factors on the competitiveness of “small and medium-sized enterprises”. The findings reported the ethical practices lead to improved reputation, increased customer loyalty, and consequently increased profitability. Valentine & Fleischman, (2008) tested the impact of ethics programs, perceived corporate social responsibility and job satisfaction. The results found the organizations that implement strong ethics programs achieve higher profitability rates due to motivated employee performance.

Mishra and Suar (2010) tested the impact of CSR on the firm performance of Indian companies and the results found the commitment to ethical and social responsibility has contributed to improved financial performance of Indian companies. Aguinis and Glavas (2012) investigated the CSR and the findings found indicated that ethical values in an organization's internal and external dealings lead to increased levels of trust, thereby improving profitability. Other studies that addressed the relationship between business ethics and corporate performance, with a brief summary of each study. Valentine and Barnett (2002) tested the ethics codes and organizational context, the results found there is a positive connection between the application of business ethics and employee satisfaction, which positively impacts corporate performance. The Implication of the

study a corporation's commitment to clear ethics enhances the internal environment and strengthens organizational performance. Trevino, Weaver & Reynolds (2006) tested the behavioural ethics in organizations, and the results found the ethical behaviours of leaders create a positive organizational culture that directly impacts corporate performance. The implication ethical leadership is essential for enhancing overall corporate performance. The business ethics and ethical decision making. The results found having clear ethics policies helps reduce legal risks and increase customer and investor confidence. The Implication of ethical commitment is reflected in a company's reputation and financial performance. Singhapakdi et al. (1996) study the importance of ethics and ethical decisions in marketing. The results found the managers believe that ethical decisions enhance long-term sustainability and support customer relationships, the application of ethics in marketing has a direct impact on a company's reputation and performance. Choi and Jung (2008) tested the ethical commitment, financial performance, and valuation. The results found the companies with high ethical commitment achieve better financial performance over the long term. The Implication of the study mention the link among ethics and financial performance is positive and significant and also there is a strong relationship between having clear ethical values and increased productivity and improved performance. The Implication, in an unstable environment, ethics is an important reference for promoting discipline and institutional stability. General conclusion, the corporate commitment to professional ethics enhances the employee satisfaction and social trust, the educing disputes and legal risks. Improving financial and institutional performance and improving sustainable reputation. The main hypothesis, there is a statistically important link among business ethics and profitability performance. The important of information is hence evidence from a company's perspective, which displays a few about business ethics and corporate profitability performance". Therefore, this paper explains this contribution by examination this connection by proposed:

H1. The business ethics are significant and positive connected with corporate profitability performance of Malaysian small and medium-sized enterprises.

3. Research methods

Business ethics are considered a fundamental pillar that contributes to building a company's reputation and enhancing consumer and investor confidence. Because companies' financial and administrative performance is closely linked to their ethical behaviour, recent research and studies have focused on examining this relationship by applying multiple methodologies that combine social and administrative sciences. The methodologies used vary from descriptive studies that rely on surveys and questionnaires to measure companies' commitment to ethical values, to quantitative methods that employ statistical analysis to examine the impact of these commitments on financial performance indicators such as profitability, return on investment, and growth levels. Some studies also rely on “qualitative methodologies” for example interviews and case studies to gain a deeper understanding of how ethics are integrated into corporate strategies and the impact this has on the organizational environment and corporate culture. Together, these methodologies seek to provide a comprehensive vision that helps researchers and administrators understand the importance of implementing business ethics as a pivotal factor in improving corporate performance and achieving economic and social sustainability (Abbas et al., 2023 & Ali et al., 2025). The measurements of the study tested the corporate profitability by using the return on assets (ROA) is measured by dividing net income by total assets and multiplying by 100% and the business ethics and artificial intelligence by using the an “index with a scale of zero to one, where a score of one” is for information disclosure, and zero for “non-disclosure” (Saleh, Zulkifli, & Muhamad, 2011). The corporate ownership measured by the “The percentage of organization shares owned by executive directors” (Ibrahim & Ismail, 2012).

This study followed a descriptive-analytical approach, describing the concepts of "business ethics" and "profitability performance" and then analysing their relationship using quantitative tools. The study population consists of Malaysian "small and medium-sized enterprises" (SMEs). This study selected a sample of 107 SMEs from 2020 to 2025. Data was collected using secondary data, including annual reports and a database for 107 companies. Stata software was used to analyse the data. The variables were measured as shown in Table 1.

Table1. Measurements of Variables

Name	Measurement
"Dependent Variable"	
Corporate Profitability Performance	Return on assets (ROA) is measured by dividing net income by total assets and multiplying by 100%.
"Independent Variable"	
Business Ethics	Business ethics is "measured by using an "index with a scale of zero to one, where a score of one" is for information disclosure, and zero for "non-disclosure".
Control Variables	
Artificial intelligence	"One indicates corporate information's and zero otherwise".
Corporate ownership	"The percentage of organization shares owned by executive directors".

Source: Created by researchers

Regression model

One empirical model is employed to detect the link among business ethics and CPP. This research used a many regression using the "ordinary least squares (OLS)". This research expected findings are practical using this model to approve their "comparability" to that of additional studies. The model below explains the connection.

$$CPP_{it} = \beta_0 + \beta_1 BE_{it} + \beta_2 AI_{it} + \beta_3 COWN_{it} + \varepsilon$$

4. Results

The relationship between business ethics and profitability performance most studies indicate a positive relationship between the implementation of business ethics and increased profitability performance in organizations (Choi, & Jung, 2008). Companies that adhere to ethical values often gain customer trust and loyalty, employee satisfaction and increased productivity, and a strong market reputation that attracts investors and partners and helps improve internal efficiency. Ethical behavior contributes to reducing administrative corruption and illegal practices, leading to reduced costs, improved operational efficiency, and reduced employee turnover. Indirect effects through organizational variables. Some studies indicate that the impact of ethics on profitability is indirect through improving organizational culture, increasing employee commitment, and building long-term relationships with customers and suppliers. Differences by industry, the strength of the relationship varies by sector, and in financial services and healthcare, ethical commitment has a greater impact on profitability. Some challenges, companies that implement ethics may face short-term costs (such as investing in training or environmental compliance). However, these costs are offset by long-term benefits resulting from a good reputation and sustainable relationships. The more business ethics a company has, the higher its profitability will be in the medium and long term, by enhancing reputation, customer confidence, and strengthening internal and external relationships.

Descriptive statistics test

This research displays in the table 2 the “descriptive of statistics” test in the “sample” of 107 in Malaysia small and medium-sized enterprises from DataStream and “annual reports” from 2020 to 2025. The CPP shows a mean with 0.152 and the business ethics presents 0.014.

Table 2 Descriptive statistics analysis

Variable	Obs	Mean	Std. Dev.	Min	Max
CPP	107	0.152	0.167	-0.702	0.763
Business ethics	107	0.014	0.375	-1.000	0.662
artificial intelligence	107	0.500	1.680	0.97	1.143
Corporate ownership	107	0.139	0.110	0.000	0.400

Source: Created by researchers

Correlation test

This research presents in Table 3, shows there is a positive and significant relation between the business ethics and corporate ownership with CPP. But the artificial intelligence has a negative correlation with CPP. Analyzing the relationship between business ethics and profitability performance. The relationship can be analyzed through the following points. Companies that adopt ethical practices gain the trust of customers and investors, leading to increased sales and investment. Good reputation is leads to customer loyalty and thus stable returns. Reducing legal risks, the ethical compliance reduces legal penalties and fines that negatively impact profitability. Employee motivation is an ethical work environment increases employee satisfaction and productivity. Some challenges that the cost of implementation ethical standards can be costly in the short term (e.g., environmental and social responsibility obligations). Market pressure in some markets, ethical practices may be viewed as a barrier to rapid competition or cost reduction. Previous studies (optional for academic enrichment) studies in Malaysia and developing countries have shown a positive relationship between companies' adoption of business ethics and higher long-term profitability performance. In contrast, some

research has indicated that this relationship may be weak or indirect if the business environment does not promote ethical values or in cases of administrative corruption. There is a moderate to strong positive correlation between business ethics and profitability performance, but it depends on factors such as the regulatory environment, competition, and local legislation.

Table 3 correlation analysis

Variables	CPP	Business Ethics	Artificial intelligence	Corporate ownership
CPP	1.000			
Business Ethics	0.263***	1.000		
Artificial intelligence	-0.022	-0.031	1.000	
Corporate ownership	0.620***	0.044	0.014	1.000

Source: Created by researchers

Regression analysis

The consequences for the this study shows in the Table 4 disclose the fi findings linking to CPP which shows that business ethics has positive linking with CPP ($t=3.19$, $p\text{-value}=0.002$). The corporate ownership has a positive but essential connection with CPP. The artificial intelligence has a negative linked with CPP. The managers in companies' firms sector could growth from these findings in their try to achieve development process on. Also, the conclusions of this paper can furthermore be used to define present business ethics.

The effects of the relationship between business ethics and profitability can be analyzed from several perspectives, including the direct and indirect impact of business ethics on profitability. It also highlights the interconnectedness between ethical aspects, productivity, and sustainability. The most prominent effects include: improving corporate reputation. The ethical behavior enhances the organization's image among customers and investors. A good reputation attracts new customers and retains existing ones, increasing sales and improving profitability. Increasing trust, and internal stability. A company's commitment to

business ethics fosters loyalty and belonging among employees. An ethical work environment reduces internal conflicts and improves overall performance, which positively impacts profitability. Attracting investors and ethical companies are considered safer and more sustainable from the perspective of investors. Ethical performance is considered an indicator of management quality, leading to higher share values and increased investment attractiveness. Achieving competitive advantage of companies that integrate ethical values into their business model can differentiate themselves in the market. This distinction can lead to increased market share and, consequently, improved financial performance long-term impacts on sustainability (Abbas et al., 2023 & Ali et al., 2025). The ethics contribute to building long-term relationships with customers and society, which is reflected in sustainable profitability. Focusing on social and environmental values helps ensure sustained profitable growth in a changing environment. The relationship between business ethics and profitability performance is positive, as ethical business practices build a strong and stable business environment that contributes to increased operational efficiency, reduced costs, and sustainable profits. Companies that invest in ethics lay the foundation for long-term financial success.

Table 4 Regression analysis

Variables	Coef.	Std. Err.	t-stat	sig
Business Ethics	0.553	0.173	3.19	0.002***
artificial intelligence	-5.110	1.570	-0.32	0.746
Corporate ownership	2.119	0.256	8.26	0.000***
Constant	-0.385	0.054	-7.13	0.000***
Sample size	107			
R-squared (%)	44%			
Adjusted R2 (%)	42%			
F-value	0.000			

Source: Created by researchers

To support the findings on the relationship between business ethics and corporate profitability performance, we can focus on three main axes:

The stakeholder theory of this asserts that companies that consider the interests of all stakeholders (customers, employees, suppliers, etc.) achieve better sustainable performance. The Reputation Theory is ethical behavior improves a company's reputation, leading to increased customer loyalty and investor attraction. Corporate social responsibility (CSR) Theory, the companies that apply ethical principles are considered more committed to society, which enhances their image and performance. Empirical support (from previous studies) some study findings are numerous studies have proven that adherence to business ethics leads to improved financial and non-financial performance. For example, a study by Ferrell et al. (2015) showed that companies with a strict code of ethics reported increased productivity and organizational loyalty. The sustainability is the ethical companies adopt long-term practices. Employee and customer satisfaction increases in an ethical work environment. The Creativity is a fair business climate fosters initiative and creativity. Companies that effectively embrace business ethics tend to achieve better long-term performance, whether in terms of profits, reputation, or sustainability. This is confirmed by management theories and organizational behavior, along with numerous applied studies.

5. Conclusions and Recommendations

This study found that the business ethics has positive associated with CPP. The corporate ownership has a positive but main relationship with CPP. The artificial intelligence has a negative associated with CPP. There is a direct positive relationship and the most studies indicate that companies' adoption of business ethics directly contributes to improving their financial performance and profitability by enhancing trust with customers and investors. Improving corporate reputation, the ethical practices build a strong corporate reputation, which increases customer loyalty and boosts market share, thus positively impacting profits. Reducing legal and regulatory costs, the ethical companies are less likely to commit legal

violations, which contributes to reducing fines and legal costs and improving profits. Increasing employee productivity, a work environment based on ethical values enhance employee satisfaction and loyalty, leading to increased productivity and improved overall performance. Attracting investment, the companies that adhere to business ethics are more attractive to investors seeking a stable and sustainable environment, which increases capital and profits. Long-run impact, although adherence to ethics may not lead to immediate financial results, the positive impact is clearly evident in the long run in the form of stability and sustainable profitability and promoting an ethical culture in the workplace.

Key findings on the relationship between business ethics and corporate profitability performance, supported by theoretical and applied studies in this field. There is a positive relationship between business ethics and corporate performance. Many studies indicate that adherence to business ethics enhances customer and investor confidence, leading to improved financial and competitive performance. Companies that adopt ethical practices enjoy a good reputation in the market, which is reflected in increased sales and brand loyalty. Business ethics reduces legal and reputational risks. Adherence to ethical standards helps companies avoid legal problems, fines, and losses resulting from corruption or fraud cases. Ethical companies are less vulnerable. Business ethics improves the internal work environment. Ethical values lead to better relationships between management and employees, which enhances productivity and reduces employee turnover. Employees in ethical work environments are more committed and satisfied, which supports the overall performance of the organization. The relationship between ethics and performance may be influenced by intermediary factors, such as company size, the sector in which it operates organizational culture, and economic and political stability. In some cases, the relationship may not be directly apparent until the long term. Ethics doesn't necessarily mean sacrificing profits. Contrary to popular belief, ethical behavior doesn't mean lower profits. In fact,

many ethical companies achieve higher profitability rates, thanks to customer trust and a stable work environment. Building an ethical corporate culture requires a commitment from senior management. Ethical performance starts at the top and is demonstrated through policies, decisions, and management behaviors. Having a clear code of ethical conduct and mechanisms for oversight and accountability enhances the practical application of these principles. We conclude that the greater the degree of companies' commitment to business ethics, the greater the likelihood of achieving sustainable and superior corporate performance. However, this requires a delicate balance between ethical values and business strategies.

Recommendation, the companies should instill an organizational culture based on honesty, which enhances customer and investor confidence and leads to improved long-term profitability. Developing clear policies for ethical behavior and recommending that establishing clear codes of professional conduct and training employees on them reduces legal and financial risks and increases operational efficiency, thus positively impacting profitability. Recommends linking ethical performance to rewards. Rewarding employees for ethical behavior enhances adherence to values and reduces instances of corruption or financial negligence, which improves the quality of management decisions and positively impacts profits. It also recommends that transparency and disclosure lead to increased transparency in internal and external dealings, builds a strong corporate reputation, attracts new investors and customers, and is reflected in growth and profitability. It recommends assessing the ethical impact of management decisions before making any strategic decision. Sustainable ethical decisions reduce potential losses and increase profitability. Implementing good governance helps ensure responsible and transparent management that monitors ethical compliance, enhances stakeholder confidence, and reduces risks, contributing to the stability and profitability of the organization.

The most important recommendations that can be put forward regarding

the relationship between business ethics and corporate performance, based on academic literature and research. Promoting a corporate culture of ethics and companies should establish clear codes of conduct for all employees, emphasizing integrity, transparency, and fairness. Spreading ethical awareness among employees enhances loyalty and belonging and reduces negative behaviors such as fraud and corruption. Integrating social responsibility into strategy and integrating social responsibility into a company's strategic plans improves the company's public image and increases customer and investor satisfaction. Ethical companies are more attractive to qualified employees and investors seeking long-term sustainability. Linking ethical performance to incentives and encouraging employees to behave ethically by linking reward and evaluation systems to ethical performance, not just financial results. This reduces illegal or unethical practices that could harm the company in the long run. Promoting transparency in management and applying the principles of good governance and transparency contributes to increased stakeholder confidence, which positively impacts financial performance. Disclosure of ethical policies and non-financial reporting enhances a company's credibility and leveraging technology to promote ethics. Artificial intelligence tools and digital technologies can be used to monitor ethical compliance and ensure compliance with laws. Enhancing secure internal whistleblowing systems reduces risks and detects problems early. Regularly examining the relationship, it is recommended to conduct periodic analytical studies to assess the impact of ethical compliance on financial and non-financial performance. This helps adjust policies and achieve a balance between profitability and ethical responsibility. Focus on values in leadership and training leaders and managers on ethical leadership reflects employee behavior and fosters a culture of trust within the organization. Effectively communicating with stakeholders and the companies that practice ethics in their dealings with customers, suppliers, and the community build long-term relationships that increase performance stability and growth.

Future proposals for studying the relationship between business ethics and profitability performance include expanding into economic sectors. Study the relationship across different sectors (industry, services, technology, etc.) to determine the impact of business ethics on profitability in each sector. The analyse the long-term impact of conducting long-term studies to understand how sustainable ethical practices impact corporate profitability over years, not just in the short term. The study the impact of organizational culture and focus on the role of organizational culture and internal ethical values in enhancing profitability, and how this impact varies across cultures and geographies. Linking social responsibility and profitability to evaluate how CSR, as part of business ethics, contributes to improved financial performance and profitability. Use new indicators and metrics and develop new indicators to more accurately measure business ethics, linking them with advanced financial indicators to measure profitability. The impact of business ethics on corporate reputation and investor attraction and the study how ethical practices lead to improved reputation, investor and customer attraction, and, consequently, increased profitability. Analyse the impact of crises on the relationship between business ethics and profitability. Study how economic, environmental, or health crises affect the relationship between business ethics and profitability performance. Studying the impact of technology and innovation and how modern technology and innovation influence the promotion of ethical business practices and thus improve profitability.

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