

Ethical infrastructure on small and medium enterprises: Actionable items to influence the perceived importance of ethics

Javier Camacho Ibáñez  | José Luis Fernández Fernández

Universidad Pontificia Comillas, Madrid,
Spain

Correspondence

Javier Camacho Ibáñez, Universidad
Pontificia Comillas, Madrid, Spain.
Email: jcamacho@comillas.edu

Abstract

The purpose of this study is to explore the influence of the ethical infrastructure in small and medium enterprises (SMEs) on the perceived importance of ethics and the ethical culture of these companies. The study also aims to identify the individual actionable items that contribute to this influence and help managers willing to improve the importance of ethics and the ethical culture within their organizations. The method used consisted of a quantitative study based on partial least squares (PLS) with 148 valid questionnaires from 65 SMEs. The actionable elements that have a more significant impact on the perceived importance of the role that ethics plays in the company are the following: to establish norms of behavior, whether written or not; to communicate clearly that nonethical behavior is not tolerated; to put in place sanctioning mechanisms for actions that while not ethical, could benefit the company; to consider employee expectations; and to give voice to employees in critical issues that might affect the company and to set up measures for work-life balance.

KEYWORDS

culture, ethical infrastructure, management, perceived ethics, SME

1 | INTRODUCTION: PURPOSE, RATIONALE, AND CONTEXT

The purpose of this study is to explore the influence of the ethical infrastructure in small and medium enterprises (SMEs) on the perceived importance of ethics and the ethical culture of these companies. The study also aims to identify the individual actionable items that contribute to this influence and help managers willing to improve the importance of ethics and the ethical culture within their organizations.

Research in business ethics is an issue receiving growing interest from the research community (Kechiche & Soparnot, 2012). In Spain, small- and medium-sized enterprises represent 99.9% of the total number of companies and generate 73.3% of jobs (Ministerio de Industria, Energía y Turismo, 2015). Also, when we talk of generalizing and strengthening business ethics strategies in the European area, it is widely acknowledged that there is a need to pay attention to SMEs. This is due to their intrinsic characteristics, derived from the size, structure, and idiosyncrasy of this kind of companies (Spence & Lozano, 2000) and also because of the impact that more responsible and sustainable management by SMEs could have on the socioeconomic context of Europe (European Commission, 2014). However, the study of ethical aspects in small- and medium-sized enterprises remains an area in need of additional studies (Harris et al., 2009).

SMEs display some unique characteristics concerning business ethics and some positive characteristics that allow them to take advantage of the opportunities provided by managing ethics in these companies (Jenkins, 2009). There is a need for more research and a specific approach to the reality of ethics in SMEs, developing tools that allow them to handle their specific characteristics and giving an adequate response to their particular challenges and limitations.

Every stable organization, regardless of its size and purpose, always develops some culture. As a result, as has been pointed out by Treviño and Nelson (2007), it is natural that when companies address problems of an ethical nature, they aim to respond to them by calling on organizational uses and culture, often connected with the ethical values and options of the founder or owner–manager. However, there is very little empirical research on the ethical perceptions of the employees and how this affects their everyday decisions (Aguilera et al., 2005; Hansen et al., 2011) or how those relate to the organization's ethical culture (Gorodutse & Hilman, 2016). The emerging concept of ethical infrastructure is defined as the set of formal and informal elements, explicit and implicit, influencing the ethical behavior of the company's employees (Fernández & Camacho, 2016; Martin et al., 2014; Tenbrunsel et al., 2003) and therefore having a relationship with the ethical culture and the ethical perception. Some studies point out the influence of the ethical perception of the employees in the firm performance (Gorodutse & Hilman, 2016). However, there is still the need to identify actionable elements that can impact that ethical perception. Therefore, it appears necessary to examine in more depth these relationships and identify which elements that contribute to the ethical infrastructure might have more impact. This will undoubtedly help understand better which factors influence the processes of change towards more ethical management of the organization (Verhezen, 2010).

2 | THEORETICAL FRAMEWORK AND HYPOTHESES

2.1 | Ethics in SMEs

Small- and medium-sized enterprises exhibit different characteristics than large companies; therefore, business ethics research about these companies must be explicitly addressed (Spence, 1999; Vázquez-Carrasco & López-Pérez, 2013). Many studies have focused on comparing large and small companies and the perception and intention of managers and employees of these firms (Longenecker et al., 2006). The perception of ethics in SME is therefore different than in large enterprises (Fassin, 2008; Fassin et al., 2011; Kechiche & Soparnot, 2012), and there are specific ethical issues faced by entrepreneurs and small businesses (Payne & Joyner, 2006; Vitell et al., 2000). SMEs have some positive aspects that would allow them to take advantage of the opportunities adopting responsible and ethical behaviors such as the values of the owner/manager, possible external pressures from customers, or compliance with current regulations (Baumann-Pauly et al., 2013; Herrera & Lechuga, 2014; Jenkins, 2009). However, there are also some barriers to adopting ethical aspects in SMEs, such as the scarcity of time and resources or the lack of training (Fernández & Camacho, 2016; Herrera & Lechuga, 2014).

In any case, there is a need for more research and a specific approach to the reality of ethics in SMEs (Jenkins, 2006), as well as the development of specific theoretical and conceptual tools that allow to manage ethics in these companies (Hammann et al., 2009; Lee, 2008). SMEs evolve and change over time, maybe even more rapidly than larger organizations, and therefore, we can speak of a concept of “dynamic” ethics, as opposed to the traditional investigation of “static” ethics (Arend, 2013). It is necessary, therefore, to focus research not only on a particular ethical behavior but also on the cause and antecedents of such behavior (Brand, 2009; Spence, 1999).

2.2 | Ethical infrastructure

Usually, when we talk about business ethics, we refer to guidelines for behavior aligned with the organizational culture (Treviño & Nelson, 2007). A study of ethical conduct in organizations involves understanding the factors that influence how people act in certain circumstances. This is the case because the environment in which the individual acts has a twofold impact: first, on the way a person faces a situation with a particular ethical component or moral dilemma and second, the cultural environment must also impact the individual's decision-making process (Hunt & Vitell, 2006). Ethical issues in companies are not solely caused by “bad apples,” that is, people with questionable ethical conceptions, but also by “bad barrels” (Treviño & Nelson, 2007, p.15), that is, organizational systems that either promote nonethical behavior or allow that behavior to happen.

Tenbrunsel et al. (2003) introduce the term “ethical infrastructure,” composed of the formal system, informal system, and organizational climate. Eisenbeiß and Giessner (2012) establish a relationship between the ethical structure and the maintenance of ethical leadership in the organization. Fernández and Camacho (2016) examine the concept of ethical infrastructure in more depth and carry out an exploratory study of its different building blocks, classifying them into formal, informal, and elements related to the action of leadership. Martin et al. (2014) point out the need to develop further studies regarding ethical infrastructure and how to identify formal and informal elements that prevent unethical thinking.

2.3 | Perceived importance of ethics

Our research aims to understand how ethical infrastructure can favor an ethical attitude in SMEs. We assume that an organization with a more developed ethical structure should be capable where necessary of promoting ethical decision making within its area of action (Eisenbeiß & Giessner, 2012) and, at the same time, to develop the ethical perception and maturity of its managers and collaborators (Wickham & O'Donohue, 2012).

Over recent decades, a variety of models have been used to assess a company's ethical perception. One of the most commonly used instruments to measure the perception of collaborators of the role of ethics in an organization is the Perceived Role of Ethics and Social Responsibility (PRESOR) scale developed by Singhapakdi et al. (1996). This scale comprises a series of questions that address matters relating to the perception of ethics concerning other aspects of the company, such as profitability, the survival of the company, short- and long-term objectives, the owners, and efficiency (Singhapakdi et al., 1996). The PRESOR scale may be used to establish whether the organization can perceive a particular ethical problem and identify some variables such as the importance of norms or relevance given to stakeholders affected by a specific situation. The scale we are referring to has been used in numerous studies to establish an indication of ethical perception within a company (Cortés et al., 2012; Godos-Díez et al., 2011; Shafer, 2015; Vitell et al., 2010), and one dimension that is common to most studies is the importance granted to ethics. For these reasons, this will be the dimension we will use to measure ethical perception in a company.

2.4 | Ethical culture

Another frequently used concept when talking about an organization's ethical environment is the "ethical culture," as a subset of the organizational culture, representing a multidimensional mesh between various formal and informal systems for controlling behavior that can promote ethical or nonethical behavior. Therefore, the ethical culture of an organization would refer to the assumptions of the culture, both concerning ethical questions and in terms of the ethical dimension of technical questions inherent to the organization (functional areas, policies and practices).

As for ethical culture, Kaptein (2009) uses a Corporate Ethical Virtues Model to explore to what extent the components of ethical programs are related to the dimensions of the ethical culture. He identifies the following: clarity, congruency of managers and supervisors, feasibility, support, transparency, discussion, and sanctions. In other studies, the aim is to measure values and ethical culture, searching for their relationship with ethical behavior, on the one hand, and with formal and informal ethical structures on the other.

2.5 | Formulation of hypotheses

As indicated above, our research seeks to understand how the elements of the ethical infrastructure can favor or affect a specific behavior or ethical orientation in the company (Martin et al., 2014; Morris et al., 2002) A company with a more developed ethical infrastructure should be able to develop the perception and ethical maturity of its managers and collaborators (Wickham & O'Donohue, 2012). Therefore, we formulate the hypothesis that the ethical

infrastructure should have an impact on the perceived importance of ethics for the employees of the company:

H1. The ethical infrastructure influences the importance granted to ethics in the company.

Duh et al. (2010) search for the relationship of formal and informal ethical structures to ethical culture, and nevertheless, the variance value explained for the perceived importance of ethics implies that other factors have an influence on this variable and are behavior. Eisenbeiß and Giessner (2012) point out that a company with a more developed ethical infrastructure should be able to promote ethical decision making in its field. Therefore, we formulate the hypothesis that the ethical infrastructure should have an impact also on the ethical culture of the company:

H2. The ethical infrastructure influences the ethical culture of the company.

Treviño and Nelson (2007) argue that organizations should take an approach aimed at changing the company's culture when they want to improve the organization's ethical environment. Hence, we formulate the hypothesis that ethical culture should have an impact on the perceived importance of ethics:

H3. The ethical culture influences the importance granted to ethics in the company.

The different hypotheses are shown in Figure 1.

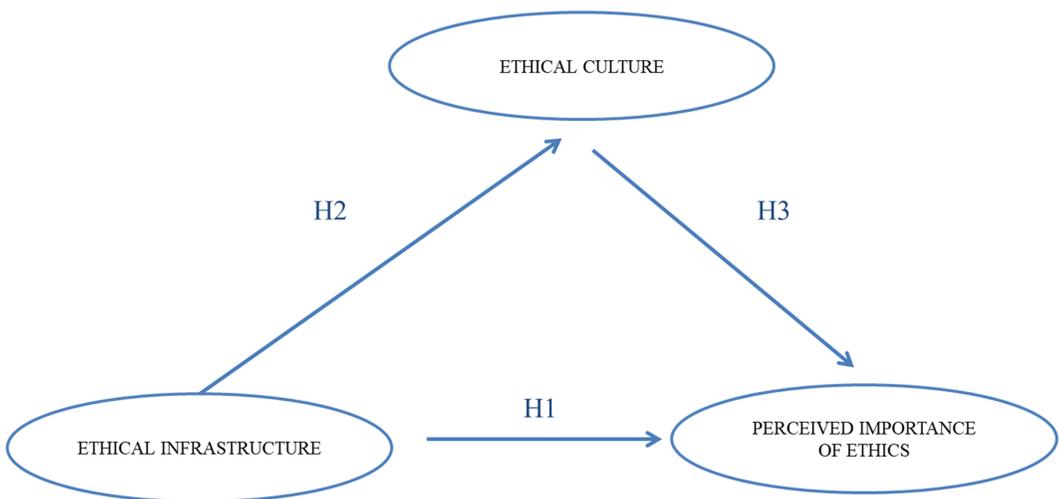


FIGURE 1 Model of relations between the ethical infrastructure, ethical culture, and the importance of ethics. *Source:* Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

3 | METHODOLOGY

To carry out our exploratory quantitative study, we face the difficulty that neither ethical infrastructure nor ethical culture are observable variables and cannot be measured directly. Therefore, it is necessary to choose a methodology that allows measuring these variables through a set of observable indicators, which also allows for assessing the relations between the variables. We have chosen an analysis technique based on structural partial least square (PLS) equations that has also been used in similar studies (Godos-Díez et al., 2011; Gorondutse & Hilman, 2016; Vitell et al., 2010).

PLS is a specific model of structural equations that allows variables that are difficult to measure directly to be related through a series of indicators. The PLS model relates a series of constructs or variables, measures, or indicators and tests both the relation between variables and between each variable and its indicators (Haenlein & Kaplan, 2004). A construct or a variable usually refers to the conceptual term used to describe a phenomenon of theoretical interest, while measures or indicators are the scores obtained through questionnaires (Edwards & Bagozzi, 2000).

The versatility of the models of structural equations has extended its use in the social sciences (Hair et al., 2011). Specifically, PLS analysis is appropriate to explore relations that do not have a prior theoretical foundation and work with relatively small samples (Hair et al., 2011). In addition, PLS models do not require assumptions about the normality of the distribution of the variables (Haenlein & Kaplan, 2004). The PLS model proposed for this study is shown in Figure 2.

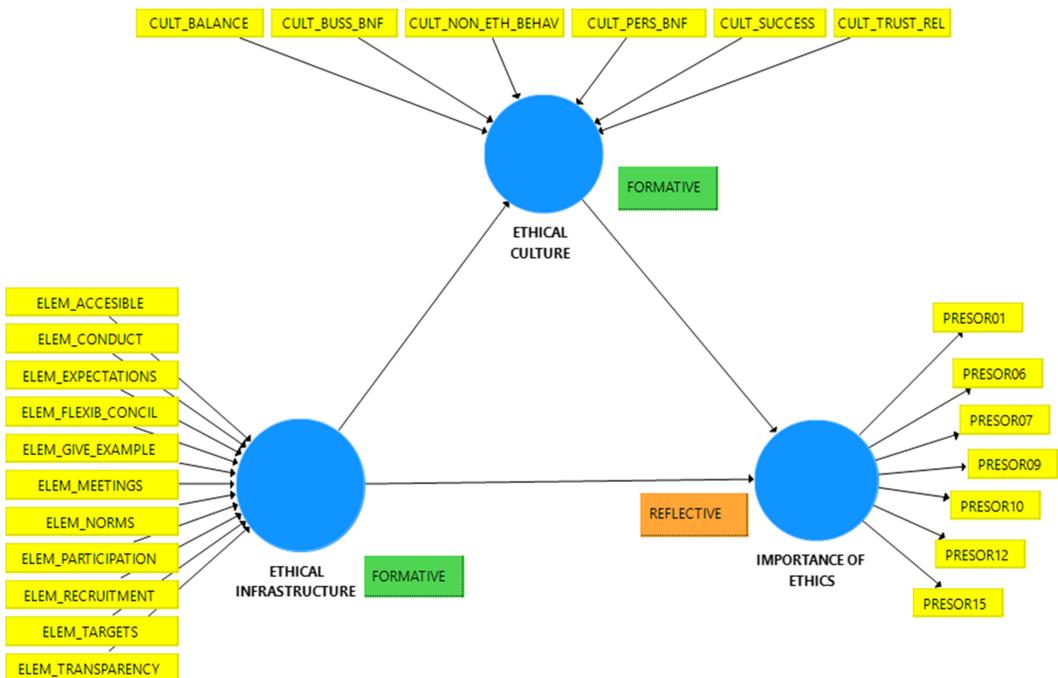


FIGURE 2 Representation of the PLS model used. *Source:* Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

According to the model described in the previous section, we will be working with three variables or constructs: *Ethical Infrastructure*, *Ethical Culture*, and *Perceived Importance of Ethics*. A distinction should be made between formative and reflective variables, as there are sometimes errors in specifying them (Jarvis et al., 2003). In a reflective variable, the indicators depend on this variable, and the correlation between them tends to be high. In our case, the construct *Perceived Importance of Ethics* would be reflective since the indicators depend on the construct: more importance granted to ethics will be “reflected” similarly in all the indicators used. In formative constructs, the constructs determined by the indicators, and the latter may or may not be correlated with each other (Haenlein & Kaplan, 2004). Therefore, both *Ethical Infrastructure* and *Ethical Culture* constructs would be formative, as indicators determine the variable, and these indicators may or may not correlate (Jarvis et al., 2003). For example, the presence of some elements of ethical infrastructure does not imply that all the elements are present.

PLS is also the recommended alternative when formative constructs are part of the structural model (Hair et al., 2011). Following is a description of each of the variables and the corresponding indicators used.

3.1 | Elaboration of the questionnaire

For each of the constructs, several indicators were chosen to develop a questionnaire. In Table 1, the complete list of variables with their indicators and description is shown (each indicator would correspond to a question on the questionnaire).

For the *Ethical Infrastructure* variable (formative), the indicators chosen were related to the formal, informal, and leadership elements as per the classification by Fernández and Camacho (2016). It must be considered that due to the limitations of the questionnaire's extension, a synthesis effort has been made in terms of the number of indicators to be used, and hence, we have selected only some of the elements that emerged on that qualitative research, based on the researchers' criteria, other studies (Kaptein, 2008; Morris, 2002), and the exploratory purpose of this study.

As mentioned above, to assess the *Perceived Importance of Ethics* (reflective), we have decided to use the PRESOR scale, commonly used in studies relating to this topic (Godos-Díez et al., 2011; Shafer, 2015; Vitell et al., 2010). The scale consists of 16 issues that relate ethical and socially responsible behavior to different aspects of the company's effectiveness. The PRESOR scale is composed of different dimensions (Singhapakdi et al., 1996). That is why we have carried out a factor analysis with the extraction of the main components. First, we calculated the correlation matrix for the data set, carried out Bartlett's analysis of sphericity, and calculated the Kaiser–Meyer–Olkin (KMO) index. The value of the determinant is low (0.006), which indicates the dependency between the variables. Bartlett's sphericity test allows us to reject the null independence hypothesis in this case. The KMO test gives a KMO index value of 0.854, which shows a high dependence between the variables (see Table 2).

Once the appropriateness of carrying out a factor analysis was checked, we carried out the analysis. Three main components were obtained that would explain 52.1% of the total variance (see Table 3 for factor analysis results with the rotated components). For this project, the first component could be defined as “Perceived Importance of Ethics” and could be considered as the importance granted to ethics by collaborators; in other words, of how relevant the role played by ethics is in the company, compared with other realities (results or short-term profits).

TABLE 1 Variables and indicators

Variables	Indicator	Description
<i>Ethical Infrastructure</i> (formative)	ELEM_GIVE_EXAMPLE	Managers provide an example of personal integrity.
	ELEM_TARGETS	Managers are realistic when it comes to establishing objectives.
	ELEM_CONDUCT	Managers expect ethical conduct from their employees at all levels of the company.
	ELEM_EXPECTATIONS	Managers take employee expectations into account.
	ELEM_ACCESSIBLE	Managers are accessible at all times.
	ELEM_RECRUITMENT	There is a defined and transparent selection process in the company (whether formal or informal).
	E_NORMS	Although they may not be written, there are management and behavioral rules in the company that establish what must be done and what must not be done.
	ELEM_FLEXIB_CONCIL	The company has work/life balance measures that cover employee needs.
	ELEM_PARTICIPATION	Employee participation is considered key in the company, and employees are consulted on all crucial issues.
	ELEM_MEETINGS	Regular meetings (formal or informal) are held in the company where the information on the company's performance is shared.
ELEM_TRANSPARENCY	In the company, there is concern that the information should be transparent and accessible to the employees.	
<i>Perceived Importance of Ethics</i> (reflective)	PRESOR09/compatibility	Corporate social responsibility can be compatible with profitability.
	PRESOR06/long-term profitability	Ethics and corporate social responsibility are essential for long-term profitability.
	PRESOR10/survival	Corporate ethics and social responsibility are critical aspects of the survival of a company.
	PRESOR12/more than profits	Companies have a social responsibility that goes beyond obtaining profits.
	PRESOR15/good ethics = good business	Ethics frequently result in good business
	PRESOR01/ethical behavior	Behaving in an ethical and socially responsible manner is the most important thing a company can do.
	PRESOR07/efficiency	The efficiency of a company may largely be determined by its ethical and socially responsible behavior.
	PRESOR11*/employee motivation	The main priority of a company should be its employees' motivation.

TABLE 1 (Continued)

Variables	Indicator	Description
<i>Ethical Culture</i> (formative)	CULT_SUCCESS**	To have success in the company, it is often necessary to question personal ethics.
	CULT_NON_ETH_BEHAV	The heads of the company have made it very clear that nonethical behavior is not tolerated
	CULT_PERS_BNF	If a company manager is found to have behaved in a nonethical way that has resulted in his or her benefit (rather than that of the company), he or she will be penalized immediately.
	CULT_BUSS_BNF	If a company manager is found to have behaved in a nonethical way that has resulted in the company's benefit (not his or her benefit), he or she will be penalized immediately.
	CULT_TRUST_REL	The company seeks to construct relations of trust and respect with its stakeholders (customers, suppliers, employees, shareholders, community).
	CULT_BALANCE	The company aims to maintain a balance between obtaining profits and the need to deliver value to its customers.

*This indicator was subsequently eliminated according to the criteria of Bagozzi and Yi (1988).

**Inverse coded.

Source: Developed by author.

TABLE 2 KMO and Bartlett's test of sphericity

Kaiser–Meyer–Olkin measurement of sample adequacy		0.854
Bartlett's test of sphericity	Approximate chi-squared	726.843
	gl	120
	Sig.	0.000

Source: Developed by author.

This will be the construct we will use, formed by the indicators described in Table 1. The second component would correspond to “Subordination of Ethics.” These components coincide with the dimensions and elements identified in other studies (Etheredge, 1999; Godos-Díez et al., 2011).

Regarding the *Ethical Culture* (formative) variable, we have selected few indicators from different studies that have tried to measure the ethical culture of the company (Hunt et al., 1989; Jondle et al., 2014; Kaptein, 2009; Morris et al., 2002). Given the limitation mentioned above of the questionnaire extension, indicators were focused on the dimension of clarity of the ethical culture (Kaptein, 2009), whether ethical behaviors are sanctioned positively or negatively (Hunt et al., 1989) and the intention of the company to build relationships of trust and to maintain a balance between the benefits and the delivery of value to customers (Jondle et al., 2014).

When it comes to preparing the questionnaire, both the way of answering it and the group at which it was targeted were considered. The questionnaire was designed to be sent and

TABLE 3 Result of the factor analysis of the PRESOR scale, rotated component analysis

	Component		
	1—Perceived importance of ethics	2—Subordination of ethics	3
PRESOR 9	0.772		
PRESOR 6	0.744		
PRESOR 10	0.734		
PRESOR 12	0.694		
PRESOR 15	0.690		
PRESOR 1	0.680		
PRESOR 7	0.559	−0.435	
PRESOR 11	0.479		
PRESOR 16		0.742	
PRESOR 13		0.723	
PRESOR 8		0.657	
PRESOR 14		0.639	
PRESOR 3			0.661
PRESOR 2			0.616
PRESOR 5		0.458	0.487
PRESOR 4			0.478

Note: Extraction method: analysis of the principal components. Rotation method: varimax normalization with Kaiser. The rotation has converged in six iterations.

Source: Developed by author.

TABLE 4 List of bibliographic references used in the elaboration of the questionnaire

Indicators corresponding to	References
Ethical infrastructure	Fernández & Camacho, 2016; Kaptein, 2008; Morris et al., 2002
Ethical culture	Hunt et al., 1989; Jondle et al., 2014; Kaptein, 2009; Trevino, 1986
Perceived importance of ethics (PRESOR)	Cortés et al., 2012; Godos-Diez et al., 2011; Shafer, 2015; Singhapakdi et al., 1996; Vitell et al., 2010

Source: Developed by author.

answered online, using the technique of an electronic survey (Simsek & Veiga, 2000). For the elaboration of the questionnaire, questions were prepared with the elements and indicators mentioned in the preceding paragraphs, using as a reference previous studies (see Table 4).

3.2 | Selection of the sample

For selecting the sample, we worked together with the Global Compact Spain Network, which has around 1300 SMEs as members in Spain. All those SMEs had some prior interest and motivation towards ethics and responsible behavior, being signatories of the Global Compact in

Spain. As noted above, the Global Compact Spain Network was involved in managing and monitoring the questionnaire. Specific access was prepared via the Global Compact Spain Network website to complete the questionnaire.

Once the questionnaire was prepared, it was reviewed by three collaborators from the university and by two others in the Global Compact Spain Network, checking that it could be understood. The questionnaire passed through various iterations to combine similar questions or modify statements to improve understanding. A 5-point Likert scale was used.

The G*Power program was used to validate the necessary size of the sample to carry out a power analysis recommended in the case of small samples (Faul et al., 2007; Mayr et al., 2007). This gave the results reflected in Figure 3. For a power of 0.80 (80% of probability of rejecting a null hypothesis when it is false), the number of cases must be greater than 120.

The questionnaire was sent to a total of 787 companies, all of them SMEs with more than 10 employees, and signatories of the Global Compact Spain Network. The information was sent by email, publication on the Global Compact website, posts on social media, and several reminders. At all times, it was stressed that the data and information included would be treated in complete confidence. The questionnaires were completed in the period from July 2015 to February 2016 (see Figure 4). In total, 148 valid completed questionnaires were received from 65 companies, a response ratio of 18.8%. More than one respondent was expected from each company since the questionnaire was addressed to some managers and employees of the companies.

Concerning the quality factors in the answers, it should be noted that given the guarantee of anonymity of the answers, the tendency to answer according to the social desirability associated with this type of self-questionnaire may be reduced. Similarly, as indicated above, we have tried to reduce the ambiguity of the questions as far as possible by a prior review and cross-check.

Figures 6 and 7 show the breakdown of the sample by employees and sector and compared with the total SMEs affiliated with the Global Compact Spain Network. The distribution of the sample and the total SMEs affiliated with the Global Compact is very similar in terms of employees and sectors, with some variations concerning the construction, industry, and energy.

The following software packages have been used to analyze the data:

1. Microsoft Excel

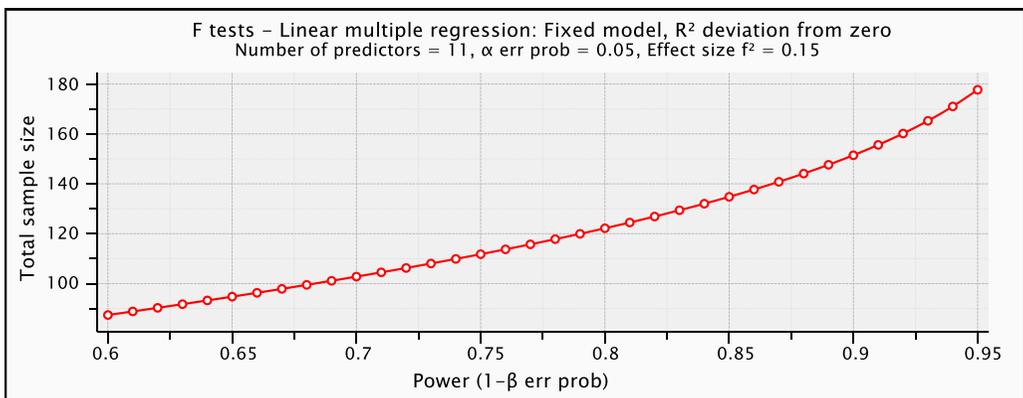


FIGURE 3 Chart showing power according to the sample size. Source: Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

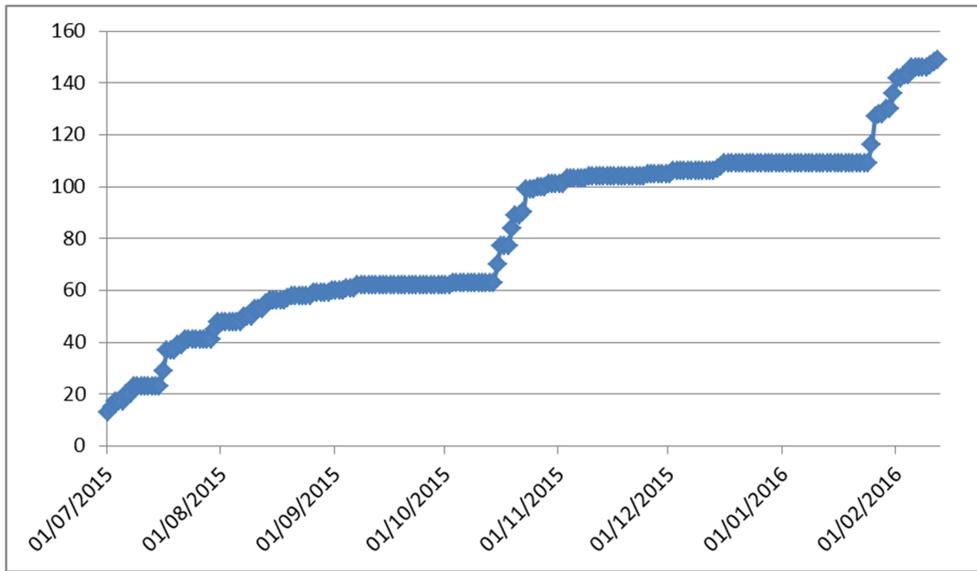


FIGURE 4 Number of questionnaires completed. Source: Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

2. SPSS
3. SMART PLS (<http://www.smartpls.de/>)
4. G*Power (<http://www.gpower.hhu.de/>)

4 | RESULTS

After processing the data, to assess the validity of the PLS model, we have applied a two-stage process (Henseler, 2010). Given that there are no global measures in PLS of the goodness of fit, Chin (1998) proposed a series of nonparametric criteria to validate PLS models. The first step is to check the validity and convergent reliability of the external model and the indicators that compose the variables. The second step is the evaluation of the internal model or the structural relations between the variables.

To validate the formative variables *Ethical Infrastructure* and *Ethical Culture*, we have evaluated potential collinearity issues and the weight-load relationship for each indicator. High collinearity increases the standard errors of the estimates. The tolerance index (TOL) should be greater than 0.20, or what is the same, the VIF (Variance Inflation Factor, which is the inverse of the tolerance) should be less than 5 (Hair et al., 2011), which is fulfilled, as can be seen in Table 5. The relative relevance of each formative indicator is assessed with weights. For this purpose, bootstrapping is used, determining whether the weights are significant (Hair et al., 2011). Tables 6 and 7 show the weights corresponding to each indicator, which estimates their relative contribution to the *Ethical Infrastructure* and *Ethical Culture* constructs.

For the reflective construct *Perceived Importance of Ethics*, we have used the following criteria: simple reliability (Cronbach's alpha), which should be greater than 0.7 (Bernstein & Nunnally, 1994); composite reliability, which should be greater than 0.6 (Bagozzi & Yi, 1988); convergent validity, evaluated through the average variance extracted

Breakdown by number of employees

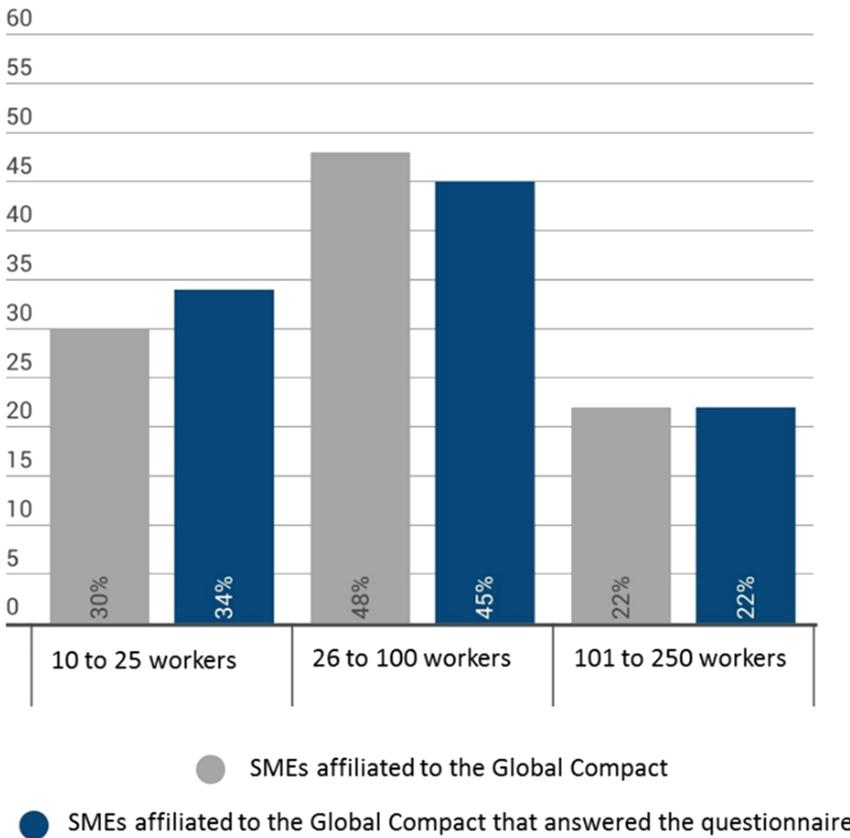


FIGURE 5 Breakdown by employees of the distribution of SMEs affiliated with the Global Compact Spain Network (total and companies who have answered the questionnaire). *Source:* Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

(AVE) and should be greater than 0.5 (Fornell & Larcker, 1981); size of loadings that should be higher than 0.6 following the criteria of Bagozzi and Yi (1988); and the significance of parameter estimates (bootstrapping). As can be seen in Table 8, the validity criteria are met for all indicators.

Once the evaluation of the validity of the measuring instruments has been completed, the structural model is evaluated so that, as we anticipated, we will use the variance of the latent dependent variables explained by the constructs that predict them (R^2), the predictive relevance (Q^2) (Hair Jr & Lukas, 2014), and the significance of the structural relations (bootstrapping). As seen in the structural model and its relations, represented in Figure 7, all relations are significant. Therefore, we can state that the hypotheses presented have been tested, with positive results, per the results we offer in Table 9.

Finally, we present the importance–performance analysis of the results of the relations in the PLS model (Hair Jr & Lukas, 2014). This analysis (see Figure 8) allows us to identify the areas for improvement to act for company managers (Höck et al., 2010). For any given latent variable, this analysis offers a map of priorities that allows us to undertake actions concerning

Breakdown by sector of activity

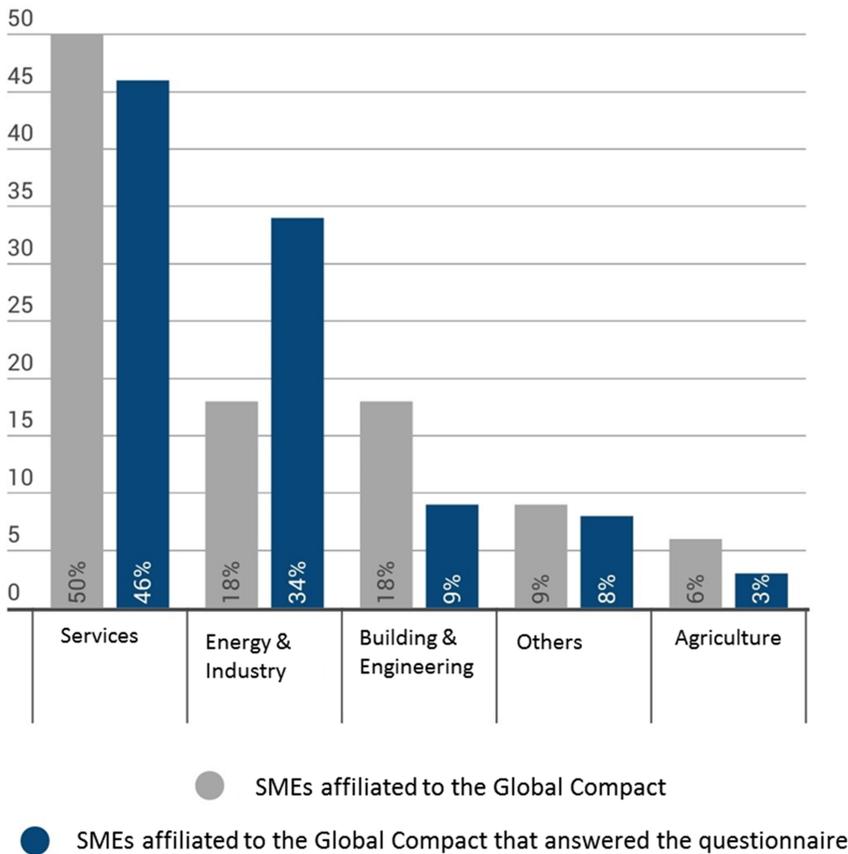


FIGURE 6 Breakdown by sector of activity of the distribution of SMEs affiliated with the Global Compact Spain Network (total and companies who have answered the questionnaire). *Source:* Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

areas that have relatively high importance and relatively low performance. In this way, taking the *Perceived Importance of Ethics* as an endogenous variable, it could be said that an increase of one unit in the exogenous latent variable *Ethical Infrastructure* would mean an increase of 0.47 in the variable *Perceived Importance of Ethics* in a statistical evaluation of the situation, other things being equal. Similarly, an increase of one unit in *Ethical Culture* would mean an increase of 0.22 in the endogenous variable, in this case, the *Perceived Importance of the Role of Ethics in the company*.

We have also performed the extended importance–performance map (see Figure 9), including all the indicators, grouped into three sets. First, the indicator that has the highest performance and importance, in this case, is the existence of management and behavioral rules (ELEM_NORMS), which is the most significant from the statistical point of view, followed by a group of significant indicators (CULT_NON_ETH_BEHAV, ELEM_FLEXIB_CONCIL, CULT_BUSS_BNF, ELEM_EXPECTATIONS, and ELEM_PARTICIPATION). In Figure 9, we have also represented (to the left) the rest of the indicators, which are nonsignificant.

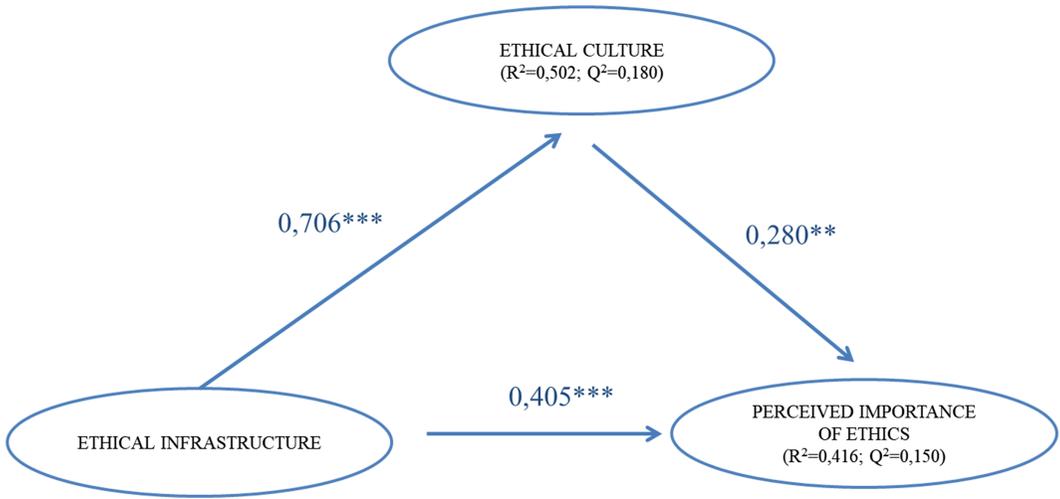


FIGURE 7 Graphic representation of relations between constructs. *** $p < 0.01$; ** $p < 0.05$; * $p < 0.10$. Source: Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

TABLE 5 Collinearity analysis for the formative variable entrepreneurial skills (SKL)

Ethical culture		Ethical infrastructure	
Indicator	VIF	Indicator	VIF
CULT_BUSS_BNF	2.402	ELEM_ACCESIBLE	1.867
CULT_PERS_BNF	1.875	ELEM_CONDUCT	2.768
CULT_NON_ETH_BEHAV	2.097	ELEM_GIVE_EXAMPLE	2.627
CULT_BALANCE	2.338	ELEM_EXPECTATIONS	2.812
CULT_SUCCESS	1.150	E_FLEXIB_CONCIL	1.436
CULT_TRUST_REL	2.032	ELEM_NORMS	2.435
		ELEM_TARGETS	2.934
		ELEM_PARTICIPATION	2.476
		ELEM_MEETINGS	2.953
		ELEM_RECRUITMENT	2.070
		ELEM_TRANSPARENCY	3.200

Source: Developed by author.

5 | DISCUSSION

We formulated the following hypothesis for our research:

- H1. The ethical infrastructure influences the importance granted to ethics in the company.
- H2. The ethical infrastructure influences the ethical culture of the company.
- H3. The ethical culture influences the importance granted to ethics in the company.

TABLE 6 Summary of the validity of the ethical infrastructure construct

Factor	Indicator	Load	Weight	T value	CA	CR	AVE
Ethical infrastructure	ELEM_NORMS		0.506***	3.017	N/A	N/A	N/A
	ELEM_EXPECTATIONS		0.258*	1.702			
	ELEM_PARTICIPATION		0.251	1.578			
	ELEM_GIVE_EXAMPLE		-0.221	1.446			
	ELEM_FLEXIB_CONCIL		0.189	1.637			
	ELEM_ACCESIBLE		0.095	0.594			
	ELEM_TRANSPARENCY		0.095	0.493			
	ELEM_CONDUCT		0.073	0.365			
	ELEM_TARGETS		-0.051	0.443			
	ELEM_RECRUITMENT		0.041	0.185			
ELEM_MEETINGS		0.012	0.259				

Note: Indicators in order of weight and significance.

Abbreviations: AVE, average variance extracted; CA, Cronbach's alpha; CR, composite reliability; N/A, not applicable.

*** $p < 0.01$.

** $p < 0.05$.

* $p < 0.10$.

Source: Developed by author.

TABLE 7 Summary of the validity of the ethical culture construct

Factor	Indicator	Load	Weight	T value	CA	CR	AVE
Ethical culture	CULT_NON_ETH_BEHAV		0.415***	3.451	N/A	N/A	N/A
	CULT_BUSS_BNF		0.565**	2.603			
	CULT_PERS_BNF		-0.228	0.922			
	CULT_TRUST_REL		0.191	1.205			
	CULT_BALANCE		0.179	1.173			
	CULT_SUCCESS		0.050	0.582			

Note: Indicators in order of weight.

Abbreviations: AVE, average variance extracted; CA, Cronbach's alpha; CR, composite reliability; N/A, not applicable.

*** $p < 0.01$.

** $p < 0.05$.

* $p < 0.10$.

Source: Developed by author.

As per the results obtained, we can state that all three hypotheses are confirmed. The *Ethical Infrastructure* has an apparent influence on the *Ethical Culture*, and both the *Ethical Infrastructure* and the *Ethical Culture* influence the *Perceived Importance given to Ethics*. Some studies relate the perception of ethics of the employees with the firm performance (Gorondutse & Hilman, 2016). Therefore, our research contributes to the field of exploring how this ethical perception might be fostered.

TABLE 8 Summary of the validity of the construct perceived importance of ethics

Factor	Indicator	Load	Weight	T value	CA	CR	AVE
Perceived importance of ethics	PRESOR01		0.670***	8.186	0.843	0.881	0.523
	PRESOR06		0.738***	10.078			
	PRESOR07		0.648***	9.598			
	PRESOR09		0.783***	12.383			
	PRESOR10		0.789***	13.371			
	PRESOR12		0.720***	13.531			
	PRESOR15		0.678***	10.895			

Abbreviations: AVE, average variance extracted; CA, Cronbach's alpha; CR, composite reliability.

*** $p < 0.01$.

** $p < 0.05$.

* $p < 0.10$.

Source: Developed by author.

TABLE 9 Testing of the hypotheses

Hypotheses	Standardized beta	T value (bootstrap)
H1: Ethical infrastructure → perceived importance of ethics	0.405***	2.795
H2: Ethical infrastructure → ethical culture	0.706***	11.663
H3: Ethical culture → perceived importance of ethics	0.280**	2.314

Note: R^2 (ethical culture) = 0.502. R^2 (perceived importance of ethics) = 0.416. Q^2 (ethical culture) = 0.180. Q^2 (perceived importance of ethics) = 0.150.

*** $p < 0.01$.

** $p < 0.05$.

* $p < 0.10$.

Source: Developed by author.

Beyond the testing of the hypothesis, the study has allowed us to identify some actionable elements that might be instrumental in developing the *Ethical Infrastructure* and the *Ethical Culture* of the company and, at the same time, influence the *Perceived Importance of Ethics*.

Regarding the *Ethical Infrastructure*, the existence of management and behavioral rules, although they may not be written, that establish what must be done and what must not be done stands out as a crucial element. It, therefore, should be considered as a priority. A second important aspect is to take employee expectations into account in a realistic way. This approach, coupled with consulting employees on critical issues for the company and setting up measures for work–life balance, would contribute to the ethical infrastructure and the ethical perception of the employees.

Regarding the *Ethical Culture*, the results imply that the key actionable item is that managers state clearly that nonethical behavior will not be tolerated. This also entails that if a company employee or manager is found to have behaved in a nonethical way, even for a potential benefit for the company (not a personal benefit), they will be penalized immediately.

These findings are of particular interest in connection to some of the characteristics of SMEs. Given their size, the relative cost of implementation of procedures is small (Baumann-

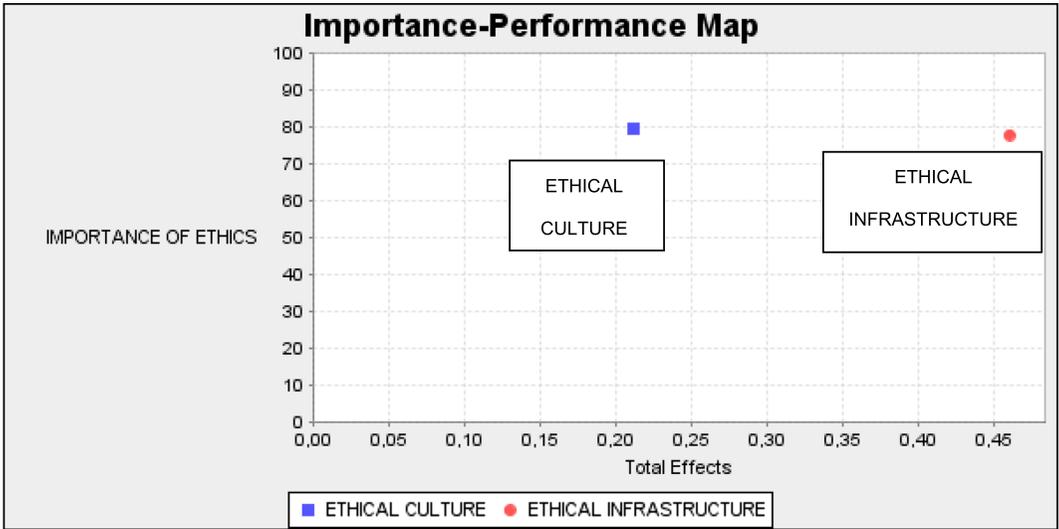


FIGURE 8 Importance–performance map, taking the perceived importance of ethics as an endogenous variable. Source: Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

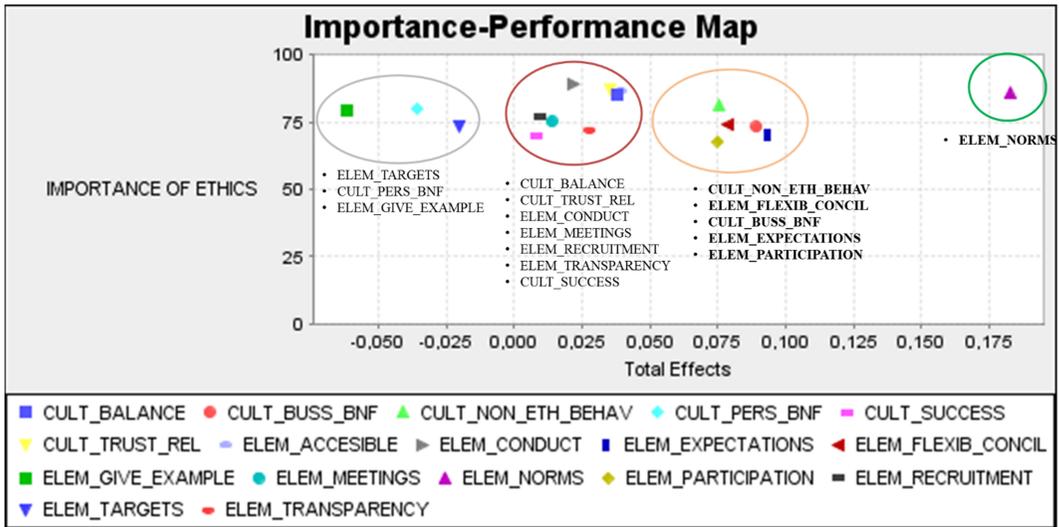


FIGURE 9 Extended importance–performance map representing all the indicators. Source: Developed by author [Color figure can be viewed at wileyonlinelibrary.com]

Pauly et al., 2013), and therefore, the actions mentioned above, such as establishing certain norms, taking employee expectations into account or stating clearly that nonethical behavior is not to be tolerated could be rapidly deployed, without compromising a huge amount of time and resources, which are the main obstacles that these companies face (Fernández & Camacho, 2016; Herrera & Lechuga, 2014).

6 | CONCLUSIONS

This work contributes to the field of research of business ethics in SMEs. It has evaluated the influence of ethical infrastructure on the ethical culture and the ethical perception of the company's employees. Therefore, it offers additional knowledge about the relationship between these concepts and offers some practical indications for managers who are willing to improve the ethical perceptions of their employees. The method used consisted of a quantitative study with 148 valid questionnaires from 65 companies, all of them SMEs.

The ethical infrastructure influences ethical culture and, in turn, influences how employees and managers perceive the importance of ethics in the company. By the relative importance of these constructs, derived from the importance–performance analysis, the aspects in which action could be taken to achieve a more significant impact on the positive perception of ethics would be first the ethical infrastructure and then ethical culture. However, it is still difficult for managers to understand which levers can be actuated at that level since both the constructs of *Ethical Infrastructure* and *Ethical Culture* can comprise several dimensions and elements.

The study provides guidance on which elements, specific and actionable, should be prioritized from managers to increase the perceived importance of ethics from the employees:

1. To establish norms of behavior, whether written or not.
2. To communicate clearly that nonethical behavior is not tolerated.
3. To put in place sanctioning mechanisms for behavior that, while not ethical, could benefit the company.
4. To consider employee expectations.
5. To give voice to employees in critical issues that might affect the company.
6. To set up measures for work–life balance.

Our contribution is therefore new compared to other studies where a relationship has been established between the ethical climate or the managers' profile and the company's approach (Godos-Díez et al., 2011; Vitell et al., 2010) or between the ethical culture and perceived ethics (Gorondutse & Hilman, 2016) because a more detailed level has been developed in this work, by establishing a relationship between “actionable elements” and the ethical perception of the employees.

Any research that intends to analyze specific phenomena and understand how certain variables interact, accepting the rest as constants, presents certain limitations, and this work is no exception. The variance value explained for the *Perceived Importance of Ethics* implies that other factors influence this variable and are not included in the model. According to the literature (Godos-Díez et al., 2011; Vitell et al., 2010), these factors may be the company's sector, size, age, and so on, which in this analysis have not been considered. There is also an obvious limitation regarding the size and composition of the sample. Although sufficient for the analysis carried out, it does not reflect the complete universe of small- and medium-sized enterprises. Therefore, precaution should be taken when extrapolating the results obtained to other companies, where their development in terms of ethical infrastructure could be different.

Among future lines of research, similar studies could be performed with other samples of companies, or even to set up an observatory, or to develop a longitudinal study to value how the indicators and relations between the ethical infrastructure and the ethical culture and ethical perception of the employees change over time.

CONFLICT OF INTEREST

The authors declare that they have no conflicts of interest.

ORCID

Javier Camacho Ibáñez  <https://orcid.org/0000-0001-7565-5480>

REFERENCES

- Aguilera, R. V., Rupp, D. E., Williams, C. A., & Ganapathi, J. (2005). Putting the s back in corporate social responsibility: A multi-level theory of social change in organizations. <http://www.chiquita.com>
- Arend, R. J. (2013). Ethics-focused dynamic capabilities: A small business perspective. *Small Business Economics*, 41(1), 1–24. <https://doi.org/10.1007/s11187-012-9415-2>
- Bagozzi, R. P., & Yi, Y. (1988). On the evaluation of structural equation models. *Journal of the Academy of Marketing Science*, 16(1), 74–94. <https://doi.org/10.1177/009207038801600107>
- Baumann-Pauly, D., Wickert, C., Spence, L. J., & Scherer, A. G. (2013). Organizing corporate social responsibility in small and large firms: Size matters. *Journal of Business Ethics*, 115(4), 693–705. <https://doi.org/10.1007/s10551-013-1827-7>
- Bernstein, I. H., & Nunnally, J. (1994). *Psychometric theory*. New York: McGraw-Hill.
- Brand, V. (2009). Empirical business ethics research and paradigm analysis. *Journal of Business Ethics*, 86(4), 429–449. <https://doi.org/10.1007/s10551-008-9856-3>
- Chin, W. W. (1998). Commentary: Issues and opinion on structural equation modeling. *MIS Quarterly*, 22(1), vii–xvi.
- Cortés, E. C., Conca, F. J., Lillo, F., Gascó Gascó, J. L., Llopis Taverner, J., Lajara, J. M., Molina Manchón, H., Sabater Sempere, V., Úbeda García, M. & Zaragoza Sáez, P. (2012). Ética y Responsabilidad Social Empresarial (RSE): ¿simple “moda pasajera” o necesidad percibida?
- Duh, M., Belak, J., & Milfelner, B. (2010). Core values, culture and ethical climate as constitutional elements of ethical behavior: Exploring differences between family and non-family enterprises. *Journal of Business Ethics*, 97(3), 473–489. <https://doi.org/10.1007/s10551-010-0519-9>
- Edwards, J. R., & Bagozzi, R. P. (2000). On the nature and direction of relationships between constructs and measures. *Psychological Methods*, 5(2), 155–174. <https://doi.org/10.1037/1082-989x.5.2.155>
- Eisenbeiß, S. A., & Giessner, S. R. (2012). The emergence and maintenance of ethical leadership in organizations: A question of embeddedness? In *Journal of Personnel Psychology* (Vol. 11, No. 1, pp. 7–19). Hogrefe Publishing. <https://doi.org/10.1027/1866-5888/a000055>
- Etheredge, J. M. (1999). The perceived role of ethics and social responsibility: An alternative scale structure. *Journal of Business Ethics*, 18, 51–64.
- European Commission. (2014). Corporate Social Responsibility National Public Policies in the European Union. Compendium 2014. Directorate-General for Employment, Social Affairs and Inclusion Unit C.1. (2014).
- Fassin, Y. (2008). SMEs and the fallacy of formalizing CSR. *Business Ethics: A European Review*, 17(4), 364–378. <https://doi.org/10.1111/j.1467-8608.2008.00540.x>
- Fassin, Y., van Rossem, A., & Buelens, M. (2011). Small-business owner-managers' perceptions of business ethics and CSR-related concepts. *Journal of Business Ethics*, 98(3), 425–453. <https://doi.org/10.1007/s10551-010-0586-y>
- Faul, F., Erdfelder, E., Lang, A. G., & Buchner, A. (2007). G*power 3: A flexible statistical power analysis program for the social, behavioral, and biomedical sciences. *Behavior Research Methods*, 39(2), 175–191. <https://doi.org/10.3758/BF03193146>
- Fernández, J. L., & Camacho, J. (2016). Effective elements to establish an ethical infrastructure: An exploratory study of SMEs in the Madrid region. *Journal of Business Ethics*, 138(1), 113–131. <https://doi.org/10.1007/s10551-015-2607-3>
- Fornell, C., & Larcker, D. F. (1981). Structural Equation Models with Unobservable Variables and Measurement Error: Algebra and Statistics. *Journal of Marketing Research*, 18(3), 382–388. <https://doi.org/10.1177/00224378101800313>

- Godos-Díez, J. L., Fernández-Gago, R., & Martínez-Campillo, A. (2011). How important are CEOs to CSR practices? An analysis of the mediating effect of the perceived role of ethics and social responsibility. *Journal of Business Ethics*, 98(4), 531–548. <https://doi.org/10.1007/s10551-010-0609-8>
- Gorodutse, A. H., & Hilman, H. (2016). Mediation effect of the organizational culture on the relationship between perceived ethics on performance of SMEs. *Journal of Industrial Engineering and Management*, 9(2), 505–529. <https://doi.org/10.3926/jiem.1s892>
- Haenlein, M., & Kaplan, A. M. (2004). A beginner's guide to partial least squares analysis.
- Hair, J. F., Ringle, C. M., & Sarstedt, M. (2011). PLS-SEM: Indeed a silver bullet. *Journal of Marketing Theory and Practice*, 19(2), 139–152. <https://doi.org/10.2753/MTP1069-6679190202>
- Hair Jr, J. F., & Lukas, B. (2014). *Marketing research*. McGraw-Hill Education Australia.
- Hammann, E.-M., Habisch, A., & Pechlaner, H. (2009). Values that create value: Socially responsible business practices in SMEs—Empirical evidence from German companies. *Business Ethics: A European Review*, 18(1), 37–51. <https://doi.org/10.1111/j.1467-8608.2009.01547.x>
- Hansen, S. D., Dunford, B. B., Boss, A. D., Boss, R. W., & Angermeier, I. (2011). Corporate social responsibility and the benefits of employee trust: A cross-disciplinary perspective. *Journal of Business Ethics*, 102(1), 29–45. <https://doi.org/10.1007/s10551-011-0903-0>
- Harris, J. D., Sapienza, H. J., Carlson Chair, C. L., Bowie, N. E., & Andersen Chair, E. L. (2009). Ethics and entrepreneurship. <http://ssrn.com/abstract=1421290> Electronic copy available at: <http://ssrn.com/abstract=1421290>
- Henseler, J. (2010). On the convergence of the partial least squares path modeling algorithm. *Computational Statistics*, 25(1), 107–120. <https://doi.org/10.1007/s00180-009-0164-x>
- Herrera, L., & Lechuga, M. (2014). Motivaciones hacia la Responsabilidad Social en las PYMEs familiares Drivers towards CSR practices in family firms. *Revista de Empresa Familiar*, 4(1), 21–44. <http://www.revistadeempresafamiliar.uma.es>
- Höck, C., Ringle, C. M., & Sarstedt, M. (2010). Management of multi-purpose stadiums: Importance and performance measurement of service interfaces. *International Journal of Services, Technology and Management*, 14(3), 188–207. <http://www.smartpls.de>
- Hunt, S. D., & Vitell, S. J. (2006). The general theory of marketing ethics: A revision and three questions. *Journal of Macromarketing*, 26(2), 143–153. <https://doi.org/10.1177/0276146706290923>
- Hunt, S. D., Wood, V. R., & Chonko, L. B. (1989). Corporate ethical values and organizational commitment in marketing. *Journal of Marketing*, 53(3), 79–90. <https://doi.org/10.1177/002224298905300309>
- Jarvis, C. B., Mackenzie, S. B., & Podsakoff, P. M. (2003). A critical review of construct indicators and measurement model misspecification in marketing and consumer research. *Journal of Consumer Research*, 30, 199–218. <https://doi.org/10.1086/376806>
- Jenkins, H. (2006). Small business champions for corporate social responsibility. *Journal of Business Ethics*, 67(3), 241–256. <https://doi.org/10.1007/s10551-006-9182-6>
- Jenkins, H. (2009). A “business opportunity” model of corporate social responsibility for small- and medium-sized enterprises. *Business Ethics: A European Review*, 18(1), 21–36. <https://doi.org/10.1111/j.1467-8608.2009.01546.x>
- Jondle, D., Ardichvili, A., & Mitchell, J. (2014). Modeling ethical business culture: Development of the ethical business culture survey and its use to validate the CEBC model of ethical business culture. *Journal of Business Ethics*, 119(1), 29–43. <https://doi.org/10.1007/s10551-012-1601-2>
- Kaptein, M. (2008). Developing and testing a measure for the ethical culture of organizations: The corporate ethical virtues model. *Journal of Organizational Behavior*, 29(7), 923–947. <https://doi.org/10.1002/job.520>
- Kaptein, M. (2009). Ethics programs and ethical culture: A next step in unraveling their multi-faceted relationship. *Journal of Business Ethics*, 89(2), 261–281. <https://doi.org/10.1007/s10551-008-9998-3>
- Kechiche, A., & Soparnot, R. (2012). CSR within SMEs: Literature Review. *International Business Research*, 5(7), 97–104. <https://doi.org/10.5539/ibr.v5n7p97>
- Lee, M. D. P. (2008). A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead. *International Journal of Management Reviews*, 10(1), 53–73. <https://doi.org/10.1111/j.1468-2370.2007.00226.x>
- Longenecker, J. G., Moore, C. W., Petty, J. W., Palich, L. E., & McKinney, J. A. (2006). Ethical attitudes in small businesses and large corporations: Theory and empirical findings from a tracking study spanning three decades. *Journal of Small Business Management*, 44(2), 167–183.

- Martin, S., Kish-Gephart, J., & Detert, J. (2014). Blind forces: Ethical infrastructures and moral disengagement in organizations. *Organizational Psychology Review, 4*(4), 295–325. <https://doi.org/10.1177/2041386613518576>
- Mayr, S., Erdfelder, E., Buchner, A., & Faul, F. (2007). A short tutorial of GPower. *Tutorial in Quantitative Methods for Psychology, 3*(2), 51–59. <http://www.psych.uni-duesseldorf.de/aap/projects/gpower>
- Ministerio de Industria, Energía y Turismo. (2015). Dirección General de Industria y de la Pequeña y Mediana Empresa. Informe sobre la PYME 2014. Centro de publicaciones del Ministerio. Madrid.
- Morris, M. H. (2002) Ethical context of entrepreneurship.
- Morris, M. H., Schindehutte, M., Walton, J., & Allen, J. (2002). The ethical context of entrepreneurship: Proposing and testing a developmental framework. *Journal of Business Ethics, 40*(4), 331–361. <https://doi.org/10.1023/A:1020822329030>
- Payne, D., & Joyner, B. E. (2006). Successful U.S. entrepreneurs: Identifying ethical decision-making and social responsibility behaviors. *Journal of Business Ethics, 65*(3), 203–217. <https://doi.org/10.1007/s10551-005-4674-3>
- Shafer, W. E. (2015). Ethical climate, social responsibility, and earnings management. *Journal of Business Ethics, 126*(1), 43–60. <https://doi.org/10.1007/s10551-013-1989-3>
- Simsek, Z., & Veiga, J. F. (2000). The electronic survey technique: An integration and assessment. *Organizational Research Methods, 3*(1), 93–115. <https://doi.org/10.1177/109442810031004>
- Singhapakdi, A., Vitell Kumar, S. J., Rallapalli, C., & Kraft, K. L. (1996). The perceived role of ethics and social responsibility: A scale development. *Journal of Business Ethics, 15*, 1131–1140.
- Spence, L. J. (1999). Does size matter? The state of the art in small business ethics. *Business Ethics: A European Review, 8*(3), 163–174. <https://doi.org/10.1111/1467-8608.00144>
- Spence, L. J., & Lozano, J. F. (2000). Communicating about ethics with small firms: Experiences from the U.K. and Spain. *Journal of Business Ethics, 27*, 43–53.
- Tenbrunsel, A. E., Smith-Crowe, K., & Umphress, E. E. (2003). Building houses on rocks: The role of the ethical infrastructure in organizations. *Social Justice Research, 16*(3), 285–307.
- Trevino, L. K. (1986). Ethical decision making in organizations: A person-situation Interactionist model. *Academy of Management Review, 11*(3), 601–617.
- Treviño, L. K., & Nelson, K. A. (2007). Managing Business Ethics. In *Cuarta Edición*. Estados Unidos de América: John Wiley & Sons Inc.
- Vázquez-Carrasco, R., & López-Pérez, M. E. (2013). Small & medium-sized enterprises and corporate social responsibility: A systematic review of the literature. *Quality and Quantity, 47*(6), 3205–3218. <https://doi.org/10.1007/s11135-012-9713-4>
- Verhezen, P. (2010). Giving voice in a culture of silence. From a culture of compliance to a culture of integrity. *Journal of Business Ethics, 96*(2), 187–206. <https://doi.org/10.1007/s10551-010-0458-5>
- Vitell, S. J., Dickerson, E. B., & Festervand, T. A. (2000). Ethical problems, conflicts and beliefs of small business professionals. *Journal of Business Ethics, 28*(1), 15–24. <https://doi.org/10.1023/A:1006217129077>
- Vitell, S. J., Ramos, E., & Nishihara, C. M. (2010). The role of ethics and social responsibility in organizational success: A Spanish perspective. *Journal of Business Ethics, 91*(4), 467–483. <https://doi.org/10.1007/s10551-009-0134-9>
- Wickham, M., & O'Donohue, W. (2012). Developing an ethical organization: Exploring the role of ethical intelligence. *Organization Development Journal, 30*(2), 9–29.

AUTHOR BIOGRAPHIES

Javier Camacho Ibáñez, PhD in Business Ethics at Pontifical University Comillas of Madrid, is a Telecommunications Engineer by the Politechnical Univeristy of Madrid, Executive MBA by the IESE, and Master in Research in Economy and Business by the Pontifical University of Comillas. He is a serial entrepreneur, in areas related with management consultancy for SMEs, and collaborates in several research projects on Economic and Business Ethics. He is an Assistant Teacher at Universidad Europea de Madrid and Universidad

Pontificia Comillas. He is a representative at CTN 165 Ética: UNE-ISO 26000:2012 at AENOR—*Agencia Española de Normalización y Certificación*.

José Luis Fernández Fernández, PhD and MBA, is a Full Professor and Director of the Chair in Economic and Business Ethics at Pontifical University Comillas of Madrid. Fernández has been a President of EBEN-Spain since 1993 to 2007. He is a member of the Board of Directors of the European Ethics Network and a Fellow of the Caux Round Table. From 2000 to 2003, he served as Vice Rector for External Relations and University Extension for the Pontifical University Comillas.

How to cite this article: Camacho Ibáñez, J., & Fernández Fernández, J. L. (2021). Ethical infrastructure on small and medium enterprises: Actionable items to influence the perceived importance of ethics. *Business and Society Review*, 126(3), 339–361. <https://doi.org/10.1111/basr.12240>