

FORMALISM AND CODES OF INTEGRITY IN BRAZIL

Leonardo Blanco dos Santos¹ (*Corresponding Author*)

Universidade Presbiteriana Mackenzie
Rua da Consolação, 896 - São Paulo – SP, Brazil
E-mail: leonardoblanco.80@gmail.com

Darcy Mitiko Mori Hanashiro²

Universidade Presbiteriana Mackenzie
Rua da Consolação, 896 - São Paulo – SP, Brazil
E-mail: darcy.hanashiro@mackenzie.br

ABSTRACT

This paper proposes a theoretical relationship between a Brazilian cultural trait, termed ‘formalism’, and the implementation of codes of integrity by companies operating in Brazil. First, we present the concept of integrity on its personal, moral and organizational levels. We then present Riggs (1960)’s theory on formalism and, in light of the contribution of Brazilian socio-anthropologists, present an understanding of how formalism became a central cultural trait in Brazil, and its implications for contemporary Brazil. We then briefly relate the American legal context that leads companies to implement codes of integrity. As such, we build theoretical relationships and hypotheses between formalism and the implementation of codes of integrity in Brazil. Considering the growing ethical concerns about corporate behavior worldwide, this paper is particularly relevant, as it offers evidence of theoretical relationships, and guidance to managers on how to increase the likelihood of effective implementation of integrity codes in Brazil.

Keywords: *formalism; cultural traits; integrity; effectiveness*

RESUMO

Este artigo propõe relações teóricas entre um traço cultural brasileiro, o formalismo, e a implementação de códigos de integridade por empresas que operam no Brasil. Apresenta o conceito de integridade em seus níveis pessoal, moral e organizacional. Então, apresenta a teoria de Riggs (1960) sobre o formalismo e busca compreender, à luz das contribuições de socioantropólogos brasileiros, como esse fenômeno tornou-se um traço cultural central e suas implicações para a sociedade brasileira atual. Relata-se brevemente o contexto legal americano que leva as empresas a implementarem códigos de integridade. Então, elaboram-se relações teóricas e hipóteses entre formalismo e a implementação de códigos de integridade no Brasil. Considerando as preocupações crescentes ao redor do mundo sobre questões éticas no ambiente corporativo, a relevância do trabalho reside em oferecer relações teóricas para acadêmicos, e orientações sobre como aumentar a probabilidade de implementação efetiva de códigos de integridade no Brasil.

Palavras-chave: *Formalismo; traços culturais; integridade; efetividade*

¹PhD student (Business Administration) at Mackenzie Presbyterian University (São Paulo, Brazil), with his doctoral internship at Deakin University (Melbourne, Australia). MSc in Work Organizational and Personnel Psychology by the Universities of Coimbra and of Valencia. His interests of research are in personal values, realization of personal values in the organizational environment, person-organization fit, organizational justice and integrity.

² Post-doc by the Marshall Goldsmith Management School of the Alliant International University, PhD in Business Administration by the São Paulo University, MSc in Business Administration by the Federal University of Rio Grande do Sul, Economist. Associate Professor in the Business Administration Graduate Program at the Mackenzie Presbyterian University. Her interests of research are in diversity, cross-cultural studies, Brazilian culture, identity and organizational culture.

1. INTRODUCTION

Currently, we are witnessing a growing interest in the issue of corporate integrity, not only among scholars but also among managers, employees and citizens (Palanski & Yammarino, 2007; Stone, 2010; Treviño, Weaver, & Reynolds, 2006). Although there exists legislation, regulations and guidelines related to corporate governance and ethics, the recent financial crisis has led to even greater concerns about corporate ethics worldwide, particularly in the United States (US) and in Europe (Abrhiem, 2012; Soltani & Maupetit, 2013; Stone, 2010).

This interest is not only due to the promulgation of governmental guidelines against corruption but also to the positive outcomes associated with implementing integrity on the organizational and individual level. Abrhiem (2012, p. 17) observes the existence of “a growing demand for the business community to conduct its affairs with greater regard for ethical considerations and that it is essential for corporate leaders to earn [...] the esteem of society.”

On the individual level, integrity is related to satisfaction with leaders (Craig & Gustafson, 1998; Parry & Proctor-Thomson, 2002); job satisfaction (Craig & Gustafson, 1998; Parry & Proctor-Thomson, 2002; Vitell & Davis, 1990); high levels of motivation (Parry & Proctor-Thomson, 2002); high levels of performance (Thompson, Grahek, Philpis, & Fay, 2008); organizational-citizenship behaviors (Dineen, Lewicki, & Tomlinson, 2006; Lin, Che & Leung, 2009); and engagement (Yener, Yaldiran, & Ergun, 2012).

In the 2000s, multinational corporations (MNC's) with subsidiaries in Brazil began to introduce their codes of integrity (also termed “codes of ethics”, “codes of conduct”, or “codes of behavior”) with the same content and rules that they have in their headquarters, which are usually located in the US or Europe. By these codes, organizations guide how employees must behave on a daily basis to ensure they do not risk the organization's integrity (Cherman & Tomei, 2005).

Malaquias and Lemes (2013) and Stone (2010) observe that globalization led to the dissemination of standards of behavior worldwide. However, some scholars (e.g., Barros, 2005; Freitas, 2010; Hofstede, 2003; Ramos, 1983; Riggs, 1960; Smith, 2008; Stone, 2010; Wood & Caldas, 1998) note that models developed in Western cultures may not be applicable in a non-Western context. Wood and Caldas (1998, p. 7) argue that “the pure and simple adoption of foreign models can [...] be disappointing.”

As such, when we consider that formalism, defined as “the discrepancy between the concrete behavior and the written norms which are supposed to regulate it” (Ramos, 1983, p. 252) is one of the central traits of Brazilian culture, we can reason that these codes of integrity might not be followed in Brazil.

Therefore, Stone (2010) claims that we should develop models that consider the role culture plays in human behavior. It is crucial to consider the issue of multiculturalism in organizations when developing theory and research that support organizational policies, as is the case with codes of integrity.

This paper establishes a theoretical relationship between formalism and the implementation of codes of integrity in Brazil, particularly by MNCs. It offers a unique contribution to the existing literature by building hypotheses, supported in theoretical relationships, to be tested in further studies. It also contributes to management practice by offering guidance about how to increase the likelihood of effective implementation of integrity codes in Brazil.

First, we present the different perspectives about integrity reported in the management and industrial-psychology literature. Second, we present Riggs's (1960) theories on the origins of formalism as characterizing developing societies, and the arguments of recognized socio-anthropologists who defend formalism as a central Brazilian cultural trait. We then relate the US legal context that has led companies to implement integrity codes in the US, and export them to other countries such as Brazil. Finally, we elaborate theoretical relationships that support hypotheses about the influence of formalism in the implementation of codes of integrity in Brazil.

2. THEORETICAL BACKGROUND

2.1. Integrity

Scholars have observed the existence of confusion in the literature concerning the concept of integrity (Becker, 1998; Palanski & Yammarino, 2007; Parry & Proctor-Thomson, 2002; Treviño-Rodríguez, 2007; Tullberg, 2012). Although this paper focuses on organizational integrity, we also present the three levels of integrity proposed by Treviño-Rodríguez (2007) to explain this concept further. These three levels of integrity are personal integrity, moral integrity, and organizational integrity.

2.1.1. Personal integrity

On a personal level, integrity relates to what is truth for the individual, irrespective of any agreed standard imposed by a social group or conformity to external demands (Treviño-Rodríguez, 2007). Integrity is understood as consistency between values or beliefs, words and behaviors (Palanski & Yammarino, 2007; Schlenker, 2008; Simons, 1999, 2002; Thompson, et al., 2008; Tullberg, 2012).

Schlenker (2008, p. 1079) understands integrity as “a steadfast commitment to one’s principles, [it] is inherently valuable and a defining quality of one’s identity.” In addition, Schlenker (2008, p. 1081) states that integrity “involves honesty, trustworthiness, fidelity in keeping one’s word and obligations, and incorruptibility, or an unwillingness to violate principles regardless of the temptations, costs, and preferences of others.”

Tullberg (2012) notes that integrity is verified in situations when the individual is under external pressure (from authorities, peers or from a group’s common opinion) to behave inconsistently with his/her beliefs or to accept a different opinion without objection. However, from a strictly personal perspective of integrity, “a person who promises to do great harm and follows through with this promise would be considered to have integrity” (Palanski & Yammarino, 2007, p. 178). That is, when we examine integrity through the lenses of personal integrity, an individual can be considered to have integrity if they want to shoot someone else, state they will do so, and do it.

2.1.2. Moral integrity

Moral integrity exists on the social level, consisting of social representations to articulate truth, and be honest and fair. Moral integrity relates to the need to display socially acceptable behavior according to a set of moral principles that are universally recognized (Treviño-Rodríguez, 2007).

Palanski and Yammarino (2007) explain that moral integrity has been in force since the Modern Age. These authors note that the first philosophers in Ancient Greece wondered what type of people we ought to be, reaching the conclusion that we should develop our character by the practice of virtue. These virtues, which became known as “cardinal virtues”, were justice, courage, temperance and prudence. However, in the Middle Ages, these virtues were replaced with faith, hope, love and obedience to the will of God. With the Renaissance, another change related to integrity occurred:

Instead of looking for virtues from a transcendent source, philosophers attempted to construct a system of morality based on reason alone. Instead of addressing the question of, “what type of persons ought we to be?” the focus shifted to “what is our duty?” or “what is the right thing to do?” This fundamental shift in the basic questions coincided with the rise of the theory of the social contract as the basis of individual action in society. The social contract theory attempted to formulate rules that rational, self-interested people agree upon for mutual benefit [...] the concept of character changed from focusing on being a virtuous person to upholding the rules. (Palanski & Yammarino, 2007, p. 176)

As such, we can understand why the American Heritage Dictionary (2000) defines integrity as the steadfast adherence to a strict moral or ethical code, and Becker (1998) defends it as the behavior aligned with espoused values that are morally justified. Becker emphasizes the importance of two elements in his definition: 1) behavior, that is, that it is necessary to comply with what one defends verbally, and 2) the fact that integrity is not about any particular set of values, but a set of values that is morally justifiable for a particular group (Becker, 1998).

Moral integrity, which is based on social-contract theory, leads to the next level of integrity - organizational integrity. Moral integrity can be considered a bridge that allows passage from personal integrity to organizational integrity.

2.1.3. Organizational integrity

Treviño-Rodríguez (2007) explains that all organizations, with their needs and values, have to cope with the demands of the external environment. She views organizational integrity as the “organization’s consistency to certain values, aspirations, and patterns of thought and conduct” (Treviño-Rodríguez, 2007, p. 84).

Selznick (1957, p. 119) defines organizational integrity as “the persistence of an organization’s distinctive values, competence, and role.” It is the role of top management to avoid opportunism (the search for immediate or short-term benefits) and utopia (when the company believes in the possibility of not confronting difficult choices), as such avoidance can threaten organizations (Selznick, 1957).

However, Mayer, Davis, and Schoorman (1995) state that being consistent with only its own values is not enough for an organization to have organizational integrity because its values may be consistent with serving only its self-interest (e.g., pursuing profit at all costs). Thompson, et al. (2008) state that organizational integrity leads organizational leaders to develop policies and systems to follow ethical standards in the organization, as it is the case with codes of integrity.

Therefore, organizational integrity requires that employees act in accordance with certain standards and value-based ethics, written within a code of integrity. It requires policies, rules and procedures to be followed (Craig & Gustafson, 1998; Dineen, et al., 2006; Stevens, 2008).

2.2. Formalism

Formalism is defined as “the discrepancy between the concrete behavior and the written norms which are supposed to regulate it” (Ramos, 1983, p. 252). As such, this cultural trait may bring some level of difficulty to the implementation of codes of integrity in organizations operating in Brazil.

Here, Riggs’s (1960) ideas on formalism in developing countries are presented. This section also discusses how formalism became a central cultural trait in Brazil by discussing the theories of recognized Brazilian socio-anthropologists.

2.2.1. Formalism in developing countries.

Riggs (1960) classifies societies within a spectrum ranging from “refracted societies” at one end of the spectrum, “fused societies” at the other end, and “prismatic societies” in between the two extremes.

A refracted society is one “in which for every function there is a corresponding concrete structure” (Riggs, 1960, p. 4). In such societies, each of the basic human or social needs (e.g., education, religion and decision making) has corresponding institutions (e.g., schools, churches, and legislative and administrative offices). Developed countries are examples of refracted societies.

A fused society is one “in which one structure serves all the functions performed in the society” (Riggs, 1960, p. 4). Within agrarian, less developed societies, we find relatively few institutions to serve social functions. For example, the family, tribe or clan might be the only structure in the society and represent the center of needs such as education, religion, decision making, production and consumption of goods (Riggs, 1960).

Riggs (1960) argues that developing countries are transitioning from the fused to the refracted model, reflecting - as a prism does - aspects of both. Therefore, Riggs terms these societies “prismatic”. According to Riggs, prismatic societies are characterized by high levels of formalism, as occurs when “structures do not behave according to their formal prescriptions” (Riggs, 1960, p. 19). Although economic, political and administrative structures exist on paper, administrative activities are strongly influenced by non-administrative criteria such as personal, social and political criteria.

2.2.2. Formalism in Brazil.

Based on a reading of Ramos (1983), we present the ideas of Visconde de Uruguay, Silvio Romero, Alberto Tôrres, and Oliveira Viana on formalism in Brazil. We then discuss the views of Gilberto Freyre, Sérgio Buarque de Holanda, Roberto DaMatta and Livia Barbosa on this phenomenon.

The Brazilian sociologist Paulino José Soares de Souza, who was titled Viscount of Uruguay, published *Ensaio sobre o direito administrativo* [Essays on administrative law] in 1862, and *Estudos práticos sobre a administração nas províncias* [Practical studies on the administration of provinces] in 1865. According to Ramos (1983), the Viscount of Uruguay demonstrated his critical attitude about the literal and mechanical importation of political and administrative institutions when he defended the centralization of power by the emperor³ despite the ideas arriving from other countries (particularly England) about autonomy in the provinces.

Silvio Romero published *História da literatura brasileira* [History of Brazilian literature] in 1888. Romero considered formalism was inevitable in Brazil because the country, lacking in cultural, social, political and institutional “individuality”, had to borrow ideas from Europe.

Alberto Tôrres published *O problema nacional brasileiro* [The Brazilian national problem] in 1914. He argued that a nation has to build its institutions artificially, in a top-down manner, when it achieves its independence

³ At that time (1865), Brazil was a colony of Portugal.

from another country. Thus, Brazil constructed its schools, its offices, and even its highways in the same manner in which they were constructed in other countries (particularly in Portugal).

Oliveira Viana dedicated his career, which began in 1920, to the study of formalism. He highlighted the existence of a vast distance between law and reality in Brazil, criticizing Brazilian legislators who did not make laws based on the needs of people or of the internal economy, but on foreign principles and models (Ramos, 1983).

In 1933, Gilberto Freyre published *Casa-grande e senzala* in which he described the structure of sugar mills in Brazil. The *casa-grande* was not only where the mill's owner family lived, but also the economic, social and political center. In Brazil, landowners had absolute power over their lands and slaves. They had even more power than the church. The strength of their power can be understood through a reading of Freyre (1933/2005) that presents landowners as the true owners of Brazil. As such, landowners contravened laws without any fear of punishment. Reading Freyre in light of Riggs's (1960) theories, we clearly see the presence of formalism in Brazil's agrarian society in the distance between the law and behavior.

Freyre (1933/2005) notes that even when Brazil started becoming urbanized, the power was transferred from landowners to 'bachelors', that is, people who were graduating in European universities or in one of the three universities that had begun operating in Brazil. As the bachelors valued European models, they imposed those models on Brazilian society, disregarding Brazil's social conditions (Freyre, 1933/2005), and thus, contributing to the perpetuation of formalism in Brazil.

In 1936, Sérgio Buarque de Holanda published *Raízes do Brasil [Brazil's roots]* in which he clearly stated the consequences of attempting to implement European culture in Brazil: "bringing our ways of living, our institutions, our ideas from remote countries [...] we are still aliens in our own land" (Holanda, 1936/1995, p. 31).

As Freyre (1933/2005) had done, Holanda demonstrated the power of landowners who broke the laws "without Justice taking a single step" (Holanda, 1936/1995, p. 82). To illustrate this point, Holanda (1936/1995, p. 82) related the history of the landowner Bernardo Vieira de Melo who, suspecting that his daughter-in-law was committing adultery, condemned her to death and executed the sentence without any punishment.

In contrast, DaMatta (1986) reports that the laws are obeyed in countries such as the US, France and England. When Brazilian people travel abroad and see that people in those countries observe the laws, they interpret it as civilization, discipline, and good education. However, DaMatta (1986) explains that it is about the appropriate and adequate relationship that exists between the laws and social practice, stating that "it is known that, in those societies, there is no pleasure in writing norms that are against and debase people's judgment and the rules of the society" (DaMatta, 1986, p. 97).

Campos (1966) criticizes that Brazilian laws were imported from Portugal with no thought about the Brazilian economic and social context. Campos (1966) compares the Brazilian Constitution with English common law: while in Brazil, laws precede the mores, and people have to learn them after they are passed, in England, the law constitutes a set of jurisprudence, a crystallization of what is already customary.

Following this reasoning, Barbosa (1992) claims that formalism in Brazil is due to the imposition of Portuguese legislation. She believed that legislation was not only numerous, but also confusing, making it difficult to people to follow it.

Moreover, as legislators intended to regulate all behaviors, including future behaviors, the laws would not make sense for Brazilian people, contributing to the distance between written norms and behavior (Barbosa, 1992). In order to illustrate this point, Barbosa (1992) says that before a crime has ever happened in Brazil, there was a law about it.

Here, we defend that formalism, as a Brazilian central cultural trait, may influence the effective implementation of codes of integrity in organizations operating in Brazil.

2.3. Codes of Integrity

In 1991, the US federal government promulgated the *US Sentencing Guidelines for Organizations*, which are guidelines for judges to establish penalties for companies whose employees violate federal laws. The reasoning

behind the guidelines is that the organization shares a degree of guilt when its employees act illegally, even when claiming not to know about and not to approve of such behavior (Weaver, Treviño, & Cochran, 1999).

These guidelines encourage organizations to develop programs to prevent and detect violations of law, prescribing seven steps that should be included. The steps suggest the implementation of compliance standards and procedures that are able to reduce the likelihood of criminal conduct, and the communication of policies and procedures, requiring employee participation in training programs or the dissemination of publications that explain such standards and procedures (i.e., a code of integrity).

After the publication of these guidelines, more than half the companies in the US that are listed in the Fortune 1000 created a position dedicated to observing the fulfilment of the guidelines; this position reports directly to the chief executive office (Weaver, et al., 1999).

Between 1998 and 2001, serious flaws led to the bankruptcy of major US corporations such as Enron and WorldCom. Such failures of corporate governance and ethics were not understood as problems of specific companies (Holder-Webb & Cohen, 2011). Therefore, in 2002, lawmakers passed legislation known as Sarbanes-Oxley (SOX) to protect investors by improving the accuracy and reliability of disclosures. The goal was to reestablish the legitimacy of institutions and prevent investors withdrawing their capital from the stock market (Holder-Webb & Cohen, 2011; Soltani & Maupetit, 2013). Section 406 of this legislation requires companies to publish their codes of integrity or to explain the reason for not publishing them.

In Brazil, the adoption of codes of integrity is a recent phenomenon, and it is believed that such codes were first introduced by multinational organizations from the US as an extension of the practices occurring in that country (Cherman & Tomei, 2005; Silva, Nascimento, & Ott, 2012). However, not only US multinationals are implementing their codes of integrity in Brazil, but also national and international companies who negotiate options on the US stock exchanges, as they are all subject to US legislation (Silva, et al., 2012).

It is important to mention that Brazil has recently promulgated the law nº 12 846/2013, which intends to prevent private companies from corrupting civil servants (Brasil, 2013). This is due not only to following international trends but also to recent corporate scandals involving multinational companies in Brazil.

As noted in Section 2.1.3 of this paper, organizational integrity refers to acting in accordance with the principles and rules of a company's code of integrity (Colquitt, Scott, & Le Pine, 2007; Craig & Gustafson, 1998; Dineen, et al., 2006; Dirks & Skarlicki, 2009; Mayer, et al., 1995; Stevens, 2008; Thompson, et al., 2008; Treviño-Rodríguez, 2007; Tullberg, 2012). Therefore, it can be stated that organizational integrity can be understood as compliance with an organization's guidelines for ethical behavior.

3. INFLUENCE OF FORMALISM ON THE CODES OF INTEGRITY IN BRAZIL

Here, we present hypothetical relationships between formalism and organizational integrity, bearing in mind that such integrity requires employees' compliance with a set of principles and rules established by the organization and stated in its code of integrity.

According to the discussion in this paper so far, rules of behavior created in foreign countries where the headquarters of companies are based might lead to formalism in Brazil (Barbosa, 1992; DaMatta, 1986, 1997; Ramos, 1983; Riggs, 1960), that is, employees would not behave according to the prescriptions of the code of integrity.

Ramos (1983, p. 279) states that "the subject of a formalistic behavior must proclaim, in word, the validity of the rule, and deny or infringe it in practice." In this case, Brazilian employees would defend the code of integrity in their discourse, but not necessarily follow its rules when executing their daily activities. Thus, we propose the following hypothesis:

(H₁) *Codes of integrity are an object of formalism in Brazil.*

This formalism arises when the codes of integrity are not adapted to the Brazilian social context. As mentioned in Section 2.2.2, formalism became a central trait of Brazilian culture due to the importation of institutions and manners of behavior from other countries (Barbosa, 1992; Holanda, 1936/1995; Tôrres, 1914, as cited in Ramos, 1983), without any adaptation to the needs of Brazilian people or to the Brazil socio-economical context (DaMatta, 1986; Oliveira Viana, 1920, as cited in Ramos, 1983).

Irani and Noruzi's (2011, p. 38) study about policies in the area of management emphasizes the importance of involving key stakeholders at an early stage of policy making, and considering the effect of the policies "on the needs of all those directly or indirectly affected" by them.

As such, we offer the second hypothesis, according to which the relationship stated in Hypothesis 1 will be strengthened:

(H₂) *The level of formalism is strengthened when codes of integrity are implemented without any adaptation to the Brazilian and the local organization's social context.*

Tullberg (2012, p. 102) highlights the fact that concerning codes of integrity, "there is a strong inclination to acquire more and more rules" (Tullberg, 2012, p. 102). As Barbosa (1992) explains, another factor that has contributed to formalism becoming a central trait in Brazilian culture is that Portuguese legislation, which was imposed in Brazil, was detailed and numerous. Therefore, we come to the third hypothesis, according to which the relationship stated in Hypothesis 1 will be strengthened:

(H₃) *The level of formalism is strengthened as a greater number of rules becomes present in the codes of integrity.*

4. FINAL CONSIDERATIONS

This paper reviews literature about integrity, formalism, and codes of integrity. It establishes theoretical relationships among these concepts that support the hypotheses that are offered here and can be tested in further studies.

It is worth mentioning that Fernandes (2006) developed and validated a questionnaire to measure formalism in Brazil. Considering the existence of questionnaires to assess formalism (i.e., Fernandes, 2006) and integrity (e.g., Schlenker, Weigold, & Schlenker, 2008), the hypotheses elaborated in the current paper about the influence of formalism in companies that are implementing codes of integrity in Brazil can be tested.

We offer here some guidance to managers to increase the likelihood of effective implementation of codes of integrity in Brazil. First, considering that formalism originates from a set of rules that do not accord with social practice, we argue that codes of integrity should be adapted to local customs, and to the perceptions that employees already have about the company, rather than proposing new visions. As do Irani and Noruzi (2011), we defend the idea that key stakeholders must be involved in the adaptation of a code of integrity to the specific social context.

Second, following the views of Brazilian socio-anthropologists and the views of Tullberg (2012), we argue that in the Brazilian context, codes of integrity should provide general directions and not specific instructions because for many Brazilians, such instructions would merely represent more rules not to be followed in their practice.

It is relevant to note that formalism is only one cultural trait of Brazil, and that it is related and intertwined with others, as Fernandes (2006) makes clear. Trice and Beyer (1984) warn about the danger of focusing on only one element of culture to explain a phenomenon such as using formalism to explain the implementation of codes of integrity in the Brazilian business context. It must be remembered that culture is a set of interrelated elements that influence each other. Thus, we suggest that future studies address the implementation of codes of integrity under other cultural Brazilian traits. Further, organizational culture should also be considered in questions such as what the relationship is between codes of integrity and organizational culture.

Finally, we agree with Irani and Noruzi (2011), who state that the implementation of policies is an area of research that can benefit from dialogue among various disciplines such as management, sociology, anthropology, psychology and law.

REFERENCES

- Abrhiem, T. H. (2012). Ethical leadership: Keeping values in business cultures. *Business and Management Review*, 2(7), 11–19.
- Barbosa, L. (1992). *O jeito brasileiro: A arte de ser mais igual que os outros*. Rio de Janeiro: Campus.
- Barros, B. T. (2005). *Gestão à brasileira: Somos ou não diferentes? Uma comparação com América Latina, Estados Unidos, Europa e Ásia*. São Paulo: Atlas.
- Becker, T. E. (1998). Integrity in organizations: Beyond honesty and conscientiousness. *Academy of Management Review*, 23(1), 154–161.

- Brasil, (2013). Lei nº 12.846, Pub Diário Oficial República Federativa do Brasil, Seção 1. Retrieved December 2nd, 2013, from <http://pesquisa.in.gov.br>.
- Campos, R. O. (1966). *A técnica e o riso*. Rio de Janeiro: Apec.
- Cherman, A. & Tomei, P. A. (2005). Códigos de Ética Corporativa e a tomada de decisão ética: Instrumentos de gestão e orientação de valores organizacionais? *RAC*, 9(3), 99–120.
- Colquitt, J. A., Scott, B. A., & Le Pine, J. A. (2007). Trust, trustworthiness, and trust propensity: A meta-analytic test of their unique relationships with risk taking and job performance. *Journal of Applied Psychology*, 92(4), 909–927.
- Craig, S. B. & Gustafson, S. B. (1998). Perceived leadership integrity scale: An instrument for assessing employee perceptions of leader integrity. *Leadership Quarterly*, 9(2), 127–145.
- DaMatta, R. (1986). *O que faz o brasil, Brasil?* Rio de Janeiro: Rocco.
- DaMatta, R. (1997). *Carnavais, malandros e heróis: Para uma sociologia do dilema brasileiro*. Rio de Janeiro: Rocco.
- Dineen, B. R., Lewicki, R. J., & Tomlinson, E. C. (2006). Supervisory guidance and behavioral integrity: Relationships with employee citizenship and deviant behavior. *Journal of Applied Psychology*, 91(3), 622–635.
- Dirks, K. T. & Skarlicki, D. P. (2009). The relationship between being perceived as trustworthy by coworkers and individual performance. *Journal of Management*, 35(1), 136–157.
- Fernandes, R. A. (2006). *Uma análise dos traços culturais brasileiros em uma organização nacional*. Unpublished master's thesis. Universidade Presbiteriana, Mackenzie, São Paulo, Brazil.
- Freitas, A. B. (2010). Traços brasileiros para uma análise organizacional. In F. C. P. Motta & M. P. Caldas (Eds.), *Cultura organizacional e cultura brasileira* (pp. 38–69). São Paulo: Atlas.
- Freyre, G. (2005). *Casa-grande e senzala: Formação da família brasileira sob o regime da economia patriarcal* (50th ed.). São Paulo: Global. (Original work published in 1933).
- Hofstede, G. (2003). *Cultura e organizações: Compreender a nossa programação mental*. Lisbon: Sílabo.
- Holanda, S. B. (1995). *Raízes do Brasil* (26th ed.). São Paulo: Companhia das Letras. (Original work published in 1936).
- Holder-Webb, L. & Cohen, J. (2011). The cut and paste society: Isomorphism in codes of ethics. *Journal of Business Ethics*, 107(4), 485–509.
- Irani, F. N. H. A. & Noruzi, M. R. (2011). A brief look on the notion of policy in the area of management. *Business and Management Review*, 1(3), 37–40.
- Lin, X.-W., Che, H. S., & Leung, K. (2009). The role of leader morality in the interaction effect of procedural justice and outcome favorability. *Journal of Applied Social Psychology*, 39(7), 1536–1561.
- Malaquias, R. F. & Lemes, S. (2013). Disclosure de instrumentos financeiros segundo as normas internacionais de contabilidade. *Brazilian Business Review*, 10(3), 85–112.
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), 709–734.
- Palanski, M. E. & Yammarino, F. (2007). Integrity and leadership: Clearing the conceptual confusion. *European Management Journal*, 25(3), 171–184.
- Parry, K. W. & Proctor-Thomson, S. B. (2002). Perceived integrity of transformational leaders in organizational settings. *Journal of Business Ethics*, 35(2), 75–96.
- Ramos, A. G. (1983). *Administração e contexto brasileiro*. Rio de Janeiro: Editora da Fundação Getúlio Vargas.
- Riggs, F. W. (1960). Prismatic society and financial administration. *Administrative Science Quarterly*, 5(1), 1–46.
- Schlenker, B. R. (2008). Integrity and character: Implications of principled and expedient ethical ideologies. *Journal of Social and Clinical Psychology*, 27(10), 1078–1125.
- Schlenker, B. R., Weigold, M. F., & Schlenker, K. A. (2008). What makes a hero? The impact of integrity on admiration and interpersonal judgment. *Journal of Personality*, 76(2), 323–355.
- Selznick, P. *Leadership in administration*. New York: Harper & Row, 1957.
- Silva, L. M., Nascimento, A. M., & Ott, E. (2012). *A influência da lei Sarbanes-Oxley e do Código Civil brasileiro nos controles internos de empresas localizadas no Brasil*. Paper presented at the 12th Congresso USP de Controladoria e Contabilidade, São Paulo, Brazil.
- Simons, T. (1999). Behavioral integrity as a critical ingredient for transformational leadership. *Journal of Organizational Change Management*, 12(2), 89–104.
- Simons, T. (2002). Behavioral integrity: The perceived alignment between manager's words and deeds as a research focus. *Organization Science*, 13(1), 18–35.
- Smith, P. B. (2008). Indigenous aspects of management. In P. B. Smith, M. F. Peterson, & D. C. Thomas (Eds.), *The handbook of cross-cultural management research* (pp. 319–332). Thousand Oaks (CA): Sage.

- Soltani, B. & Maupetit, C. (2013). Importance of core values of ethics, integrity and accountability in the European corporate governance codes. *Journal of Management and Governance*. Retrieved from <http://link.springer.com/article/10.1007/s10997-013-9259-4>.
- Stevens, B. (2008). Corporate ethical codes: Effective instruments for influencing behavior. *Journal of Business Ethics*, 78(4), 601–609.
- Stone, D. L. (2010). Creating knowledge that makes important contributions to society. *Journal of Managerial Psychology*, 25(3), 192–200.
- The American Heritage Dictionary (4th Ed.). Boston: Houghton Mifflin, 2000. Retrieved November 21st, 2012, from <http://www.ahdictionary.com>.
- Thompson, A. D., Grahek, M., Philips, R. E., & Fay, C. L. (2008). The search for worthy leadership. *Consulting Psychology Journal: Practice and Research*, 60(4), 366–382.
- Treviño, L. K., Weaver, G. R., & Reynolds, S. J. (2006). Behavioral ethics in organizations: A review. *Journal of Management*, 32(6), 951–990.
- Treviño-Rodríguez, R. N. (2007). Integrity: A systems theory classification. *Journal of Management History*, 13(1), 74–93.
- Trice, H. M. & Beyer, J. M. (1984). Studying organizational cultures through rites and ceremonials. *Academy of Management Review*, 9(4), 653–669.
- Tullberg, J. (2012). Integrity—Clarifying and upgrading an important concept for business ethics. *Business and Society Review*, 117(1), 89–121.
- Vitell, S. & Davis, D. (1990). The relationship between ethics and job satisfaction: An empirical investigation. *Journal of Business Ethics*, 9, 489–494.
- Weaver, G., Treviño, L. K., & Cochran, P. (1999). Corporate ethics practices in the mid-1990s: An empirical study of the Fortune 1000. *Journal of Business Ethics*, 18(3), 283–294.
- Wood, T. & Caldas, M. P. (1998). Antropofagia organizacional. *RAE*, 38(4), 6–17.
- Yener, M., Yaldiran, M., & Ergun, S. (2012). The effect of ethical climate on work engagement. *Procedia—Social and Behavior Sciences*, 58, 724–733.