

T.C.
TURKISH – GERMAN UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
BUSINESS MANAGEMENT DEPARTMENT

**INFLUENCE OF GROUP DYNAMICS ON ETHICAL,
UNETHICAL, AND WHISTLEBLOWING BEHAVIOR:
EVIDENCE FROM TURKISH FAMILY FIRMS**

MASTER’S THESIS

Hakan KÖSE

ADVISOR

Prof. Dr. Dilek ZAMANTILI NAYIR

Istanbul, June 2025

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Thesis Advisor: Prof. Dr. Dilek ZAMANTILI NAYIR

Other Jury Members: Prof. Dr. Oben ÜRÜ
Asst. Prof. Dr. Hüseyin Hayri
NUROĞLU

Istanbul, June 2025

DECLARATION

I hereby declare that this thesis is an original work. I also declare that I have acted in accordance with academic rules and ethical conduct at all stages of the work including preparation, data collection and analysis. I have cited and referenced all the information that is not original to this work.



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I would like to express my heartfelt gratitude to my advisor, Prof. Dr. Dilek Zamantılı Nayır, for her patient guidance throughout this process. Her ability to provide simple and effective solutions to complex problems has greatly broadened my perspective.

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ÖZET

Aile şirketlerinde grup dinamikleri, etik davranış üzerinde önemli bir etkiye sahiptir. Birbirinden farklı yapılarıyla öne çıkan aile şirketlerindeki yönetim yapıları ve geleneksel aile değerleri ile profesyonel yönetim arasındaki etkileşim, çalışma kültürünü şekillendirmektedir. Bu dinamikler, çalışanların iç ve dış ihbar eğilimlerini de etkileyerek etik ihlallerin raporlanma olasılığını belirleyen önemli faktörler arasında yer almaktadır. İhbarcılık eğilimleri, özellikle grup içi dengelerin, sadakat beklentilerinin ve ahlaki yükümlülüklerin kesiştiği şirket kültürlerinde bireysel farklılıklar gösterebilir ve detaylı incelenmesi gereken bir konudur. Bu çalışmada, etik davranış ve ihbarcılık eğilimlerini analiz etmek amacıyla kullanılan anket aracılığıyla iç ve dış ihbar eğilimleri sistematik bir şekilde incelenmiştir. Elde edilen sonuçlar, çalışanların etik olmayan davranışları raporlama eğilimindeki temel kalıpları ve belirleyici faktörleri ortaya koyarak, bireyin etik algısı ve grup dinamiklerinin bu süreç üzerindeki etkilerini açıklamaktadır. Ek olarak, sonuçlar, Türk aile şirketlerinde etik kültür gelişimine ilişkin önemli içgörüler sunarak, işyeri etiği, ekip dayanışması ve ihbarcılık belirleyicileri hakkında genel bilgiye katkıda bulunmaktadır.

Anahtar Kelimeler: *Aile İşletmeleri, Grup Dinamikleri, Bağlılık, Etik Davranış, İç İhbar, Dış İhbar*

ABSTRACT

Group dynamics significantly contribute to the determination of ethical behavior, in family businesses. Since family and business goals are entangled, there are unique problems, impacting decision-making processes and general organizational performance. Communication patterns, leadership, and conflict management shape ethical behavior as well as the way teams operate within these companies. Governance structures, succession planning, and the interaction between customary family values and professional management also define the work culture. Whistleblowing tendencies are also a vital element, particularly in cultures in which group pressures, loyalty, and moral obligations intersect. In the present study, a survey was employed to examine ethical behavior and whistleblowing tendencies, providing a systematic exploration of internal and external reporting behavior. The results identify major patterns and determinants of employees' reporting of unethical behavior, illuminating the process of group behavior in such environments. In addition, the results provide important insights into ethical culture development in Turkish family firms, contributing to the overall knowledge of workplace ethics, team solidarity, and whistleblowing determinants.

Keywords: *Family Businesses, Group Dynamics, Commitment, Ethical Behavior, Internal Whistleblowing, External Whistleblowing*

TABLE OF CONTENTS

SAYFA NO

DECLARATION	i
ACKNOWLEDGMENTS	ii
ÖZET	iii
ABSTRACT	iv
TABLE OF CONTENTS	v
LIST OF ABBREVIATIONS	vii
LIST OF TABLES	viii
1. INTRODUCTION	1
1.1. BACKGROUND AND KEY CONCEPTS OF THE STUDY	1
1.2. AIMS AND OBJECTIVES.....	3
1.3. RESEARCH QUESTIONS	4
1.4. METHODOLOGY.....	4
1.5. EXPECTED POTENTIAL CONTRIBUTION OF THE STUDY	5
1.6. ORGANIZATION OF THE THESIS.....	6
2. LITERATURE REVIEW.....	8
2.1. FAMILY BUSINESSES	8
2.1.1. The Definition, the Statistics, and the History of Family Companies..	8
2.1.2. Importance of Family Companies	12
2.1.3. Types of Family Companies	18
2.1.4. Challenges Faced by Family Businesses	28
2.2. GROUP DYNAMICS.....	43
2.2.1. Definition and Key Theories of Group Dynamics.....	43
2.2.2. Group Formation and Development	51
2.2.3. Group Roles, Communication Patterns, and Leadership Styles	55
2.2.4. Conflict and Conflict Resolution in Groups	65
2.3. ETHICAL BEHAVIOR AND WHISTLEBLOWING	69
2.3.1. Definition of Ethical Behavior and Organizational Ethics	69

2.3.2.	The Role of Ethics in Organizational Governance	78
2.3.3.	Whistleblowing: Concept, Types, and Importance.....	80
2.3.4.	Group Pressure and Its Influence on Whistleblowing Decisions.....	99
3.	METHODOLOGY	106
3.1.	SURVEY DESIGN, DIMENSIONS, AND SOURCES	106
3.2.	DEMOGRAPHIC DATA.....	110
4.	FINDINGS AND DATA ANALYSIS	114
4.1.	DESCRIPTIVE RESULTS.....	114
4.2.	CORRELATION MATRIX	118
4.3.	LINEAR REGRESSION	124
4.4.	DEMOGRAPHIC ANALYSIS.....	130
5.	DISCUSSION AND CONCLUSION	144
5.1.	RESULTS AND DISCUSSIONS.....	144
5.2.	LIMITATIONS OF THE STUDY	146
5.3.	CONCLUSION.....	149
5.4.	SUGGESTIONS FOR FUTURE RESEARCH.....	154
5.5.	PRACTICAL IMPLICATIONS AND RECOMMENDATIONS	157
6.	LIST OF REFERENCES	160
7.	APPENDIX	171

LIST OF ABBREVIATIONS

ACFE: Association of Certified Fraud Examiners

df: Degrees of Freedom

DIM_PRAISE: Desired Moral Approval from Others – Praise Dimension

DIM_BLAAME: Desire for Moral Approval – Blame Avoidance Dimension

DIM_SELF: Desired Moral Approval from Self Dimension

DIM_PSYCHOLOGICAL SAFETY: Psychological Safety Dimension

DIM_COHESION: Group Cohesion Dimension

DIM_EFFICACY: Collective Efficacy Dimension

DIM_PERFORMANCE: Team Performance Dimension

DIM_IWB: Internal Whistleblowing Intentions Dimension

DIM_EWB: External Whistleblowing Intentions Dimension

r: Pearson Correlation Coefficient

RGCT: Realistic Group Conflict Theory

R²: Coefficient of Determination

TPB: Ajzen's Theory of Planned Behavior

LIST OF TABLES

Table 1: Gender Status of Survey Participants

Table 2: Age Distribution of Survey Participants

Table 3: Work Experience Distribution of Survey Participants

Table 4: Tenure Distribution in Current Company

Table 5: Education Level Distribution of Survey Participants

Table 6: Profession of Survey Participants

Table 7: Descriptive Statistics of Survey

Table 8: Correlation Matrix of Survey

Table 9: Internal Whistleblowing Intention Regression

Table 10: External Whistleblowing Intention Regression

1. INTRODUCTION

1.1. BACKGROUND AND KEY CONCEPTS OF THE STUDY

Family businesses operate on a different paradigm where professional and personal relationships are deeply connected (Woods et al. 2019). Unlike standard corporate models, the organizations often rely on loyalty, trust, and long-term viability over immediate economic returns. While these characteristics have certain pitfalls too, most notable in the realms of decision-making, ethical practices, and the resolution of disagreements (Firfiray et al. 2017). Communication within group members within family business plays a determining role in organizational culture and moral expectations, making it a fundamental aspect of business integrity (Tekleab et al. 2009).

One significant issue in family firms pertains to the manner in which group cohesion and loyalty impact ethical decision-making processes (Alleyne et al. 2019). Although strong group cohesion can guarantee trust and stability, it can also discourage workers from reporting unethical conduct because of group pressures, power disparities, and concerns about destroying team harmony (Hildreth and Anderson 2018). The reluctance to address inappropriate conduct is of major relevance in the context of whistleblowing, where employees are faced with the conflict of putting loyalty to their colleagues above their ethical responsibility (Ellemers and Van Den Bos, 2012). Understanding these dynamics is vital to furthering ethical governance and developing an organizational culture that balances commitment, transparency, and accountability.

Key Concepts of the Study: There are three central conceptual areas that inform this study in an integrated way. The first relates to Family Business decision-making and governance. The second relates to Group Dynamics, cohesion, power relationships, and conflict. The third pertains to drivers towards ethical behavior and the constraints involved in whistleblowing activities.

Family businesses function differently because family values, traditions, and relationships play a strong role in making business decisions. In family businesses, decisions are not only driven by economic factors but also by emotions and social issues

like reputation, legacy, and passing the business to the next generation. This has a tendency to cause problems with becoming more professional, resisting outside leaders, and business goals versus loyalty to the family (Deloitte 2019). Here, it is harder to make ethical decisions since people might feel obligated to satisfy the family or team instead of company ethics policies (Hildreth ve Anderson 2018). Research suggests that the benefits of family ownership sometimes come before objective decision-making (Woods et al. 2019). This can result in a situation where bad behavior is accepted or ignored in the desire to keep the family together (Firfiray et al. 2017).

Group dynamics play an important role in how people act ethically in organizations. Tuckman's stages of group development (forming, storming, norming, performing, and adjourning) describe how groups change over time and how power relationships develop over time (Kuvshnikov 2022). Groupthink is a significant problem whereby pressure for conformity discourages people from speaking out against unethical actions (Hildreth ve Anderson 2018). In addition, in organizations that have strict structures, power differences can intimidate people from raising their concerns. These circumstances result in a culture where whistleblowing is viewed as betrayal, rather than as a tool of moral accountability (Clark 2023).

Organizational ethical behavior is controlled by a diversity of factors. Whistleblowing, or reporting unethical or unlawful actions, is an imperative mechanism for sustaining transparency and integrity (Mustapha et al. 2023). However, in family firms, the retaliation risk, trust destruction, and damage to relationships makes whistleblowing particularly challenging. Conversely, group loyalty and fear of disturbing interpersonal relations tend to be prioritized over ethics, thereby making it hard for employees to report malpractices without fear (Alleyne et al. 2019).

Previous research has extensively examined the management of family businesses, group dynamics, and corporate ethics separately, but insufficient research has investigated how these aspects correlate within the context of Turkish family businesses. While previous research identifies the challenge of professionalizing family firms, the influence of group cohesion, and whistleblowing in corporate settings; there is limited research exploring the influence of group dynamics on whistleblowing in family businesses. This study tries to fill this gap by investigating how group loyalty,

power dynamics, and moral pressures affect whistleblowing intentions in Turkish family firms.

By examining these dynamics, this study offers an in-depth insight into ethical behavior within the environment of a firm with strong influences from family relationships and cultural values. The outcome of this study will enhance both scholarly literature and working governance models aimed at facilitating ethical responsibility among family businesses.

1.2. AIMS AND OBJECTIVES

The study focuses on exploring the influence of group dynamics on ethical behavior within Turkish family businesses. It tries to understand how dynamics like cohesion, loyalty, and power influence the ethical decisions of employees within these firms, with a focus on whistleblowing. By investigating such interactions, the study is hoping to give an understanding of what drives or hinders business families from behaving ethically.

To do this, the study looks at how group cohesion affects ethical behavior in family businesses in Turkey. It looks at how much group loyalty affects the intention to report deviance in family businesses and how power relationships influence ethical choice in family business settings. It also explores how psychological safety can empower or hinder individuals from reporting unethical behavior. It compares how employees ethically behave in family businesses and non-family businesses, finding substantial differences caused by group dynamics. The study seeks to offer suggestions on how to improve ethical governance and whistleblowing policies in Turkish family businesses.

This research adds to the general discussion of organizational ethical behavior by taking a close look at the impact of group dynamics on ethical decision-making in one specific business setting. The research is anticipated to add to both theoretical and practical understanding, offering useful information to business executives, policymakers, and researchers concerned with promoting ethical cultures among family firms.

1.3. RESEARCH QUESTIONS

This research aims to analyze the impact of group dynamics on ethical, unethical, and whistleblowing behavior in Turkish family businesses. Because of the peculiar characteristics of family companies, characterized by the close integration of personal and business relationships, it is essential to understand the determinants of ethical choice. Group cohesion, loyalty, power dynamics, the pursuit of moral approval, and psychological safety are significant factors in the evolution of employees' ethical, unethical, and whistleblowing behavior. In order to solve such problems, the following questions guide this study:

- How do group dynamics influence ethical, unethical, and whistleblowing behavior in Turkish family businesses?
- What are the key determinants that shape employees' willingness to report unethical behavior in the context of intertwined personal and professional relationships in Turkish family firms?

By answering these questions, the present research seeks to provide a better understanding of the impacts of group dynamics on ethical, unethical, and whistleblowing behaviors more specifically in the special setting of Turkish family businesses. The research outcomes will be a contribution to both the theoretical literature and real-world governance systems and hence provide valuable knowledge to business owners, policymakers, and researchers concerned with maintaining ethical corporate cultures in family firms.

1.4. METHODOLOGY

The present research followed a quantitative method, adopting a guided questionnaire to gather data regarding the influence of group dynamics on Turkish family business companies' ethical, unethical, and whistleblowing behaviors. The measure was specifically designed to evaluate respondents' behaviors and attitudes in relation to ethical decision-making, cooperation, and company culture. The questionnaire included both Likert-scale measures and demographic data, so it was possible to obtain a general profile of the population sample.

The survey had a total of 87 items, comprising six demographic questions, and was organized into 16 sections according to various dimensions like ethical attitudes,

group dynamics, leader transparency, and organizational behaviors. However, for the purpose of analysis, data were collected from nine key sections comprising 43 questions that addressed the most pertinent constructs in line with the research objectives.

A total of 205 responses was obtained from the employees in different business segments and occupational levels in family firms. All of the data obtained was anonymized to maintain confidentiality and then statistically analyzed to determine patterns and correlations that were pertinent to the study aims.

1.5. EXPECTED POTENTIAL CONTRIBUTION OF THE STUDY

This research makes an important contribution to business practice and academic literature on the impact of group dynamics on the ethical, unethical, and whistleblowing behavior of Turkish family firms. Although research has addressed the impact of group pressures on ethical decision-making at the corporate level, such research is limited on the effect of group influences on this particular relationship. A striking lacuna is evident in the literature of academic research pertaining to the dynamics of family businesses' operations, fueled by the intimate entanglement of private and working lives. Although hitherto in-depth investigation of group cohesiveness, loyalty, and power on ethical behavior and whistleblowing policy in family firms has not been conducted. By pointing to this deficiency, the research provides fresh perspectives on the contribution of collective influence on building ethical decision-making within these special organizational environments.

Theoretically, the research contributes to a broader understanding of ethical behavior through integrating ideas from group dynamics, moral sanction, and whistleblowing research within family business contexts. Since family companies are characterized by intertwined personal and professional relationships, the research offers empirical insights on the influence of such relationships on ethical, as well as unethical, behavior. By investigating the role of psychological safety, moral sanction, and group cohesion, the research underscores mechanisms not largely explored previously that influence ethical behavior in family businesses.

Practically, the research has significant implications for policymakers, managers, and family business owners. The research gives a clear examination of the influence of loyalty and group cohesion on employees' willingness to report unethical behavior,

thereby enabling organizations to enhance their ethical policies and internal control procedures. By understanding these dynamics of groups, organizations are able to build more robust ethical cultures and establish safer climates in which ethical issues can be reported without fear of retaliation.

Furthermore, this study adds to the literature on whistleblowing mechanisms by determining the main factors affecting their effectiveness in family businesses. The results will inform the development of more effective and comprehensive whistleblowing systems that are customized to address the special challenges of family businesses. Practical suggestions are given on how organizations can adopt ethical governance mechanisms without undermining the close interpersonal relationships that are typical of family businesses.

In summary, this research addresses a significant literature gap by investigating the overlooked connection between group dynamics and ethical conduct in Turkish family businesses. The research findings have significant implications for both scholarly research and practical application, providing empirical recommendations aimed at enhancing ethical management practices and fostering an open culture within family firms.

1.6. ORGANIZATION OF THE THESIS

This thesis is divided into three principal chapters, structured to examine very closely how group dynamics influence ethical, unethical, and whistleblowing behavior in Turkish family businesses. How the chapters are structured makes it easy for one to trace the information, progressing from theory to actual analysis and conclusions. Each chapter contributes to the previous one to maintain the information and analysis intact.

Chapter 1 initiates the research by setting out the background, research issue, objectives, aims, and research questions. It explains why the research is required and why it is crucial to gain an understanding of the ethical aspects of family firms. The chapter also gives a preview of the major concepts that guide the research.

Chapter 2 reviews current literature on family firms, group dynamics, ethical behavior, and whistleblowing. It focuses on the impact of group dynamics on decision-making, ethical behavior, and whistleblowing in family firms. It determines what previous studies have left out and positions this study within the overall academic

literature. Major theories and previous findings are reviewed to provide a basis for the analysis.

Chapter 3 outlines the research process, comprising the study's research design, data analysis, sample selection, and data collection. It makes the research process more transparent and rigorous. This chapter also presents the research findings, offering a systematic analysis of data collected and determining key patterns and relationships. The chapter ends with an integration of the key findings, theoretical and practical contributions, and implications for family firms. It also offers future research directions and suggestions for improving ethical governance and whistleblowing mechanisms for Turkish family firms.



2. LITERATURE REVIEW

2.1. FAMILY BUSINESSES

2.1.1. The Definition, the Statistics, and the History of Family Companies

Family businesses, while lacking a universally agreed definition, are primarily characterized by the involvement of family members in ownership and management. This feature differentiates them from other organizational forms and highlights their economic significance (Harms 2014). Many scholars define a family business as an enterprise where two or more individuals connected through kinship or strong alliances hold substantial financial or governance control, enabling strategic decision-making (Treviño-Rodríguez 2009). This structure has led to the success of globally recognized businesses like Michelin, Wal-Mart, Armani, Ford, and IKEA which were founded and continue to be managed by families. In fact, a study by Heck and Trent in 1999 found that approximately 10 out of every 100 households in the United States own or manage a family business, further emphasizing their prevalence and role in economic development (Woods et al. 2019).

Despite their significance, defining family businesses remains a challenge in academic research. While some scholars emphasize ownership as a defining factor, others point to the number of family members involved in management (Harms 2014). For instance, one study asked CEOs of companies that could be classified as family businesses whether they perceived their firms as such. Out of 509 respondents, 342 classified their companies as family businesses, while 167 stated they were not. The study revealed that firms identified as family businesses by their CEOs tended to be smaller and older compared to those classified as non-family firms (Hernández-Linares et al. 2018). This lack of consensus on what constitutes a family business underscores the diversity in their structures and governance. The academic study of family businesses gained momentum in 1964 with Donnelly's article "The Family Business," which described them as companies associated with a family for at least two

generations, where this connection shapes both corporate policies and family objectives. Even today, the lack of a common definition is an important factor that restricts the theoretical development of this field (Harms 2014).

Adding to this understanding, Gubitta and Gianecchini (2002) proposed that family businesses are defined by the influence of key individuals connected through kinship or alliances who hold significant control over the enterprise's goals and strategies. This perspective aligns with Litz's (1995) emphasis on the long-term commitment of families to maintaining their roles in the business across generations. This intergenerational commitment is a critical aspect of family businesses, contributing to their unique identity and operational diversity. While some family businesses operate under professional and formal structures, others rely on more flexible and informal arrangements, showcasing the heterogeneity that defines this category of enterprises. Together, these insights provide a nuanced understanding of family businesses as complex and diverse entities critical to both academic exploration and economic development (Treviño-Rodríguez 2009).

There are family businesses that have existed for more than a millennium; however, family businesses mostly emerged in the end of the 19th century, and academic research on them increased at the end of the 20th century. These studies mostly approach family businesses from a wide range of topics such as the characteristics of successful family businesses or management styles in family businesses. However, a company consisting of a few people and a company such as Walmart with 2.3 million employees are both considered family businesses. This situation makes it difficult to generalize research in the field of family businesses (Treviño-Rodríguez 2009).

For a long time, family businesses were thought to have similar or comparable characteristics and therefore serve as simple or homogeneous structures. However, recent studies indicate that family businesses are heterogeneous in nature because they have a wide variety of characteristics (Harms 2014). Some family businesses, which differ significantly in terms of their organizational structures and operational patterns, adopt highly formal and professional structures, while others operate under more informal and flexible arrangements (Petrolo et al. 2019). In addition, we can distinguish

family businesses according to the degree of family involvement in the business, apart from their organizational or governance structures. In this direction, some researchers define family businesses in terms of ownership control, while others characterize them according to the number of members in the management (Trevinyo-Rodríguez 2009). This diversity in structure highlights the unique nature of family businesses and the need to understand them as diverse rather than uniform entities (Harms 2014).

In recent years, academic and professional interest in family businesses has increased significantly. Although it varies from country to country or culture to culture, it can be said that the increase in interest is normal when we consider that the ratio of family-run companies to all companies varies between 65% and 80% in almost every region of the world (Cabrera-Suárez 2005). The lack of a clear definition of family businesses or the fact that their characteristics vary from person to person causes the rates to appear differently in different sources. For example, a study conducted by Deloitte (2019) and referring to European Union reports stated that 50% of the companies in the world and 90% of the companies in the US are family businesses. Again, in the same study, 42% of the people on the 2016 billionaire list are family business owners. 40% of the companies in the Fortune 500 are family businesses, and it is understood that 7 out of the 10 richest people are family business members, and family company rate is close to 90% in Turkey. When we examine other countries, we see that the proportion of family businesses varies greatly in European countries. For example, while the proportion of family businesses is 84% in Germany, it is 80% in Italy, 75% in Spain and 60% in France. In Latin American countries, this proportion varies between 70-95%, while in India it is 80%. Furthermore, family-owned enterprises contribute significantly to global economies, accounting for 40-45% of the Gross National Product in North America, 35-65% in EU countries, 50-70% in Latin America, and as much as 65-82% in Asian nations (Trevinyo-Rodríguez 2009).

In the late 19th century, Otto von Bismarck attempted to create large, state-controlled industrial family businesses by consolidating the small capitals of the traditional Junker landowner class. In doing so, he made the following statement about families: “The first generation makes the fortune, the second manages it, the third studies art history, and the fourth ends up in poverty.” This statement has been frequently cited in academic literature for over a century to illustrate the difficulties and

weaknesses of family businesses. Over the past 40 years, international studies have shown that only 30% of family businesses established by the first generation pass on to the second generation, and only 3% survive to the third generation. Although there are slight differences between countries, similar negative factors generally prevent most first-generation family businesses from being successfully passed on to the third and subsequent generations. Studies in Turkey have found similar findings, with similar challenges affecting family businesses nationwide (Peksaygılı and Tutan 2015).

Although it is stated in various studies that family businesses constitute a large part of the global economy, the information provided about their performance is mostly based on information obtained from public companies. The main reason for this is that non-public companies are reluctant to share data or their data is not very secure. Family business owners generally refrain from sharing data even for academic studies. This causes us to access different data about family businesses from different sources. (Razzak et al. 2021). An example of this is the 4.1% return rate from family businesses in a study conducted by Sciasca et al. in 2014.

When the 100 oldest family companies that are still operating are examined, it is seen that the oldest family company is the Kongo Gumi company, which was founded in 578 in the field of construction in Japan and is currently in the 40th generation. It is known that the oldest family company outside Japan is the Château de Goulaine company, which was established in France in the early 1000s and provides services in vineyard and various sectors. Zildjian Cymbal Co., founded in 1623 in Istanbul to produce cymbals, is the oldest family company established in Turkey and moved to the USA in the 20th century and continues its activities in this country with its 14th generation. The oldest family business established in the USA is Shirley Plantation, which was founded in 1638 and continues its services with its 11th generation. The oldest family company operating on the African continent is Bopass, located in South Africa, founded in 1743 and managed by the ninth generation. Jose Cuervo company in Mexico has been producing tequila since 1758, and Hacienda Los Lingues Hotel has been operating hotels in Chile since 1760, serving as the oldest family business still operating in South America (Griequity.com n.d.).

Although the first family business in operation was established in the 6th century, structures similar to today's family businesses emerged in the manufacturing sector in the USA in the late 19th century, and later, family companies serving in various industries were established (Colli 2002). Before the 1970s, family businesses were not given much attention by social scientists. As of the early 1980s, the collapse of multinational companies in the USA and state-run enterprises in communist countries and the success of traditional family companies in Japan led to a focus on the advantages and human nature of family businesses (Harms 2014).

Family businesses are not only distinct in their structure and operations, but also in the profound impact they have on economies and societies around the world. Their ability to blend generational knowledge with innovation allows them to adapt and thrive in a variety of industries (Hernández-Linares et al. 2018). While balancing family and professional dynamics can be challenging, these businesses have a profound impact on economic stability and cultural structure. Through their resilience, long-term vision, and the potential to positively impact communities, they provide much more than just economic contributions to societies (Razzak et al. 2021). Understanding their importance is essential to exploring the critical role they play in shaping the global and national landscape (Trevinyo-Rodríguez 2009).

2.1.2. Importance of Family Companies

Family businesses often emerge in the absence of established roadmaps or clear precedents to follow, which makes them unique in the global economy. It is one of the main dynamics that contribute to the growth of wealth and employment (Ramadani and Hoy 2015). Unlike other types of businesses, it is the determination and creativity of the founders in these companies that overcome complex challenges, and this contributes to the establishment and maintenance of family businesses. These challenges are not limited to competing only in the national market, but also include competing globally in the globalized business world (Mosolygó-Kiss et al. 2023).

Family businesses, which emerge as the dominant economic factor in developed and developing economies, play an important role in the economic development and globalization of the countries they are affiliated with (Yıldırım-Öktem and Selekler-Göksen 2018). Despite significant changes in the economic and institutional

environments of the countries they are affiliated with, these companies maintain their resilient structure and keep up with the changing world. In this way, family businesses not only ensure their own sustainability but also contribute to strengthening economic stability and local workforce employment (Ramadani and Hoy 2015).

Family companies account for 65% of world employment, and the world's 500 largest family companies generated \$8 trillion in annual revenue in 2022. This situation makes family businesses the third largest national power after the USA (\$23.9 trillion) and China (\$18.1 trillion). In the relevant year, world GDP was 103.3 trillion dollars and developed countries' GDP was 59.8 trillion dollars. In 2022, Turkey's GDP was estimated at 915 billion dollars (Tharawat-magazine.com 2023). According to 2023 data, the country with the most companies among the 500 largest family companies is the USA, with 119 companies and 2.7 trillion USD income. Seven of the 10 largest family businesses globally are US-based. The USA is followed by Germany with 77 companies and 1.3 trillion USD income, and France comes in third place with 31 companies and 503 billion USD income. While 37% of the top 500 family companies are companies serving the end consumer, 29% are in the manufacturing and production sector (Robertsson 2023).

In order to better analyze the importance of family businesses, it is important to examine what distinguishes them from non-family businesses. One of the main differences is the presence of strong family ties within the company (Ramadani and Hoy 2015). These ties are usually deeper, more intense, and longer lasting than ties in other types of organizations. The benefits created by these ties are collectively called social capital. Social capital can be divided into two main types: internal bonding social ties that strengthen relationships within the organization, and external bridging social ties that connect the organization to external networks. Social capital also has three dimensions: structural (how relationships are organized and connected), relational (trust, norms, and obligations), and cognitive (shared values and understanding) (Rosecká and Machek 2022). Social capital in family businesses is unique because of the stability and interconnectedness of family relationships. This is often called family social capital and, like organizational social capital, includes structural, relational, and cognitive elements. However, family social capital has its own unique characteristics: it is difficult to

replicate in non-family businesses, is passed down from generation to generation during succession, and requires more time to develop (Rosecká and Machek, 2022).

Although family businesses differ among themselves, these differences do not prevent us from analyzing their importance. The most important point of family businesses is stability (Ramadani and Hoy 2015). There is usually longevity in leadership in family businesses, and family businesses managed by successful leaders provide stability. Leaders in family businesses tend to continue in their roles except in cases such as illness, retirement or death (Vistage 2020). According to Machek et al. (2019), thanks to this stable structure of their businesses, they can have a positive perception in banks, be preferred by potential employees looking for job stability and have a stable future expectation among customers and suppliers.

The trust that family members have in each other is of great importance in the success of family businesses, and this trust allows for quick decisions to be made at certain stages and quick results to be achieved. This ability to act quickly is a feature that puts family businesses one step ahead of other companies in terms of quickly adapting to changing market conditions and in the race to offer products or services to the market (Vistage 2020). This agility stems from the family seeing the business as a symbol of family values and ensures that family members think of the company first when considering making an investment. In addition, as quality products emerge, quality is matched with the family name, which encourages family businesses to increase the success of products or create a brand (Deloitte 2019).

Another advantage of family businesses is commitment. In family businesses, not only the needs of the business are taken into consideration, but also the needs of the family are prioritized (Ramadani and Hoy 2015). For this reason, employees who have relationships with the family and family members feel more loyalty and responsibility towards the company than in non-family companies. In a study conducted by Razzak et al. (2021), it was determined that commitment will contribute greatly to the growth of the company by providing superior business performance, and it is stated that when this commitment is supported by professionalization, the foundations of a sustainable and strong company will be laid.

Another benefit can be family businesses' approach to economic recessions. In a possible economic crisis, while companies' revenues decrease, fixed expenses such as salary payments or rent generally remain at the same level (Vistage 2020). In a study conducted by Zheng (2010) specifically on Chinese family companies, it was determined that family companies did not prefer layoffs as the main method to reduce costs during the economic crisis. It has been found that these companies maintain stable relationships with both employees and business partners, and family members or a network of family members support such businesses financially during the crisis period (Trevinyo-Rodríguez 2009).

People working in family businesses often must be flexible. While there is generally a job description for each role in corporate structures, family business members can work in areas other than their main duties when needed (Firfiray et al. 2017). In successful family businesses, successful leaders have to master different aspects of the business. This enables leaders to have a broad perspective and contribute to all areas of the business rather than focusing on specific tasks, and this structure is of great importance in the sustainable success of the business (Vistage 2020).

To achieve their goals and sustain their success, family businesses often rely on strategic management practices tailored to their unique dynamics. These practices enable family companies to plan for the future, enhance productivity, and drive profitability while addressing the challenges of an ever-changing business environment (Trevinyo-Rodríguez 2009). Strategic management offers critical benefits, such as effectively analyzing competitors' strategies, identifying and mitigating external threats, and fostering adaptability to overcome resistance to change. Perhaps its most significant advantage lies in promoting accountability and clarity across all levels of the organization, achieved through well-defined objectives and the structured delegation of responsibilities. For family businesses, the priorities in strategic planning often reflect their dual focus on business growth and preserving family values, ensuring a balanced approach that supports both long-term sustainability and competitiveness (Bayar, 2021). To realize the effective execution of strategic management practices, family firms must embrace a range of approaches that best fit their distinctive organizational form and long-term goals. These approaches not only enhance their competitive advantage but

also allow them to manage challenges, foster innovation, and perpetuate their legacy in a changing business environment.

The first of these approaches is Entrepreneurial Orientation. This approach provides companies with the opportunity to discover new market opportunities. The entrepreneurial orientation of the company generally originates from the top management, and the effective use of resources plays a major role in achieving success. Companies that adopt this approach improve their ability to offer innovative products and services by integrating opportunity-seeking behavior into their operations. Although such approaches are rare in family businesses, family companies that integrate such activities stand one step ahead of their competitors. It is an important feature to adapt to market dynamics, especially for family businesses competing in digital fields (Upadhyay et al. 2022).

Another approach is the Innovation Approach. There have been many innovations in the field of management in recent years (Upadhyay et al. 2022). For this reason, innovation emerges as a very important feature in increasing the company's market share, quality, and efficiency (Woods et al. 2019). In innovation-oriented structures, proper management of talents increases R&D activities and moves the company to an innovation-oriented competitive position. Innovative orientation also gives the company the competence to use technology effectively and improve the technology used (Hernández-Linares et al. 2018). Family companies that adopt this strategy should be ahead of their industry in their perspective on technological change. In a market where industry requirements are constantly changing, a firm's level of innovation may not meet market needs (Bayar 2021).

The third approach is the Customer Oriented approach. Customer focus aims to create value and increase benefits for the customer, and therefore companies that act with this approach specialize in analyzing the target customer base. It is inevitable that companies that understand customer preferences better will be more successful in offering suggestions that will attract the customer's attention. According to the results of the study conducted by Woods et al. (2019) with 277 family businesses, it was determined that family businesses that focus their decisions on customer satisfaction and product quality are more profitable.

The fourth method applied by family companies is Learning Orientation. In this approach, the company incorporates the learning approach into its processes to make the organization competitive in the market. Organizational learning is considered as a continuous activity for the company and the company is open to continuous change resulting from the learning activity. The company's focus on learning causes it to constantly question and improve its relationships with its environment, customers and competitors, and strengthens the opportunity recognition, discovery and creation processes in the company. However, in family businesses, the family structure is not supported by professional elements, family members have similar external structural connections, and the close relationship between family members limits the breadth of knowledge that family businesses have (Hernández-Linares et al. 2018).

The fifth approach is the Team Orientation approach. This approach can be summarized as creating a realistic vision under the leadership of a leader and encouraging an organizational structure that enables all employees to act towards a common goal. In this structure, the company aims to strengthen the interaction and cooperation of family members and other employees for success by emphasizing cooperation. A leader supporting the strengths of his team and encouraging the contribution of each individual are important steps for success (Bayar 2021).

The sixth step is the System Orientation approach. This approach, which has an important place in organizational learning, aims to help company employees understand not only the current business processes but also the general system of the organization and make improvements (Hernández-Linares et al. 2018). Understanding the system structure provides managers with the opportunity to establish an organizational culture for employees and increase productivity by strengthening company cultural patterns. This approach addresses interactions, information flow and decision-making processes within the company in an integrated manner (Bayar 2021).

The seventh approach is the Market Orientation approach. Market orientation is defined as the organizational culture that creates the behaviors necessary to develop superior value for buyers and therefore deliver consistently superior performance. Market-oriented companies constantly follow up-to-date information about competitors and customers and focus on market rather than product. These companies apply their

marketing practices within the framework of the changing needs of the customer, and their main activities are understanding customer expectations and needs, ensuring customer satisfaction and prioritizing customer values (Hernández-Linares et al. 2018). While most family businesses adopt market orientation as their main strategy, their traditional and slow structures that react late to competition due to intra-family structuring may cause them not to manage this approach effectively. In addition, literature research indicates that family companies are less market-oriented than other companies, and it is seen that family companies are perceived negatively by customers due to their limited product portfolio, relatively higher prices than other companies, and their non-sharing, confidential structure (Santana et al. 2020).

The last approach is the Relationship Orientation approach. This approach has five different dimensions: trust, boundaries, communication, shared values, and empathy. This type of family businesses aims to create a strong bond and cooperation between family and professional employees. This strong bond is also used to manage relationships with suppliers and customers. In this way, the corporate culture is preserved, sustainable and long-term success is achieved (Bayar 2021).

Family businesses, which are vital pillars of the global economy, have unique characteristics and approaches. Their ability to adapt, innovate, and prioritize business and family values gives these companies a distinct advantage in complex market dynamics (Ramadani and Hoy 2015). Their other inherent strengths, such as trust, commitment, and agility, are among the greatest supporters of economic growth, employment, and cultural preservation. As we explore the types of family businesses, we gain insights into how these businesses survive in a variety of environments and industries, and our understanding of their role in today's world grows (Tharawat-magazine.com 2023).

2.1.3. Types of Family Companies

2.1.3.1. According to Their Governance Structure

Family businesses, which are often thought to have a homogeneous structure, exhibit a variety of governance structures and management approaches. Family businesses, which want decisions to be consistent with shared values and long-term

goals, tend to maintain control within the family, while other family businesses prioritize operational efficiency and adopt flexible governance models that include external professionals and non-family managers (Hernández-Linares et al. 2018). When we understand the governance structure of a family business, we also gain insight into the family business' decision-making processes, its ability to adapt to market changes, and its ability to sustain itself across generations. For example, some family businesses adopt informal and trust-based governance models in their governance structures (Yılmaz and Karsu 2021). In professionalized family businesses, formal systems such as boards of directors and clear decision-making hierarchies are present. These heterogeneous systems are the basis for many of the challenges in family businesses, and implementing the right governance strategy that meets both family and business needs is the most fundamental step for family businesses (Basco and Rodríguez 2011).

The long-term vision of family businesses directly managed by family members generally protects them against short-term market pressures, and this vision is a factor in their governance approaches. These companies focus on long-term survival and careful allocation of resources rather than immediate financial returns, and this distinguishes them from non-family firms or family businesses managed by non-family professionals (Yılmaz and Karsu 2021). Thanks to their focus on longevity, they can develop innovative strategies that can improve company performance and provide competitive positioning in the market (Firfiray et al. 2017). In addition, thanks to their governance structures, they can continue their activities without being greatly affected by the short-term expectation constraints imposed by capital markets. Thus, family-managed firms can develop governance mechanisms that are compatible with their strategic goals, free from financial pressures, and provide a stable foundation for future generations (Yılmaz and Karsu 2021).

Westhead and Howorth (2007) classified the governance mechanisms observed in family-managed firms into seven types. These are cousin consortium family firms, large open family firms, established average family firms, multi-generation open family firms, professional family firms, average family firms, and multi-generation average family firms (Harms 2014). This classification is based on the family's influence on the business and this influence is based on three basic dimensions: ownership, management, and financial goals. Through these dimensions, the governance structures of family

firms are shaped and the effect of family involvement can lead to significant changes in different business models (Yılmaz and Karsu 2021). This typology not only provides a deeper understanding of the complexities within family firms but also offers a foundation for analyzing how their governance structures impact strategic decision-making and long-term sustainability.

Before explaining the differences in governance in family businesses, it would be appropriate to give a few statistics about the management of family businesses. According to 2023 data, 29 of the companies in the top 500 family companies are managed by a woman CEO and it is understood that 23% of the seats on the Board of Directors are held by women. In 45% of 500 companies, a family member serves as CEO, and 23% of the Board seats are held by family members. 19% of companies have included a family member under the age of 40 in the next generation of the family on their Board of Directors. The average age of the boards of directors of the 500 largest family companies is 62 (Robertsson 2023).

The fact that a restaurant run by a family and an international company such as IKEA are considered family businesses, and there are great differences between them, has created the need to classify family businesses, and a wide variety of methods have been used in making this distinction. The first of these is the classification according to the governance structure of family businesses (Basco and Rodríguez 2011). According to this system, there are six basic models that distinguish family businesses from each other. These are Captain Model, Emperor Model, Family Team Model, Professional Family Model, Family Cooperation Model and Family Investment Group Model (Gimeno et al. 2010).

Family companies that display the Captain Model feature generally consist of SMEs. Micro-sized companies, small or medium-sized companies follow this model, and such companies appear to be small businesses owned by simple families. Family business relationships are managed around the founder, who exercises leadership in both the family and the business (Özbakır Umut 2021). Most family businesses adopt the captain model, and the company survives as long as the captain's characteristics meet the needs of the business. The average lifespan of companies in this model is 28 years, however, their lifespan decreases after 20 years when the founder passes on the

captain position and the next generation manager does not have the necessary skills (Yılmaz and Karsu 2021).

The main difference between the Emperor Model and the Captain Model is that the Emperor Model has much more work complexity. In the mechanism, which is basically based on the same system, the structure is based on one person or a very small team and its members act together (Özbakır Umut 2021). The development of the company depends on the talents of the leader, and the company is an extension of this person's values. In such businesses, a professional management approach cannot be seen even if the company has a professional staff. The emperor often acts based on his/her intuition, and Henry Ford and the Ford company are a good example of this. The risk of this model emerges in the selection of successors (Ramadani and Hoy 2015). The model searches for a successor similar to the emperor, and even if such a successor exists, it becomes difficult for him/her to coexist with the current emperor and manage the company together. Another risk is that since this company's practices are extremely unique, it is not possible to support a different emperor. In order for this model to be successful, it must evolve into a different model during the generational change. The average lifespan of these businesses is 41 years, and such companies generally tend to disperse with the second generation (Gimeno et al. 2010).

The third model is the family team model. Companies in this model have low business complexity and high family complexity, with an average of 6.5 partners in company management. In this type of family businesses, families are both managers and employees. Service sector businesses such as restaurants, hotels, stores, and family businesses that provide professional services such as law and dentistry can be examples of this model. The complex structure of the family and the large number of family members pose risks for this model. In order to eliminate this risk, growth should be encouraged to avoid conflict of authority or the number of shareholders should be reduced (Ramadani and Hoy 2015).

The fourth model is the Professional Family Model. In this model, the complexity of the company is greater than the complexity of the family, and this model is difficult to manage under high family complexity (Ramadani and Hoy 2015). The difference of this model from the previous model is that there is a high degree of

production and expansion and there are fewer family members in management positions than the previous one. The company is managed professionally by the family and professional behavior is the driving force of the model. The decision of who will manage the company depends on who the best person or people are (Özbakır Umut 2021).

The fifth model is the Family Corporation Model. This model is used for businesses where both the family and the business model are complex, and it appears to be the most complex among the models (Özbakır Umut 2021). The family may form its entire management team, including the CEO, from the professionals it employs. Considering the size of the company, in some cases it may be surprising to have family members in the management team and the governance structure may be very functional (Robertsson 2023). The main difficulties of this model are that the family can maintain its presence in the company without being involved in company-related decisions and that the entrepreneurial spirit of the family can be directed at an adequate level. Peugeot and Merck Groups can be given as examples of this type of businesses. The average lifespan of companies in this model is 61 years (Ramadani and Hoy 2015).

The last model is the Family Investment Group Model. In this model, the family tends to invest in the right companies and assets and is not interested in managing the relevant company (Ramadani and Hoy 2015). The companies invested in are generally companies that have proven their success and have economic value. This model serves all types of family complexities, from a small real estate company to large businesses such as Rockefeller Financial Services. Due to this diversity, different management practices can be seen in different model companies (Gimeno et al. 2010).

The six models mentioned address different management needs and business contexts. For example, the Captain Model is applied in smaller businesses that are founder-oriented, emphasizes central leadership, but the succession process is problematic (Özbakır Umut 2021). On the other hand, the Family Cooperation Model represents a professional and complex structure supported by family influence, and this model is suitable for diversified firms. These models, which show the diversity of family business management, also emphasize the challenges and opportunities encountered during the growth and evolution of the business. Some of these models are

more prominent in different regions and cultures. Accordingly, while some companies are close to traditional hierarchical approaches, others follow professionalized, transparent systems (Ramadani and Hoy 2015).

From a historical perspective, family businesses are divided into two as traditional and modern family businesses, and this distinction can be observed across the six models; for instance, the Captain and Emperor Models align with traditional family businesses due to their founder-centric and hierarchical structures, while the Professional Family and Family Corporation Models reflect the characteristics of modern businesses with their emphasis on professionalization and complexity. Traditional family businesses are structures in which the family is identified with the business, the business is a source of income for family members, and family members have jobs in the business (Özbakır Umut 2021). Even in a complex organizational structure, in such companies where family members are appointed to senior management positions, the possibility of promotion for those coming from outside the family is only possible through marriage. Although sharp and advanced methods are seen to be applied in some cases for leadership and succession processes, consultants and professionals are used to a very limited extent at these stages (Yılmaz and Karsu 2021). Such companies are far from innovative and tend to take steps to maintain the competitive advantage they initially gained. Additionally, transaction and information costs are high due to their inward-looking nature. Important advantages are the high level of commitment and therefore the continuous training and learning experiences of family members within the company over long periods (Colli 2002).

Another type is modern-style family businesses, and in these types of family companies, family control is absolute. However, there is no obstacle for outsiders to hold key positions (Yılmaz and Karsu 2021). Family members are not directly involved in the business, but after serious training or experience, they serve in various positions, competing with non-family employees. This model is valid for businesses that are more dynamic, have a higher level of market evolution, and have lower transaction and information costs due to their outward-looking nature (Colli 2002).

Given the importance of aligning family and business elements for successful management, the professionalization of private family businesses goes far beyond

simply appointing a non-family CEO. This process often begins with the implementation of systematic, documented management practices, such as establishing formal committees and governing bodies to oversee and regulate the company's operations and continues with delegating decision-making authority and empowering non-family managers, introducing formal control mechanisms to evaluate performance, and adopting transparent human resources practices based on merit rather than relationships (Razzak et al., 2021). Modern-style family businesses therefore represent a multidimensional and dynamic process that not only improves management structures but also serves as a vital resource for strengthening the company's capacity to effectively balance family interests with business objectives (Westhead and Howorth 2007).

In family companies, family members appear to have a direct influence on key decisions in management. For this reason, work structures that combine family and work elements to create a new system come to the fore in success (Yılmaz and Karsu 2021). Theoretical classifications have been made by various researchers to better understand the structure of family businesses. The common feature of the classifications is that theories in which family and work forces act in harmony are more successful than others (Basco and Rodríguez 2011).

The governance structures of family businesses are as diverse as the families themselves, reflecting unique approaches to balancing tradition, innovation, and professionalism. These structures not only define how decisions are made and executed, but also shape the adaptability and longevity of these businesses (Yılmaz and Karsu 2021). As family businesses evolve, their ability to align family dynamics with business goals becomes a critical determinant of success. Further down the line, ownership structures add another dimension of complexity, affecting not only the distribution of power but also the strategic direction and sustainability of family businesses (Ramadani and Hoy 2015). Understanding these nuances is important to appreciating the multifaceted nature of family businesses (Westhead and Howorth 2007).

2.1.3.2. According to Their Ownership Structure

Family business groups represent a specific type of family business that is categorized by their unique ownership structure. These groups consist of legally

independent firms operating in multiple, often unrelated industries that are linked by formal ties such as stock ownership and informal ties such as family relationships. Unlike independent family businesses, family businesses are typically large and diversified, and families maintain control through mechanisms such as overlapping board memberships and key management roles. This ownership structure allows families to exert significant influence over companies in which they hold a minority stake by leveraging their majority ownership in a central or flagship company within the group (Yildirim-Öktem ve Selekler-Goksen 2018).

One of the important issues for family businesses is the extent to which family members and non-family members participate in the management and ownership of the company. For people who are family members, this situation is divided into four. These are neither an employee nor an owner, an employee but not an owner, an employee and an owner, not an employee but an owner. For those who are not family members, participation can be of two types. These are an employee but not an owner and an employee and an owner (Ramadani and Hoy 2015).

Examples of family members who are neither an employee nor an owner include individuals such as minor children or extended family members who are not directly involved in company operations. These individuals may have indirect influence over the company through their family ties, but their roles are often limited to informal interactions rather than formal decision-making. In contrast, family members who are employees but not owners often face unique challenges, such as balancing professional responsibilities with expectations of preferential treatment. Meanwhile, those who are both employees and owners must navigate the complexities of managing both family and nonfamily employees, which can create potential tensions. Finally, family members who are owners but not employees may prioritize personal financial returns, such as dividends, over reinvesting profits into the company for growth (Ramadani and Hoy 2015).

For the group outside the family, it is important to keep the motivation of an employee but not an owner high. These people may tend to leave when they see that people close to the family are more supported. Finally, an employee and an owner is the last element in this category. Although this group is important for the

professionalization and corporate transformation of the company, it may be difficult for family members who have a partnership in the company to accept them (Ramadani and Hoy 2015).

There are also different sets of models that distinguish family businesses evaluated by researchers. Various researchers, when evaluating family businesses, have divided them into five main models according to their ownership. These are owner/operator, partnership, distributed, nested, and public. Model preference will vary from company to company, and even from generation to generation, and managing their transition to each other is important (Baron and Lachenauer 2016).

When family companies are divided according to their ownership, the first model we encounter is Owner/Operator. In this model, ownership is held by a single person or a couple (Baron and Lachenauer 2016). In this model, there is an owner-operator and decisions are made by this person. In order for this structure, which is essentially similar to the British monarchy, to work, families should choose a fair and workable system for selecting successors. Since family members know and agree who will take the leadership, the generational transition is achieved democratically and there is no conflict in the change of succession within the family (Bali 2021).

Another model is the Partnership Model. In this model, which is generally seen as active in sectors such as construction, shipping and transportation, family members act together for the good of the company. The difference between the partnership model and the owner/operator model lies in the distribution of ownership, where the partnership model involves multiple family members sharing ownership equally and collaboratively making decisions, as opposed to ownership being concentrated in a single individual or a couple in the owner/operator model. However, the problem with this model is that disagreements that may arise regarding important decisions that need to be taken may lead to the termination or sale of the company. Companies that implement this model must switch to a different model in order to continue their operations in case of possible disputes, and in particular, the generation transition in the company must be clearly defined (Baron and Lachenauer 2016).

Distributed Ownership Model is an alternative model to partnership and usually occurs when the partnership model no longer works. In this model, company ownership

passes to the heirs of the company owners (Baron and Lachenauer 2016). Thanks to this model, people who can lead the company can be identified more easily and it is the method used by most successful family companies. However, in this model, family members working at work experience various conflicts with non-family employees (Bali 2021).

The Nested Model offers a unique approach where family members collaborate in some business branches while independently managing others. This diversification helps mitigate risks associated with family-driven decision-making by allocating responsibilities across various areas. While the core business continues to generate profits, income is channeled into different branches to support their independent development. However, challenges may arise when external investments are needed for the core business, as family members may resist such initiatives (Baron and Lachenauer 2016).

The last model is the public model. In this model, some of the shares are bought and sold publicly, and although the company maintains its family business structure, it fulfills the obligations of being publicly traded. In this structure, due to the public structure, company owners have a limited role such as electing the board of directors and attending board meetings, and the company is mostly managed by professionals (Baron and Lachenauer 2016). This model is used when the business requires a significant amount of external capital or for purposes of increasing brand awareness (Bali 2021).

While family business ownership models provide structural frameworks, understanding the motivations and goals of shareholders is equally crucial for analyzing how these models function in practice. In a study conducted with 129 participants developed by Joe Paul, 38% of the shareholders defined themselves as executive shareholders and stated that their main goal was to develop the company in the healthiest way by assuming responsibility in daily operations. 21% of the shareholders stated that they have an investor perspective, stating that their main goal is for the company to produce sufficient profitability and to increase the share value as a liquid asset. 17% of the shareholders stated that they wanted to preserve the company as a family legacy, even though they were not directly involved in the management (Paul

2015). These shareholders show that, as in family businesses, shareholders also have certain priorities and motivations. This can create different effects on company management and strategic decision-making.

Ownership models in family businesses have a major impact on how organizations operate and evolve over time. The interplay between ownership structures, management roles, and shareholder motivations highlights the complexity of sustaining these businesses across generations (Baron and Lachenauer 2016). These models offer avenues for growth and professionalization, but they also provide guidance on internal challenges to be aware of. Shifting between ownership models or creating appropriate solutions to address conflicts between family and nonfamily members is a serious challenge for family businesses to overcome. As family businesses balance tradition and professionalization, their resilience and adaptability will be tested (Ramadani and Hoy 2015).

2.1.4. Challenges Faced by Family Businesses

2.1.4.1. Conflict Between Family and Business Interests

Conflicts between family business owners not only disrupt family relationships, but also seriously damage the operations of the business. Although family businesses may have similar management practices or market evolution to non-family businesses, the point where family businesses differ from non-family businesses is in the importance they give to non-financial results (Smajić et al. 2024). Disagreements often arise between family members over management roles, profit distribution, and inheritance. The erosion of trust, the cornerstone of family dynamics, can exacerbate these problems, leading to delays in decision-making, missed opportunities to make sound business choices, and a focus on personal egos rather than the best interests of the organization (Rosecká and Machek, 2022). As a result, strategic priorities are ignored, excessive time is spent on unimportant matters, and overall company performance suffers (Deloitte 2019).

Conflicts in family businesses often arise from differences between business and family norms and affect processes as various types of disagreements. According to Harvey and Evans (1994), the interaction between business, family and external stakeholders creates conflict at three different levels. The first level includes conflicts

that occur only within one entity, for example, minor disagreements within the family and have no impact on other parties. The second level occurs when two entities, such as business and family, collide and create more complex problems that become increasingly difficult to solve when combined. The third level represents the most complex conflicts that involve all three entities (business, family and external stakeholders) and cause serious problems for all three parties (Ramadani and Hoy 2015). In addition, conflicts in family businesses often go beyond professional disagreements and become personal and emotional, and tensions spill over between family and business. Unlike other organizations where personal challenges such as divorce, remarriage, death, or illness are often managed separately from professional life, in family businesses such challenges are closely intertwined with business dynamics, creating unique and often more intense conflicts. Unexpected changes in family structure or company composition can exacerbate these tensions and turn personal issues into significant organizational challenges (Jiang and Hayward 2022).

In family businesses, the intertwined nature of family and business often leads to persistent conflicts. Such conflicts are often seen as dysfunctional phenomena that negatively affect both the family and the business. Psychological research distinguishes conflicts into several types. Task-related disagreements, called substantive or cognitive conflicts, can positively affect company performance by improving task understanding and encouraging the exchange of ideas. In contrast, personal and emotional conflicts, known as emotional or relational conflicts, generally do not provide any performance benefits, emphasizing that relational conflicts are particularly detrimental to the performance of family businesses (Rosecká and Machek, 2022).

Conflict in family businesses often stems from the blurred boundaries between family and business dynamics, leading to relational disagreements that undermine the family's social capital and business performance. While some family members avoid addressing these issues to avoid uncovering deeper issues, such avoidance only makes tensions worse (Rosecká and Machek, 2022). Incorporating non-family members into the management team is a potential solution to reduce conflict and improve operational efficiency. However, unresolved conflicts can disrupt daily operations, increase the rate of non-family employee turnover, and ultimately affect the company's productivity and long-term survival (Firfiray et al. 2017).

Family businesses operate in an emotional environment where decision makers and members are deeply affected by family dynamics. Because of the intertwined nature of family and business systems, these firms often include multiple family members in operational and managerial roles. However, strategic decision making is often concentrated in the hands of a few individuals, leading to emotional tensions and conflicts. As the business expands, single decision makers may have difficulty delegating authority and involving others in decision making. In situations where coordination with the next generation is required, decisions regarding ownership and partnerships become complex. In many cases, the decision-making roles of younger family members are unclear and their indirect participation in decision-making is prevented. These younger members suddenly take over the company without any authority, and this transition cannot be managed successfully. In addition, conflicts arise due to unclear responsibilities of spouses in businesses where operations are jointly managed. In such businesses, the husband is often seen as the formal decision-maker, while the role of the wife is unclear (Woods et al. 2019).

The lack of interest from successors in running the company is a critical issue that adds to the uncertainty of decision-making roles and the transition process. The current successor may have to continue the job despite having no interest in the company and the industry, which may result in an uninterested and reluctant management team (Jiang and Hayward 2022). While this process can be easily managed by terminating the contracts of such employees in non-family businesses, this is not easy in family businesses. In order for the successor to be attached to the company, his/her interaction with the current leaders must be maintained at a good level at all times, and in particular, he/she must be supported by the current leader at every stage of his/her career (Suhartanto 2024).

Nepotism is also another issue in family businesses. Nepotism can be summarized as a company owner giving preferential treatment to family members or relatives without caring about merit or ability. Some family businesses appoint family members to senior management roles even though they lack sufficient education, experience and talent. While appointing a member from outside the family is the right step, especially in areas where there is not enough capacity within the family, such an appointment cannot be made without friction within the family. Existing studies show

that nepotism is quite common in family businesses. Family members are in a more advantageous position than non-family members, especially in recruitment, performance evaluation, or promotion decisions. Such actions reduce the company's success and cause talented employees to be lost (Firfiray et al. 2017). The fact that family businesses are largely dependent on family-owned managers, especially in small and medium-sized businesses, limits the contributions of non-professional outside family members. This can lead to inadequate understanding of current and future competitor strategies and behaviors (Hernández-Linares et al. 2018). Finally, nepotism, in addition to its potential negative effects on the company's financial results, greatly harms the socio-emotional wealth of the family or company (Firfiray et al. 2017).

In family businesses, there are complex dynamics that need to be balanced due to the joint management of personal relationships and business operations. In these businesses, loyalty and commitment can increase thanks to strong family ties, however, when conflicts are not resolved or roles are poorly managed, the potential of the company decreases. In order to address the difficulties and prevent relational tensions from spilling over into business operations, effective communication, fair management and clear role definitions are necessary. As a result, it is necessary to encourage professionalism and justice in decision-making processes in order to maintain both family harmony and business success. Families who manage their conflicts effectively make a smoother transition to professionalism in family relationships, and therefore are more successful in establishing boundaries and creating a culture of mutual respect (Ramadani and Hoy 2015).

2.1.4.2. The Role of the Founder and Succession Planning

The transfer of leadership from one generation to the next is one of the most important and challenging stages for the sustainability of family businesses. This process is often complex and uncertain because it requires balancing family dynamics, business goals and individual desires (Ramadani and Hoy 2015). In Turkey, where the average family business lifespan is 25-30 years, an unplanned or poorly implemented succession process poses significant risks, including the collapse of the business (Deloitte 2019). While it is a common desire to pass leadership within the family, only about 30% of family businesses successfully transition to the second generation, and

less than 10% of those make it to the third generation and beyond (Jiang and Hayward 2022). Therefore, ensuring a smooth and effective transition is not only a matter of operational necessity, but also a critical factor in protecting the future and legacy of the company (Deeds 2023).

One of the biggest risks in family businesses is a sustainable company structure. For this reason, the concept of Buddenbrooks Affect is used when evaluating family businesses (Colli 2002). This concept, based on the book *Buddenbrooks: The Decline of a Family* written by Thomas Mann, highlights the tendency among family businesses to decline over a period of about three generations. However, the founder plays a critical role in counteracting this decline by preparing the company for long-term sustainability. Establishing robust systems, mentoring successors, and fostering adaptability within the business can help ensure that subsequent generations are equipped to lead effectively. The biggest difficulty during this process often lies in the founder's emotional struggle to leave the company, with transitions occurring only when the founder believes the successors are adequately prepared (Mosolygó-Kiss et al. 2023).

Succession planning in family businesses presents several challenges, the most important of which is the founder's emotional attachment to the business and his or her inability to retire. Research has shown that this emotional attachment can make it difficult for founders to relinquish control during a transition (Jiang and Hayward 2022). In addition, succession is not just about passing on knowledge from the senior generation to the next; it also involves tapping into the fresh perspectives and ideas of the next generation, which, when combined with the founder's experience, can move the organization forward. However, this process often comes with subtle psychological pressures on successors, as founders often instill the expectation that "one day, this will all be yours" and do not create an environment where the predecessor will contribute, creating an implicit obligation for the next generation to take over the business (Mosolygó-Kiss et al. 2023).

The founder's reluctance to relinquish control is one of the biggest obstacles to family succession and the continuity of the family business. This resistance is often inseparable from the personality traits that initially drove founders to start a business, such as the desire to control and the drive to succeed. While these traits were

instrumental in building the company and making it a success, these same traits can also prevent founders from leaving when they need to. Many see their companies as a means to personal fulfillment, family stability, or a sense of self-identity rather than a means to make money. Walking away from the business can feel like giving up on these hard-won goals, which creates internal conflict and hesitation. Such hesitation can discourage potential successors who are impatient to lead, and they may pursue opportunities outside the family business rather than wait indefinitely for a leadership role (Jiang and Hayward 2022). In order for the succession process to be managed professionally and for the family business to respond to the demands of the changing environment, formal structures and systems must be put in place to reduce the role of the founder (Petrolo et al. 2019).

As businesses evolve and more generations enter the business, succession planning becomes more complex. There is a compelling comparison between managing a family business and piloting an airplane. Like an aircraft cruising steadily during the middle of a transatlantic flight, a family business faces minimal risks during stable periods. However, the moments of take-off and landing—analogous to the succession process—are far more perilous, representing critical points where the likelihood of failure or disruption is significantly higher compared to other phases in the company's history (Ramadani and Hoy 2015). Leadership transition in family businesses is significantly shaped by the expectations and challenges of predecessors and successors. A study conducted by Gürler and Erarslan (2024) on the expectations of successors and predecessors revealed that although all participants emphasized the importance of a qualified successor, the definition of “qualification” varied across generations. Unlike the first generations, where personal characteristics were at the forefront, technical and managerial skills such as financial literacy, analytical thinking and desire for leadership are more at the forefront for later generations (Ramadani and Hoy 2015).

One of the most critical challenges in family businesses is identifying a qualified successor, a process that directly impacts the sustainability and legacy of the business. This process requires founders and stakeholders to make difficult decisions and balance family relationships with the strategic needs of the business (Ramadani and Hoy 2015). In addition to selecting a talented individual for a successful transition, the selected successor must be adequately prepared to manage the complexities of leadership. Steps

to overcome this challenge include setting clear criteria for selection, providing support for developing the necessary skills, and creating an environment where the successor can thrive (Jiang and Hayward 2022). Family businesses that effectively manage these obstacles are taking a strong step toward long-term business continuity (Ramadani and Hoy 2015).

Based on the importance of succession planning, professionalization of family businesses plays a significant role in fostering an integrated and collaborative organizational environment. Efforts to formalize structures and practices encourage frequent and open communication among decision makers, whether family members or external professionals (Petrolo et al. 2019). These interactions create a transparent platform where managers can align on a shared vision and develop a culture of trust and mutual understanding. This culture not only improves interpersonal relationships but also creates a competitive advantage for the business, contributing to improved performance and long-term sustainability (Razzak et al. 2021).

Successful succession planning depends on several key factors, including a gradual and well-structured leadership transition, clear written rules governing the relationship between the family and the business, and completion of the basic steps toward institutionalization. In order for the next generation to be fully embraced and supported by the founder or the management generation, it is vital that they demonstrate their talents and gain the trust of the team through their success (Cabrera-Suárez 2005). Equally important is the psychological readiness of the management generation to relinquish control and provide full support to the new leader (Deloitte 2019). These elements collectively ensure a smoother transition and the long-term success of the family business (Cabrera-Suárez 2005).

Companies that survive market volatility and crises of all sizes have longevity. 76% of the companies among the top 500 family businesses stand out as companies that are over 50 years old. These companies are companies that have managed market fluctuations and various crises in different periods. The oldest family business among these companies is the Japanese Takenaka company, with a history of 412 years. 31% of companies are more than a century old. (Robertsson 2023) It is seen that in family companies in Turkey, transitions to the post-second generation are limited. 38% of the

boards of directors of family companies in Turkey consist of first-generation members, 47% second generation members, 13% third generation members and 2% fourth and subsequent generation members (Deloitte 2019).

Cabrera-Suárez (2005) examined seven companies with both successful and unsuccessful generational transitions. The study highlighted that academic education alone is not a decisive factor in the process. Instead, gaining diverse work experiences in related sectors and early engagement with the company builds trust and reliability in successors. Successful transitions often involve a direct transfer of responsibility, supported by the predecessors' guidance. In contrast, when responsibilities are only partially transferred, the process tends to fail. Additionally, the role of non-family managers during the transition varies. While supportive attitudes can foster cooperation, resistance from these managers may hinder the successor's development. Most notably, successors who willingly join the family business tend to have more realistic expectations, which contributes to successful transitions.

This challenge is further exacerbated by the common failure of family businesses to create effective takeover plans. Especially in companies led by the founder, there is often no clear strategy for transferring the business to the second generation (Jiang and Hayward 2022). Most companies delay this process, believing it unnecessary until a certain point or refusing to accept the inevitability of such a transition. As a result, unplanned successions caused by illness, death, or scandal often lead to unfavorable outcomes. For takeover plans to succeed, leaders must establish specific strategies, including appointing interim leadership in cases where successors lack sufficient experience, assembling a transition management team, creating a stakeholder communication plan, and designing a financial framework to ensure a smooth transfer (Deeds 2023). However, if the founders or owners leave the company to their heirs without measuring their competencies and creating the necessary infrastructure so that control remains in the family, regardless of their knowledge and skills, the company may suffer (Smajić et al. 2024).

Holland and Boulton (1984) state that family businesses go through four stages. Accordingly, the founder typically begins as the Chairman of the Board of Directors or CEO, shaping the initial vision and culture of the company. As the business evolves, the

founder's family members are employed, and decision-making shifts to a Board of Directors composed of family members. Eventually, the company defines itself as a family business with a distinct identity (Razzak et al. 2021). Throughout these stages, the founder plays a pivotal role in guiding the transition, ensuring that the business maintains its core values while adapting to the changing dynamics of family involvement. The power within the family often varies depending on age, with older siblings or family elders holding an advantage (Jiang and Hayward 2022). For the family business to navigate these transitions successfully, the founder must balance authority with the empowerment of successors, fostering an environment where leadership and responsibilities are gradually transferred (Cabrera-Suárez 2005).

Succession planning in family businesses often revolves around the founder's fundamental role as not only the architect of the company's foundation and culture but also a central figure in shaping its future. The founder's influence extends beyond his or her tenure, as their decisions and actions can facilitate or hinder the succession process. While developing future leaders is a critical strategic priority for family businesses to survive, the founder's willingness to mentor and empower successors is equally vital (Cabrera-Suárez 2005). However, this is not easily accomplished because of the founder's deep commitment to the company. Leadership development approaches designed for nonfamily organizations often fail to capture the nuances of family businesses, where the founder's deep personal connection to the company significantly shapes the transition process.

The assumption of a leadership position by a new family member is important for a smooth generational transition and preserving the family legacy. Effective management of this transition demonstrates the family's desire to ensure continuity and maintain long-term visions (Cabrera-Suárez 2005). The literature on this subject emphasizes the importance of preparing heirs for key management roles and speaks of the great impact of such a process on the stability of the family business and the clarification of its future direction. Companies that recognize the importance of this transition early take an important step towards longevity (Firfiray et al. 2017). In companies that are dependent on the founder and have not become professional, the next generation of family members are not very willing to take an active role in the

company, and therefore it is considered normal for these individuals to leave the company (Razzak et al. 2021).

In family businesses, the importance of the founder becomes even more important in the transition between generations. Although founders leave a great legacy to the company thanks to their vision and leadership, they must manage the challenges of succession planning in the best way possible to ensure long-term sustainability (Jiang and Hayward 2022). It is not enough to just prepare successors for a solid foundation; an environment where cooperation and harmony are prioritized must also be created. Identifying the right successor is an important factor that can ensure the company's continuity across generations (Cabrera-Suárez 2005).

2.1.4.3. Maintaining Professionalism in Family Relationships

The concept of professionalization, the critical role of family members in this process, has recently become a focus in family business studies. In the professionalization steps in family firms, it is important to clarify the roles of family members in decision-making processes and to establish a balance between family and non-family managers (Petrolo et al. 2019). However, due to the introverted structure of family companies in decision-making processes and the importance they give to internal dynamics, professionalization is one of the areas where family companies have difficulty. In fact, due to this introversion, customer focus can be put on the back burner and decisions that do not prioritize customer needs can be made (Woods et al. 2019). Researchers emphasize the importance of appointing non-family CEOs to reduce such difficulties and state that this will establish balance thanks to the external perspective that professional managers will provide (Razzak et al. 2021).

Traditional research has prioritized the participation of professional non-family managers due to their education and external experience in the professionalization of family firms. However, new perspectives challenge this narrow view and suggest that professionalization should not be limited to non-family managers (Davis 2024). These researchers emphasize a broader understanding that includes formal qualifications and cultural competencies and argue that this understanding should be applied to both family and non-family managers as organizational culture. This multidimensional approach argues that true professionalization encompasses a variety of factors beyond

management background and provides a more comprehensive framework for addressing the internal and external challenges faced by family businesses (Petrolo et al. 2019).

Family businesses are recognized as having lower levels of formal structures and systems than non-family businesses, and their professionalization requires formalization, specialization, routine operations, rule-based control and monitoring, written procedures, and action planning systems. This need for transition occurs due to organizational challenges that require family businesses to change their informal structures and systems (Davis 2024). The most common period is the end of the first generation or the beginning of the second generation. Based on the professionalization efforts of family companies, it is seen that the first stages are rapidly successful, but the studies cannot reach the final stages (Petrolo et al. 2019).

Family companies are structurally weaker than corporate companies. Due to their generally trust-based nature, stretching of the rules is one of the serious problems in family businesses, leading to deficiencies in corporate structure and ethics. For example, in 2008, the Chairman of Samsung Group, who was convicted of tax evasion, was investigated for selling company shares to his successor at a low price, which caused serious damage to the company's reputation (Vistage 2020). Considering that the establishment of formal systems and ethical management practices can reduce such risks and support sustainable growth, it is estimated that professionalization efforts in family businesses will prevent such structural weaknesses (Davis 2024).

In family businesses that value different perspectives and encourage the exchange of ideas, decision-making approaches can be divided into two main types: negotiated and open. Negotiated decision-making encourages new ideas and decisions to be discussed and decided upon in a collaborative and goal-oriented manner. This type of collaboration encourages the free expression of ideas within the company by ensuring that family members and employees feel that their ideas are valued. Open decision-making, on the other hand, emphasizes unconstrained interaction between family and non-family members and is strengthened by the free flow of ideas. This type of openness creates a sense that individuals' ideas are welcomed and valued within the company. Based on this logic, it is suggested that family business owners with more open decision-making styles will experience higher levels of family support, and those

with more deliberative decision-making styles will similarly experience increased family support (Woods et al. 2019).

There are various steps to be taken to professionalize family businesses. The first of these is to determine talent pools according to the needs of the business and to take steps to make the business attractive and competitive by opening management roles to non-family talents and to encourage leaders (Davis 2024). Secondly, if there are problems in making difficult decisions, it is important to establish a mechanism that can solve the decision-making processes and impasses, to get support from independent consultants who will provide guidance on this issue, and to establish Boards of Directors. Since increasing communication will increase loyalty to the company, creating policies to maintain basic discipline and communication seems to be another step to be taken (Woods et al. 2019). Another step is to empower non-family professional managers and employees and create an environment where they can make decisions. At this stage, avoiding nepotism by ensuring that roles are assigned based on merit rather than family ties is critical to maintaining fairness and fostering a culture of professionalism (Firfiray et al. 2017). Once these steps are taken, it is important to establish a fair evaluation and reward system. Finally, creating an environment in which employees will adopt the core values and ethical values of the business and the implementation of these values by everyone, whether family members or non-family members, stands out as the last step in the professionalization stages (Davis 2024).

Professionalization and innovation in family businesses often face significant challenges, primarily due to resistance to change, as family members may fear disrupting the established order. This resistance is further complicated by the inability of some family members to set aside their familial identities and adopt a professional approach, allowing emotional dynamics within the family to take precedence over business needs (Deloitte 2019). Such emotional influences can create conflicts and hinder rational decision-making processes, which are critical for addressing organizational challenges effectively. Resource limitations also play a critical role, with companies often hesitant to allocate the necessary resources for substantial changes (Woods et al. 2019). Additionally, a lack of expertise required to implement transformation effectively frequently results in stalled professionalization efforts. To address these challenges, businesses must create a clear road map, embrace

transformation, maintain open communication channels, provide consistent support, and seek external expertise to navigate complex transitions (Hlcequity.com 2023).

Professionalization requires not only structural reforms but also cultural and behavioral adjustments. In order to professionalize family businesses, it is necessary to adopt a decision-making culture that approaches diverse perspectives in an inclusive manner, as well as maintaining operational efficiency (Petrolo et al. 2019). As family businesses incorporate these practices, they will also take steps towards sustainable growth and long-term durability. Focusing on professionalization alone is not enough; it is more important to professionalize while preserving the core values and cultural identity of the family business (Razzak et al. 2021). In this way, along with modern management practices, the past heritage and values that make the family business unique will be protected and a holistic approach will be demonstrated for growth and continuity (Hlcequity.com 2023).

2.1.4.4. Preserving Family Values and Business Culture

Family businesses are often characterized by a distinct culture encompassing unique emotional and relational dimensions that extend beyond traditional organizational values. While some studies explicitly address this culture, others address the issue indirectly through concepts such as “family role importance,” which emphasize how family roles influence business expansion (Smajić et al. 2024). Beyond financial considerations, the emotional value attached to ownership plays a significant role in shaping the decisions and priorities of family business leaders, providing their psychological commitment and deep investment in preserving the firm’s legacy. The cultural characteristics of the family business create a rich, multidimensional identity that not only guides decision making but also serves as a cornerstone in preserving family values and sustaining the business culture across generations (Fletcher et al. 2012).

This distinct cultural foundation causes family businesses to draw strength from the deep commitment of their members, which goes beyond a simple promise of loyalty. Because of this commitment, family members are forced to prioritize the business over their personal interests, dedicating significant amounts of time, resources, and effort to the business (Razzak et al. 2021). The effects of this seemingly simple sense of

commitment are complex and far-reaching, affecting the family and the organization as a whole. The strong emotional bonds and shared experiences that are established shape the company's long-term goals and cultural identity (Smajić et al. 2024). Growing up in such an environment ensures a lasting bond with the business and working for the continuity of the business across generations (Razzak et al. 2021).

Family ownership provides greater control over management performance, and this control ensures harmony between managers and shareholders. Often, the fact that the manager and shareholder are the same person is also seen as an advantage in family businesses. Having the same person fill both roles reduces conflicts of interest, called agency problems, and increases the overall value of the firm. Various studies have shown that family ownership reduces such conflicts, giving family firms a competitive advantage over non-family firms (Najahiyah et al., 2022). One of the basic desires of family businesses is to transfer the business to future generations. Therefore, family members are involved in the business from an early age, understand the unique challenges of the organization, and acquire firm-specific tacit knowledge that is important for effective management (Firfiray et al. 2017). Since increased corporate performance directly affects family wealth, family members tend to actively monitor management practices and prioritize activities that increase the value of the firm (Najahiyah et al., 2022).

Despite the many advantages that family businesses derive from their strong ties and shared commitment, these same unique characteristics can also create significant challenges. One prominent issue is the tendency for decision-making to be influenced by family ties rather than objective criteria (Firfiray et al., 2017). Nepotism can be a recurring problem, where family members who lack the necessary qualifications or competence are retained in key roles, even when their mistakes could hinder the business. This practice, which relies on family loyalty, can damage the company's reputation and reduce its overall value. Many decision-makers in family businesses tend to retain family employees even after their productivity is no longer justifiable, overlooking the option of hiring more qualified non-family candidates for the role (Woods et al. 2019). Additionally, research highlights that conflicts between owners and managers often occur due to differing interests and priorities within the family. Current

risks can create long-term reputational risks by tarnishing the company's image in the eyes of consumers and stakeholders (Najahiyah et al. 2022).

As family businesses continue to include family members in their operations, the concept of socioemotional wealth emerges as a key element in sustaining the business. For many family businesses, maintaining emotional ties between members takes precedence over financial growth, and decisions are often made that prioritize maintaining these ties over pursuing expansion opportunities. This strong emotional bond can lead to a greater emphasis on maintaining influence and control within the family, sometimes at the expense of potential profitability. At the same time, family businesses must overcome the challenge of aligning the aspirations of the younger generation, who may be looking for new ventures to invest in, with the traditional structure of the business. In such cases, socioemotional wealth plays a key role in balancing the changing dynamics of the family and the business, ensuring that its core values and unique character are preserved as it seeks to achieve market competitiveness (Smajić et al. 2024).

Family businesses thrive on a delicate balance between tradition and innovation, where cultural values and emotional ties play a significant role in shaping their identity and long-term success. These businesses are uniquely positioned to integrate personal values with business practices and create a foundation that is both durable and adaptable (Fletcher et al. 2012). However, maintaining this balance requires careful navigation of the complexities that arise from family involvement, such as maintaining objectivity in decision-making and addressing generational differences. As family businesses evolve, their ability to maintain core values while embracing necessary change becomes critical not only to their sustainability but also to their competitive advantage in an ever-changing business environment (Smajić et al. 2024).

2.2. GROUP DYNAMICS

2.2.1. Definition and Key Theories of Group Dynamics

2.2.1.1. Definition of Group Dynamics

Group dynamics examines the behavior, interaction, and psychological processes within and between groups. The main research focus of this field is how individuals create groups, how they influence each other, and how they function as part of a group. Group dynamics enables us to examine how groups structure decision-making, manage conflict, and collaborate to meet common goals (Carter 2017). Applications of this area of learning improve leadership and teamwork, assist in comprehending societal issues, promote innovation, and inform organizational strategy. Even whether a community embraces a shared ethical knowledge or not can be examined with the assistance of this area of learning (Karolidis and Vouzas 2019). Examining the rules that regulate group dynamics offers insightful information about collective and individual behavior (Bates and Cloyd 1956). As Schminke and Wells (1999) highlight, despite decades of group research, many critical questions—particularly those intersecting ethics and group processes—remain underexplored.

Group dynamics is the examination of how members of a group interact, adapt, and react to one another over time. It includes the actions, behaviors, and psychological processes that members of a group experience as it moves toward a shared goal. The term also examines these processes and how the members of a group organize, communicate, and evolve based on different situations. The procedures used in decision-making, conflict resolution, and role partitioning in a group all belong to the group's dynamics. The research, in this way, adds to the knowledge of how work collaboration impacts outcomes. In this instance, how groups are able to deal with internal and external challenges is addressed in terms of organizational and social environments (Karolidis and Vouzas 2019).

Any viable system that has been in existence long enough necessarily develops its own cultural context. This culture provides a common background which shapes the interaction between members and attaches meaning to a particular behavior, thus creating expectational patterns. Having established patterns, the members of the group can anticipate each other's reaction, making interaction smoother and more effective.

The reliability of these shared structures of expectations forms the basis for group stability, successful group dynamics, and interactions (Bates and Cloyd 1956).

While the group's culture sets a broad template that determines interaction, theoretical models must account for the processes that determine the distinctive behavior of members in that group. One such model is Ajzen's Theory of Planned Behavior (TPB), which explores the role of individual attitudes, social norms, and perceived control in influencing behavior in the group setting. Offering an explanation of how personal attitudes, subjective norms, and perceived behavioral culture influence collective behavioral intentions, TPB contends that the latter tend to be in close association with behavior. Members of a group decide on their behaviors not just based on their own beliefs, but also according to what other people expect of them, a notion strongly associated with the notion of subjective norms in the TPB (Alleyne et al. 2019). This bidirectional influence between group and personal sources indicates that collective expectations and shared goals play a significant role in shaping behaviors and decision-making processes (Karolidis and Vouzas 2019).

Social identity processes, which examine how group membership affects people's self-concepts and behavior, shed important light on group dynamics. Neuroscientific research suggests that group identities can become part of the self or trigger feelings of pain or pleasure in reaction to the experiences of other group members. Findings of social identity theory tell us that group processes not only shape interaction and decision-making but also help to determine the moral judgments an individual will adopt. Secondly, a judgment that the group rejects or accepts as wrong or right will be heavily backed by the group member according to that judgment (Ellemers and Van Den Bos 2012).

Based on the role of social identity in shaping group behavior, humanistic actions increase the cohesion and functionality of groups. A humanistic environment within a group enables individuals to help, support, and show goodwill toward group members, which in turn creates emotional and personal bonds within the group (Hazer et al. 2023). These behaviors are what build the emotional and moral makeup of the group, fostering harmony and respect. People with congruent emotional states have better communication, hence a solid foundation for ethical decision-making (Ellemers

and Van Den Bos 2012). Absence of this congruence will most likely disrupt group dynamics. This scenario brings into perspective the role of emotional congruence in building and maintaining a stable and effective group setting (Hazer et al. 2023).

A deep comprehension of group dynamics improves our ability to study the complex relations and processes involved in behavior. It also enables us to acquire critical information on how group aims, emotional exchanges, and moral systems function in a group setup. As decision-making and team collaboration within a group change, these dynamics will still be vital to effective group work and decision-making. In the subsequent sections, we will discuss how these principles operated in the development of the group and how they can help us understand the group's collective behaviors and practices (Karolidis and Vouzas 2019).

2.2.1.2.Stages of Group Development

One of the most fundamental challenges in leadership and team management is to transform a group of individuals with distinct characteristics into a high-performance collective that serves the same purpose. A widely accepted and important study to understand the stages of this transformation is Tuckman's Stages of Group Development. The study, "The Developmental Sequence of Small Groups," presented by B. W. Tuckman in 1965, discusses four basic stages that groups typically experience as they develop and evolve, and introduces them as forming, storming, norming, and performing (Kuvshinikov 2022). These stages encompass both social and task-related dimensions and reflect transitions in interpersonal relationships and group productivity. Socially, groups move through stages of testing and dependency, conflict, adaptation, and the establishment of functional roles, while task-related development involves orientation, emotional challenges, exchange of ideas, and solution generation (Tuckman 1965).

Group development plays a vital role in social life, shaping how our work and social networks evolve and influencing the quality of our relationships. These relationships, in turn, directly impact the level of satisfaction we experience in our personal and professional lives (Vaida and Șerban 2021). Understanding group dynamics is crucial because teamwork, which is closely tied to group development, is a key factor in various aspects such as professionalism and team efficiency. It not only

contributes to workplace success but also enhances social interactions, making it a fundamental element of both professional and personal growth (Johnson et al. 2002).

The group development process begins with the forming phase, where the basic rules that will guide the members to the task, to each other, and to their work are established and introduced to the members. During this phase, individuals try to make new sense of and explore these elements (Tuckman 1965). In addition, the boundaries of interpersonal and task-related interaction are tested by group members at this stage, and initial relationships are established through leaders, peers, and organizational norms. When individuals interact with each other in line with the group's goals, trust emerges as an important factor. Since group norms have not yet been established, group members initially establish relationships with each other based on social norms and demonstrate their effectiveness by working in line with the group's goals. The dynamics of the group are formed at this stage, and the basis for future cooperation and development is provided (Kuvshinikov 2022). Ukhova et al. (2021) conducted a study with experts in this field and found that the forming stage requires more feedback than other stages. In the study, where the importance of encouraging socialization at this stage was emphasized, some experts stated that it is more beneficial to guide the group sensitively and carefully. Other experts stated that guidance is unnecessary and that individuals should be given time to understand the structure of the group and discover their roles in the group.

As time progresses, the group develops different perspectives to cope with the challenges encountered and conflicts begin to emerge. During this stage, called the storming stage, the lack of harmony among members becomes apparent. Group members may experience interpersonal problems that lead to tension or disagreement. If individuals resist or oppose decisions, the effectiveness of the group is seriously damaged (Tuckman 1965). During this stage, members may tend to avoid sensitive topics in order to protect their personal status or sense of security. Tasks and interactions between members may be governed by emotions, and emotional reactions are common. Group members may continue to resist even decisions and tasks that are in the interest of the group. Although there may be a temporary decrease in group performance due to increased conflict, members can effectively progress through this stage by establishing group norms and roles. The beginning of trust between members is a critical factor in

managing and resolving work-related conflicts at this stage; the group begins to become more harmonious and functional thanks to the developing feelings of trust in each other (Kuvshinikov 2022).

After the difficulties experienced in the storming phase, groups establish clear roles and norms and significantly improve their functioning. This phase is called the norming phase, and conformity comes to the forefront and becomes a defining characteristic of the group. Members develop a sense of security and trust, which leads individuals to accept the unique characteristics of other members of the group and to share and accept their personal perspectives. Effective ways to ensure cooperation among members in the group become clear and are implemented at this stage. Cohesion deepens over time, the group becomes a unified entity, and the bonds within the group and the maintenance of group stability and purpose become priorities for group members. The norms established during this phase play a critical role in minimizing conflict over tasks and promoting harmony within the group. As a result, group effectiveness begins to improve once again (Kuvshinikov 2022).

The final stage of group development, known as the performing stage, is the point at which the group reaches its highest level of effectiveness. During this stage, group members fit seamlessly into their roles and contribute to the group's goals. Whether members work together or apart physically does not have a major impact on their ability to effectively address challenges and act in a harmonious, problem-solving manner. There is a structured approach to task performance supported by the flexibility and functionality of each member's role. The group's energy is directed toward accomplishing tasks that sustain and strengthen its purpose and overall existence (Kuvshinikov 2022).

While Tuckman's original model consisted of four stages, an additional stage, the adjourning stage, was later introduced by Tuckman and Jensen in 1977. This final stage represents the culmination of the group's work, in which members reflect on their accomplishments and gain insights from their experiences. During this phase, members may experience a mix of emotions, including a sense of achievement from successfully completing their goals, coupled with sadness or anxiety about the end of their collaboration and uncertainty about what lies ahead (Vaida and Șerban 2021).

Recognizing this disorganization results in decreased productivity. Despite this, the group typically completes remaining tasks, reviews past efforts, and evaluates challenges encountered and lessons learned for future teamwork (Ukhova et al., 2021).

In addition to Tuckman's model, other models have been developed to describe the process of group development. For instance, Gersick (1988) promotes a non-linear progression by emphasizing the transformation of groups in abrupt changes, with the emphasis on processes having an impact on their performance in the Punctuated Equilibrium Model. While Tuckman's model is based on a linear and staged process, Gersick's model provides a different approach by the identification of dynamic change and reorganization within the group. But the two models are not necessarily incompatible, and it is useful to integrate these models with a perspective towards making the analysis of group development easier (Johnson et al. 2002). For example, the predicted progression of group stages can be analyzed through Tuckman's model, and irregular interruptions or reorganizations that will occur in these stages can be captured through Gersick's model. Johnson et al. (2022) considered Tuckman's model to be most appropriate in explaining virtual group development. The research found that virtual teams follow the first stages of Tuckman's model but vary slightly in the storming stage (Ukhova et al. 2021).

It is important to comprehend the group development process in facilitating effective collaboration among the members and the achievement of shared goals. Appreciating factors like harmony, communication, and trust, with regard to the dynamic nature of teamwork, is important in facilitating successful movement through the unique stages of group development (Johnson et al. 2002). Even though it is easy to analyze group dynamics with these models, one should appreciate that actual applications are subject to numerous challenges and dynamics unique to each team. Ultimately, a group achieves success when it balances individual contributions with group goals (Vaida and Șerban 2021).

2.2.1.3.Cohesion, Conflict, and Group Performance

Group performance is affected by many different interconnected factors at different times. Traditional models tend to ignore group dynamics such as the behavior of group members during group interactions, communication patterns, or sharing with

each other. Group cohesion fosters trust and cooperation within the group, however, conflict that is not managed effectively disrupts group cohesion and negatively impacts performance. Conflict and cooperation are not static; they emerge and change as members interact with each other over time (Tekleab et al., 2009). As members of a cohesive group interact and discuss ethical issues and dilemmas, they are more likely to reevaluate their own positions and align with shared norms (Schminke and Wells 1999). These evolving dynamics emphasize the importance of examining both individual contributions and collective decisions that drive group outcomes from this perspective (Karolidis and Vouzas 2019).

In the previous section, we discussed the important role of conflict in team effectiveness through different models. Various studies suggest that managing conflict is a critical developmental process for groups that increases group cohesion and has a great impact on shaping future team dynamics (Tekleab et al., 2009). Group cohesion was defined by Festinger (1950) as “*The resultant of all the forces acting on the members to remain in the group*”. Cohesion can be understood in terms of two main dimensions: the interpersonal dimension, which emphasizes emotional bonds and liking among group members, and the task-oriented dimension, which focuses on a common commitment to achieving group goals. Research shows that cohesive groups generally exhibit higher levels of mutual attraction, frequent communication, and positive evaluations among members. However, it has been noted that although interpersonal cohesion can strengthen group bonds, it can also lead to groupthink, thereby impairing the quality of decision-making (NG and Van Dyne 2005). From another point of view, strong emotional reactions within groups, such as anger or frustration stemming from perceived intergroup threats, may negatively impact the cohesion of a team. These emotions may lead to punitive actions against perceived norm violators within the group, a phenomenon known as the 'black sheep effect,' where disloyal members face harsher judgments than external opponents (Benard 2012).

Previous studies have reached similar conclusions on conflict and group performance. Accordingly, collaborative conflict management promotes cooperation and understanding among members and increases group performance. However, intra-group decision-making processes are greatly affected by the social context and the prevailing norms to which the team adheres. In addition, difficulties such as limited

face-to-face interaction, different communication styles, reduced trust levels, and the absence of clear structural processes are among the factors that weaken group cohesion. Trust, which is an important step in cohesion, strengthens interpersonal relationships and facilitates cooperation (Kahlow et al. 2020). Although group task conflict, which can be summarized as disagreements on ideas and perspectives, has the potential to improve group effectiveness, it also has a challenging feature on intra-group relationships. Members' perception of discussions and criticisms arising from task conflict as political maneuvers to gain personal advantage can lead to feelings such as personal discontent and avoidance (NG and Van Dyne 2005). As a result, task conflict, which has great benefits in the long term, can lead to results such as disappointment and dissatisfaction in the short term due to the sudden tension and hostility it creates (Karolidis and Vouzas 2019).

Realistic Group Conflict Theory (RGCT) provides a broader perspective on why conflicts occur and how they affect the group. RGCT argues that such conflicts occur when a group competes over incompatible goals (NG and Van Dyne 2005). This competition causes group members to become frustrated and socially distance themselves from other group members. In some cases, members unite to meet a common challenge, increasing their cohesion within the group, but even in such cases, tensions and divisions grow between competing groups. As a result, competition acts as both a unifying and a driving force, highlighting how difficult it is to effectively manage task conflict (Benard 2012).

Conflict is inevitable and natural to the process of team building, and it helps to play a significant role in facilitating the team to realize its maximum potential by helping create improved internal dynamics (Vaida and Șerban 2021). Communication becomes key through the sharing of ideas, communication of issues, and suggestions by members. Effective communication not only facilitates sharing of ideas but also helps the members to tackle complaints with the available strategies and adapt to changing dynamics (Kahlow et al. 2020). In the absence of open and constant communication, complaints can escalate into problems, and this leads to dissatisfaction and group stagnation. Furthermore, during this stage, interpersonal relationships reflect conflict and competition characteristics, which are a byproduct of tension members experience in focusing on individual work. Therefore, the creation of an open communication

environment is paramount in surmounting such hindrances and ensuring conflict positively affects team development (Tekleab et al., 2009).

A look at the complex interaction between conflict, group performance, and cohesion demonstrates that group dynamics are defined by processes in progress and not by a condition of quiescence; they are teams that are struggling to surmount obstacles and working together towards common goals. While conflict is typically considered an obstacle, it can, when dealt with in a constructive manner, enable the group process (Karolidis and Vouzas 2019). Balancing conflict resolution and trust building, however, is a sensitive matter and requires a two-way commitment to active communication and co-operation. These findings highlight the importance of paying attention to the stages through which groups come together and mature, since the developmental path of a team is at the center of long-term success. Because of this, observing the phases of group development gives a better picture of how cohesion and conflict arise and get resolved along the way (Vaida and Șerban 2021).

2.2.2. Group Formation and Development

2.2.2.1. Stages of Group Formation

Groups are formed by various mechanisms, each of which is situation-dependent and derived from the functions that they are meant to perform. In most cases, the group formation process can take three general categories: formal, informal, and ad hoc. Formal groups are organized and funded by management to achieve some priority tasks that typically align with organizational goals, for example, project teams or departmental subunits. Informal groups naturally evolve out of socialization or shared interests, such as between workers congregating at breaks or clubs formed out of work-related recreation. Ad hoc groups naturally evolve to address timely problems. For example, an interprofessional team may be brought together rapidly to solve an unexpected operational problem or to create a response to an unexpected catastrophe. These basic processes of group dynamics are critical to grasp in order to study the processes by which groups form and function over a particular time (Carter 2017).

As groups begin to form and collaborate regularly, they are able to establish methods for increasing their effectiveness and minimizing barriers, such as the potential

for unshared knowledge. In the latter phases of group development, particularly when members collaborate for some time, the key mechanism that develops is the creation of a transactive memory system. In this system, members accumulate a collective mental representation of who knows what in the group. This mechanism enables group members to exploit each other's knowledge, supports cooperative working, and results in more effective improvement in group performance. However, this type of knowledge takes time and frequent interaction, which takes time to develop, particularly in teams with minimal face-to-face interaction. Therefore, virtual teams do not work as well as co-located teams (Engelmann et al. 2014).

As teams work together over time, their effectiveness relies on establishing mutual understanding, open communication, and task agreement. Facilitators can assist in this by establishing expectations, creating open communication, and bringing structure to direct the group's work (Borek et al. 2019). Planning ahead for adversity and staying focused on common goals simplifies interactions and increases productivity. By establishing a harmonious and unified environment, teams can work more efficiently and accomplish their objectives more reliably (Carter 2017).

The level of homogeneity or heterogeneity of a group has a significant influence on both performance and organizational learning. Homogeneous groups are made up of people with similar skills, backgrounds, or perspectives, which can facilitate communication and decision-making processes but will also hinder the creation of new ideas. Heterogeneous groups bring together members with different skills, experiences, and views, thus providing a broader range of information and possible solutions. Research suggests that heterogeneous groups have higher potential to address challenging tasks of exploration and provide members with higher possibilities. The benefits of heterogeneity are not automatic. Drastic disparities in capacities, likes, and goals within different groups sometimes lead to discord, conflict, or inefficiency (Blanco-Fernández et al. 2023).

For every group, group building is responsible for creating the foundation of each member's personal interaction, information sharing, and collective advancement towards common objectives. While structure and environment have some influence on the manner in which groups work together, sustained group success depends on its

ability to adapt, to nurture mutual empathy, and bridge multiform individuality toward common objectives (Blanco-Fernández et al. 2023). A group's effectiveness is not merely a function of composition or initial structure. With time, group expectations, values, and norms develop that govern the interaction of the group and help in the development of a shared identity. The developed norms play an essential role in determining how well the group functions and stays united in the event of conflicts and while forming (Carter 2017).

2.2.2.2.Group Norms and Their Development

Group norms are the shared expectations and actions that define what is acceptable in a group collaborating to attain a common objective. Group norms encompass not just formalized procedure rules but also unspoken understandings among members of what constitutes appropriate behavior (Feldman 1984). Group norms are important in promoting cooperation through increased predictability of actions and efficiency of interactions (Svensson et al. 2024). Group norms promote group cohesion, restrain interpersonal conflict, and help create a shared group identity (Feldman 1984).

These norms, while typically unwritten and informal, develop increasingly as people learn behavior that causes the group to perform better. At times these norms can develop more rapidly due to a dramatic event or conscious decision by the group (Feldman 1984). They standardize members' actions, thus making them more predictable and understandable to other actors in the group (Engelmann et al. 2014). Norms also defend the self-concept of a person, frequently referred to as one's "face," that gets at the way people view themselves and wish others to see them. For purposes of averting possible pain or conflict, groups tend to define norms inhibiting behaviors or topics of conversation which are liable to harm one's face and consequently avoid matters like social position or personal associations. Regardless of whether they originate from explicit statements by leaders or members, critical events, foundational behaviors established early in the group's life, or habits brought forward from previous experiences, group norms ultimately come to dictate how members relate and contribute to the group's effectiveness (Feldman 1984).

However, group norms also come with a list of problems. Norms that facilitate a group to work in harmony can inadvertently promote exclusionary behavior or

discriminatory treatment of certain members. Secondly, there is also a danger that group norms would restrict the ambit of group activities to inconsequential goals, doing things without imagination and deep involvement. An example is that a project group can create a norm like "concern yourself only with your task" in order to foster productivity (Feldman 1984). While this can improve the effectiveness of workflows, it can also simultaneously discourage collaboration and limit the sharing of innovative ideas. Team members with different outlooks or innovative approaches may also feel marginalized or underappreciated, which can eventually hinder the collective potential of the group (Svensson et al. 2024).

While official group norms sometimes limit creativity as well as openness, unofficial groups often form for satisfying the emotional, social, and psychological requirements of those who labor in the same system. People bring their whole selves to work, including emotions, values, as well as social needs, which, in practice, influence behavior in groups. Experiments demonstrate that one culture begins to emerge within formal groups, which then gives rise to informal groups that meet the requirements of belongingness, support, and common identity. While formal groups are established to maximize efficiency and performance, informal groups meet deeper interpersonal needs, creating a balance between task and relational orientations. Leaders play a crucial role in shaping the dynamics of formal and informal groups through establishing an environment where both systems can work together and complement one another. Such an understanding is crucial for leaders who aim to establish cohesive and motivated teams (Carter, 2017).

Norms are dynamic and change through continuous negotiations and innovations among members within a group, particularly in group working settings. Through interactions among members, norms are renegotiated on the basis of mutual observations and experiences. Opinionated group members and leadership are central to such negotiations since their actions and decisions can reinforce or contradict norms. Also, power relations and social orders in the group significantly influence how norms are in the process of being reshaped and sustained in the long term. Leadership is usually exhibited by those with stronger interpersonal relationships or higher status, thus highlighting the importance of leadership in correlating such processes. By effectively managing these changes, leaders are in a position to create a sense of

inclusion and encourage active participation of all members within a group such that emergent norms are in the best interest of the group's goals (Svensson et al. 2024).

Understanding why group norms exist and how they are established and enforced is essential to maximizing teamwork and productivity in groups. By creating a positive environment, leadership facilitates the development of norms for cooperative action and task accomplishment. Conversely, hostile management may lead to the development of norms that are detrimental to group effectiveness. Leaders possess a special capacity to shape these processes by establishing norms that foster cooperation, tracking their effectiveness, and directly challenging those behaviors that are unproductive. In addition, by aligning formal group norms with the informal dynamics already discussed, leaders can successfully reconcile potential conflicts between task-oriented objectives and interpersonal needs. This broad vision allows managers to solve inherent contradictions within their teams and promote the development of norms that encourage individual and group development (Feldman, 1984).

The multi-dimensional characteristics of group norms identify their essential role in determining team behavior, bonding, and performance. The formal as well as informal norms form the foundation of interpersonal relationship, cooperation, and coordination of efforts for collective goals. Nevertheless, it is essential that such norms strike a balance between task demands and relational and affective needs of the group members. This delicate balance asks not only of leaders to facilitate the development of norms but also to address potential issues that will emerge. As groups mature, their success becomes more and more reliant on an understanding of roles within the group, which further establishes the allocation and performance of tasks. Shifting from an examination of group norms, the conversation shifts now to the diverse group roles that facilitate and maintain successful collaboration (Engelmann et al. 2014).

2.2.3. Group Roles, Communication Patterns, and Leadership Styles

2.2.3.1.Types of Group Roles

Group role analysis is fundamental to the comprehension of human cognitive and social behavior. Group roles determine the way individuals interact and work with each other in group settings (Bates and Cloyd 1956). They provide a structured template

through which coordination of activities is facilitated and ensures good group dynamics. In collaborative problem-solving situations, group roles are regulatory frameworks that coordinate responsibilities and facilitate interactions. Role theory considers roles to be directions, functions, or duties that influence individual behavior, as well as identifiable interaction patterns that take place within the context of cooperation. Two general views regarding roles are of particular interest: scripted roles, which are preconceived and give individuals specific tasks, and emergent roles, which arise naturally out of interactions and are the typical behaviors exhibited among group members. In both instances, positions individuals adopt within a group are critical for encouraging cooperation and mutual achievement (Tang et al. 2024). Member roles may also be interpreted as predetermined patterns of behavior associated with specific individuals in a group. They are formed through the behavioral culture of the group, which dictates the model for the interaction and contribution of each member. Additionally, one's behavior is likely to be a collective knowledge among the group members, acquiring a group-level cognition of his or her role and building up the interaction characteristic of group behavior (Bates and Cloyd 1956).

Because of this awareness, one belongs to several subsystems or groups and thus must assume several statuses and roles based on the situation. A role can be defined as a cluster of behavioral expectations of one who occupies a particular position within a social entity. In this definition, two related types of behavior emerge: status behaviors and role behaviors. Role behavior is defined as the precise action by individuals in terms of their ascribed positions, and status behavior defines the notional expectations of their social position. Every position not only confers distinct rights and privileges on individuals but also entails a specific duty. While discharging their role and while conforming to their duties, individuals enact the power and prerogatives of their status. In this case, status-oriented behaviors mark expected patterns, while role behaviors realize these expectations in the form of tangible actions. Roles can be divided into three broad categories: basic roles, general roles, and independent roles (Tutkun and Öge 2019).

Role Theory offers a theoretical model for the study of communication and interaction in the workplace, where role expectations are shaped by behaviors and outcomes that are fitting as dictated by individual and organizational values. Role

theory studies show that employees at any hierarchy level in a business organization condition their behavior according to their role, status, and how they and others perceive that role. Role theory has recognized five major themes: the intersection of roles and identity, work-life balance, prejudice and stereotyping, career development, and moral or altruistic behavior (Homayed et al. 2024).

The basic structure of group roles results in the emergence of certain roles within a group as patterns of behavior that are often associated with certain individuals. While individual roles and statuses are based on expectations and responsibilities tied to specific positions, the roles become more complicated when explained in terms of group dynamics and group behavior. These roles are manifestations of the collective expectations of members of a group to have an individual who is responsible for specific activities or actions under specific situations. For instance, an individual will automatically assume the role of conflict resolution or tension release, whereas another will take up the role of managing organizational commitments or staying abreast of external events (Bates and Cloyd 1956). In the same manner, some people will gravitate towards roles encompassing pragmatic contribution, e.g., organizing logistics or handling administrative duties like record-keeping and documentation. Group roles are determined by the individual traits and expertise of specific members, which determine how the group utilizes individual power to attain group goals (Feldman, 1984). While these roles enable task delegation and achieve efficiency in operations, the presence of quality leadership is typically necessary to ensure the roles are harmonized and aligned towards the overall goals of the group. Leadership is not only used to manage individual contributions but also to provide the guidance and adaptability that is required of the group in terms of resolving problems arising. By delegation and adjustment of such roles, groups can achieve maximum collaboration and guide overall success through such roles.

Leadership is one of the key functions in a group, influencing both the general direction and member-to-member interaction, and also performing a central function in the establishment and maintenance of other functions within the group. A leader's capability to motivate and influence individuals usually dictates the level at which each member complies with his or her set tasks, thereby causing the group to operate in unity towards common objectives. Leadership is also a stimulus for role adjustment as groups

change needs, thereby providing adaptability and stability in the face of adverse circumstances. This dynamic interplay between leadership and group roles reinforces the idea that a balanced leader can harmonize individual contributions while encouraging members to embrace their responsibilities. In this sense, leadership does not assume a single role, but acts as a driving force that increases the effectiveness and adaptability of all group roles (Black 1984).

Leadership within group roles often arises in response to uncertainty or challenging circumstances where clarity and direction are needed to guide collective efforts. Uncertainty is a critical factor in enabling groups to identify and follow a leader, because it is a time when a group needs someone to direct its energy and focus on a shared goal. Effective leadership is rarely predefined or variable across groups. However, it develops through real-world experiences that challenge group members to adapt and cooperate. The situations that call for leadership can vary greatly, but they often include opportunities for individuals to demonstrate initiative, motivate others, and foster harmony within the group. As a dynamic group role, group leadership not only shapes the needs and challenges of the group but also encourages them to grow together (Black 1984).

The dynamics of group roles highlight the complexity of human interactions and the structured mechanisms that support cooperation and collective success. While roles enable groups to draw on their individual strengths and maintain cohesion, they are not without challenges. The success of group performance is not just dependent on the proper assignment of roles but also on the ability of its members to adapt to the dynamic needs of the group and the environment. Such adaptation involves both overt knowledge of role expectations and a measure of flexibility in handling interpersonal and organizational relationships (Bates and Cloyd 1956). In the quest for group performance and cohesiveness, the role conflict or role ambiguity phenomenon is a natural outcome of their development. These need to be addressed to guarantee that group performance is maintained and an atmosphere is created where people can perform their jobs effectively (Homayed et al. 2024).

2.2.3.2.Role Conflicts and Role Ambiguity

Group dynamics play a major role in shaping the behavior and decision of a person when in a group. As the individuals continuously interact with the other members of their group, they are constantly perceiving how the rest of the group sees their wide variety of behaviors—e.g., questioning, seeking feedback, suggesting new ideas, admitting mistakes, or reporting unethical behavior (Alleyne et al. 2019). The constant evaluation of where one stands in the group can lead to uncertainty, as the person struggles to reconcile personal drives with expectations imposed by the group. The uncertainty occurs in situations where the boundaries of what is acceptable behavior are not clearly defined, creating ambiguity about the potential consequences of individual actions (Rizzo et al. 1970). Depending on the group's norms and culture, these dynamics can encourage open communication and cooperation or generate fear and terror of criticism. As time goes on, pressure to meet group expectations can influence how members go about their work and how they resolve conflicts between their personal values and the group's priorities (Alleyne et al. 2019).

The complex group dynamics often result in instances where a member is confronted with a dissonance between the norms set by the group and his or her own perception of his or her responsibilities. Role conflict essentially involves circumstances where an employee is exposed to contradictions when trying to fulfill demands that accompany their assigned roles (Rizzo et al. 1970). A second definition may be understood to denote a discrepancy between an employee's duties assigned formally and expectations placed on them by other persons in the organization. Role conflict can also occur when an individual must fulfill more than one role at a time and prioritize the requirements of one role over another (Tutkun and Öge 2019). Such conflicts not only create uncertainty, but also contribute to stress and difficulties in maintaining group harmony and productivity. Role theory suggests that when the expectations placed on an individual are inconsistent or contradictory, it can lead to increased stress, reduced job satisfaction, and diminished performance compared to situations where expectations are clear and aligned (Rizzo et al. 1970).

In organizations, roles are defined as behaviors expected from employees in line with their job responsibilities. However, role conflict occurs when employees encounter

difficulties such as taking on additional responsibilities outside of their defined roles, experiencing incompatibility between job duties and ethical values, or receiving conflicting instructions from more than one manager (Keller 1975). The main source of role conflict stems from the incompatibility between what is expected from the employee and the official job description. Empirical evidence confirms that role conflict is triggered by factors such as extraneous activity, understaffing, working through certain legislation to meet obligations, and conflicting expectations among different teams or supervisors. Additionally, organizational factors such as ambiguous communication, work process design, organizational resources, managerial behavior, and ambiguous role definitions are highlighted to have an important role to increase role conflict. Role conflict can be classified into five different types: intra-sender conflict, inter-sender conflict, inter-role conflict, person-role conflict, and role overload (Tutkun and Öge 2019).

Role conflict and role ambiguity are two analogous but distinct problems that most organizations frequently encounter. Role ambiguity occurs when expectations, activities, or tasks of a specific job are unclear, usually because of poorly designed or underdeveloped job descriptions (Rizzo et al. 1970). Role ambiguity then causes uncertainty about priorities and decision-making procedures, ultimately resulting in increased stress, tension, and performance decline (Homayed et al. 2024). Role conflict, on the other hand, involves situations where people are faced with conflicting or incompatible demands that could strain their abilities, values, or previous expectations. The incompatible responsibilities would, in this case, force people to set aside one responsibility and prefer another, thereby compromising their personal welfare as well as group cohesion (Rizzo et al. 1970). There is a need to resolve such conflicts because inability to resolve role conflict and ambiguity can potentially destabilize work operations, reduce individual performance, and impinge on organizational success (Keller 1975).

To enhance the understanding of the repercussions associated with these challenges, it is crucial to examine their impact on employee commitment and satisfaction within the professional environment. Factors contributing to workplace stress, including role conflict and role ambiguity, frequently result in a diminished commitment among employees towards their organization and adversely influence the

extent of employees' feelings of allegiance to their work environment (Homayed et al. 2024). Recent studies underscore the crucial influence role conflict and ambiguity exert in organizational effectiveness and worker morale. Research substantiates that workplace workers are more job-satisfied when performance standards are established clear and unambiguous (Keller 1975). Clarity not only promotes job satisfaction but also influences the level and quality of commitment employees render to their firm. The three-component model of organizational commitment identifies three fundamental forms of commitment: affective, normative, and continuance, all of which are based on how employees view their job and to what extent there is a match between expectations and work environment. Affective commitment is an emotional attachment that employees feel and causes them to remain because they have the need to be part of the firm. Normative commitment, on the other hand, is driven by a sense of duty or obligation, whereby workers feel compelled to stay because they share values or there are existing organizational norms. Continuance commitment, also known as calculative commitment, has its roots in practical reasons since employees opt to stay because quitting would have extreme personal or financial implications. For example, a study conducted in Dubai found that more than forty-two percent of employees reported being dissatisfied with their jobs, while half reported staying because of the financial implications of leaving (Homayed et al. 2024).

Ambiguity and role conflict need to be resolved in the proper way for the creation of a well-functioning and consistent work environment. Through allowing employees to see their role clearly and assisting them in sorting out competing demands, organizations can build an atmosphere in which individuals are free to grow as individuals and professionals. Clarity here not only reduces stress and improves job satisfaction, but also builds collective cohesiveness and operational efficiency. The group interaction processes involve more than the simple diffusing of conflict and uncertainty (Rizzo et al. 1970). The power and influence dynamics among the team members play an important role in determining how members accomplish their roles and then add to the success of the organization. Proper understanding of the dynamics can grant deep insight into the processes allowing collaboration and leadership within groups and hence provide implications for improved team management methods.

2.2.3.3. Power Dynamics and Influence within Groups

Group dynamics and leadership continued to be refined in the 1960s with the Performance-Maintenance theory of leadership. This theory makes a differentiation between performance leadership, which centers on goal attainment within the group, and maintenance leadership, which centers on creating positive interpersonal relationships within the group. Evidence indicates that a group's performance—productivity, morale, or frequency of incidents—is more strongly related to what group members perceive about their leader's behavior than to the leader's behavior. Leadership that can both effectively respond to performance and relationship maintenance, or 'PM-type' leadership, has been found consistently to be associated with more positive long-term outcomes than with styles focused on either one or neither. This highlights the critical role of leadership in shaping power dynamics and influence within groups (Sugiman 1998).

Power dynamics within a group play a critical role in shaping interactions and outcomes. While individuals often benefit from having power, groups with unequal distributions of power (e.g., clear hierarchies, significant differences in roles or pay, or high concentrations of leadership qualities among members) often face challenges. These power imbalances can lead to intragroup power struggles that negatively impact performance, creativity, and group sustainability. For example, in teams with many strong-willed or leader-like individuals, such as executive committees or high-performance sports teams, competing power dynamics can create tension and inhibit cooperation, with power struggles being most prevalent in such groups. Research shows that groups achieve better results when they de-emphasize power by encouraging shared influence and dynamic power distribution (Greer and Chu 2019).

It is worth noting groups with a hierarchical structure in their relationships, where some members have significantly more power than others, in comparison to the effects of power relationships. In recent years, many studies have been conducted confirming a strong link between power hierarchies and intragroup conflict, and that groups with hierarchical power structures experience more internal conflict, and the study results have found that power hierarchies negatively affect group performance and sustainability. Another research has explored how the structure of power within

interactions influences group dynamics, revealing that groups tend to perform optimally when the number of distinct power tiers is reduced and power is allocated based on task-related expertise. Another striking example of how power hierarchies can provoke conflict is observed in air travel. Research has shown that travelers who pass through first-class areas are more likely to exhibit conflict-induced behaviors such as outbreaks of air rage, which can be attributed to perceived differences in privilege. This effect shows the way in which extreme power differences, even in settings outside that of the organizational, will lead to conflict and tension, pointing to the generalizability of hierarchical structures (Greer and Chu 2019).

Following from the studies of hierarchical organization in group dynamics, and the negative consequences of unstable and steep power hierarchies, the unity of command principle is a basic principle for managing power relations within organizations. The rule ensures that one superior directs each of the employees, hence allowing a simple hierarchy and one leader directing the efforts to one common goal (Greer and Chu 2019). The major reason for having such an organization is to prevent situations where the employees are given conflicting instructions or orders from various superiors since this may result in fragmented coordination and decreased effectiveness in work. This framework encourages structured and regular reporting, analysis, and management, thereby allowing subordinates to direct their energies towards their duties instead of being overwhelmed by conflicting demands. In addition, this framework precludes the possibility of subordinates taking advantage of vague chains of command, thereby ensuring the integrity and equity of performance appraisals. Cumulatively, these axioms highlight the necessity of being capable of exerting authority successfully to mitigate the inherent issues within hierarchical group dynamics and enhance the general efficacy of the organization (Rizzo et al. 1970).

Clearly defined systems of command, such as the unity of command principle, provide a context for management of hierarchical relationships; but success within such contexts is often reliant upon the existence of trust between group members in their cooperation and cohesion in formal and informal organizational environments. Trust realized within a group is a complex and dynamic process that is developed over time and shaped by individual and group dynamics and environmental conditions (Sugiman 1998). Trust is a step-by-step process through a series of concrete stages, and as people

move through the steps, their understanding of trust changes from a focus on differences and distinctions between themselves and others to increased sensitivity to similarities and shared comprehension. The process finally ends with identification-based trust that has much to do with feelings of belonging to the organization. However, trust is a delicate and dynamic entity that is strongly prone to socially learned behavior and underpinned by processes like cooperation, feedback, and shared experiences. Trust is inherently fluid and requires ongoing maintenance in diverse and changing group contexts (Karolidis and Vouzas 2019).

Group members generally share similar values and are naturally inclined to conform to the established rules and norms within the group. Conformity, a fundamental aspect of group dynamics, occurs when individuals yield to perceived pressure from other members. For example, an experiment has found that a group member will conform to the views of the majority of the group even when the views of the majority are directly at odds with observable facts. The likelihood of conformity increases as a group grows, but beyond a certain size this effect peaks and remains stable. This need to conform to the majority is often motivated by a desire for social acceptance, to be included in the 'in' group, fear of rejection, perceived access to valuable information, or the pursuit of group-based rewards (Gould and Walker 2021).

There are several ways to effectively manage group dynamics. Steps such as effectively delegating authority to group members, ensuring that members trust each other, and conforming to group norms are important in managing group dynamics (Karolidis and Vouzas 2019). While clear hierarchical structures and principles such as unity of command provide a framework for organizational effectiveness, the social and psychological factors underlying group behavior, such as trust and harmony, are equally critical to achieving long-term harmony and effectiveness. Understanding these dynamics allows leaders to foster environments where cooperation thrives, power struggles are minimized, and individual motivations are aligned with group goals (Greer and Chu 2019). The interrelation between cohesion, trust, and authority determines the sources of conflict in collectives, stressing solving the causes of conflict so that group effectiveness and cohesion are sustained (Rizzo et al. 1970). The examination of such sources of conflict is a matter of the following section.

2.2.4. Conflict and Conflict Resolution in Groups

2.2.4.1. Sources of Conflict in Groups and Group Polarization

Inter-group conflict is the situation when a group feels that its interests are being adversely affected by another. It has been established that intra-group conflict is complex and is generally polarized into task conflict and relationship conflict (Tekleab et al. 2009). Task conflict involves differences on the content of the tasks, like differences in opinions and ideas, while relationship conflict is a result of interpersonal differences and generally results in tension and hostility between members of a group. As another example, a conflict initially caused by economic factors can end up encompassing issues of appearance, honor, justice, and other aspects (Sugiman 1998). Cohesion, however, refers to those aspects that bind members of a group as a whole and facilitate working towards common goals. Though the theoretical link between cohesion and conflict is possible, they refer to essentially different aspects of group dynamics (Tekleab et al. 2009). Conflict is a team process involving action and interaction between members, frequently resulting from differences in goals, perceptions, or actions. In contrast, cohesion is an emergent state that reflects the degree of unity, trust, and harmony within the group, evolving over time and shaped by shared experiences and the context of the team (Gould and Walker 2021). Understanding these distinctions is crucial because conflict and harmony interact dynamically. While unresolved conflict can undermine harmony, a cohesive team is better equipped to navigate and resolve conflicts constructively, preserving group effectiveness (Tekleab et al. 2009).

Group polarization, the more advanced form of group conflict, can occur even in the absence of direct or persuasive arguments; sometimes, simply learning the views of other group members is enough to trigger polarization. The source of these polarizations varies. For example, smaller groups tend to have closer ties and stronger cohesion. However, as groups grow larger, internal conflicts are more likely to occur, often leading to the concentration of power in the hands of a few (Gould and Walker 2021). This imbalance can create tensions between subgroups, with marginalized voices feeling excluded and dominant members consolidating control. Such dynamics not only hinder effective decision-making but also amplify mistrust and resentment within the group, further fueling conflict (Tekleab et al. 2009).

Group polarization does not occur in every group setting, and certain factors can reduce its likelihood. For example, collectives that share activities together, for example, social activities, will tend to form stronger bonds and monitor each other's conduct more efficiently and hence reduce the possibility of polarization. Second, nonpolarization can occur where individuals within a group do not recognize any collective identity or homogeneity with themselves, reducing the potential for extreme changes in attitude. Similarly, where opposing groups in a group both hold approximately the same degree of influence and display equal dedication to their own position, polarization is less likely to occur. Unchecked polarization can be dangerous in that it increases dominant opinion while suppressing oppositional voices, allowing a climate in which unethical actions such as corrupt government can flourish. Reducing such threats requires that a culture of appreciating an assortment of opinions is created, and critical thinking is encouraged. For instance, prompting team members to challenge prevailing views or having someone act as the devil's advocate during meetings can identify possible flaws and create a more ethical and more equitable way of decision-making (Gould and Walker 2021).

Understanding the complex causes and dynamics of intermember conflict is essential to developing effective and harmonious group environments. While conflict may stem from disagreement over goals, interpersonal conflict, or group dynamic discrepancies, the manner in which conflict is addressed actually determines its impact on group cohesiveness and performance (Tekleab et al. 2009). Recognizing and reducing the factors that contribute to polarization and creating environments that encourage balanced decision-making are critical steps in addressing these challenges. Communication is the core of successful conflict resolution; it is one of the bridges to reconciling differences, making understanding feasible, and propelling groups toward constructive results (Gould and Walker 2021). An exploration of communication's role in conflict management releases its potential for change in constructing stronger, more durable teams (Tekleab et al. 2009).

2.2.4.2.The Role of Communication in Conflict Management

Teams that use open and direct conflict communication with a communicational emphasis are more likely to develop a healthy, open, and constructive climate in the

long term. Not only does this process strengthen group dynamics, but it also provides a model for constructive conflict resolution. Conflict management in groups can be explained using Tuckman's group development model, which has been described above. Therefore, the resolution of core issues during the conflict-ridden "storming" stage is crucial to smooth transition to the "norming" stage, where cooperation and harmony evolve (Tekleab et al. 2009). Effective communication is a key to conflict resolution and development of team cohesion.

Conflict studies in various group contexts indicate how communication processes interact with small group processes, mediated interaction, and organizational design. Hybrid teams with both face-to-face and virtual communication modes are very different from purely face-to-face and purely virtual groups due to the impact of their level of "virtuality" on conflict management practice. Traditional, distributed, and hybrid groups pose varying challenges to conflict management and effective communication. For instance, hybrid teams tend to form ingroups and outgroups when there is a co-located and a geographically distributed part of the team. The co-located members might trust one another more and build closer relationships but also build an "us and them" mentality that is not inclusive of their geographically distributed teammates. This condition emphasizes the necessity of adopting inclusive communication strategies towards enhancing equitable participation and integration of all parties regardless of their physical or virtual locations (Kahlow et al. 2020).

Conflict management is essential in facilitating and enhancing team cohesion through constructive conflict resolution and handling. Empirical data validates the assumption that effective conflict management positively influences team cohesion by creating avenues for conflict resolution. It is likely that such teams will retain, if not enhance, cohesion as time goes on. This entails acknowledging more than one view and responding to them actively in a bid to establish mutual understanding and collaboration. Controlled and organized conflict assists in coordinating team efforts towards shared objectives without generating issues associated with conflict. It is thus imperative that the discussions are conducted in a way that lessens tension as opposed to inducing more tension since conflict discussion that is not well managed may generate adverse consequences for team dynamics. Thus, conflict management serves as

a model for reshaping future disagreements into possibilities for strengthening team effectiveness and cohesion (Tekleab et al. 2009).

Successful communication and conflict resolution are essential to creating cohesive, high-performing teams. Through openly addressing conflict and encouraging cooperative practices, organizations can capitalize on difficulty and turn it into opportunity for innovation and organizational development (Tekleab et al. 2009). Conflict resolution and communication extend beyond resolving interpersonal or task conflict to expose underlying organizational values of fairness, transparency, and trust. Not only do these values define group interaction, but they also affect larger ethical implications within an organization. A focus shift to ethics and whistleblowing illustrates that the principles guiding conflict resolution are transferable to creating climates in which honesty is prized and individuals feel at ease reporting unethical acts (Kahlow et al. 2020).

2.3. ETHICAL BEHAVIOR AND WHISTLEBLOWING

2.3.1. Definition of Ethical Behavior and Organizational Ethics

2.3.1.1. Definition and Theories of Ethical Behavior

Before touching on the topic of ethics, there is a need to explore the roots of morality that form the foundation for understanding human behavior and the norms that govern it. Moral norms provide guidance in distinguishing between good and evil in human behavior and define what can be considered virtuous, just, or good. These standards are often shaped by religious, legal, and cultural frameworks and emphasize the fundamental role that morality plays in influencing human actions. Morality is an integral part of social interactions and functions not only as a set of rules that dictate how individuals should behave, but also as a descriptive framework that categorizes behavior as moral or immoral. Moral principles adopted within a society serve as behavioral guidelines that serve as benchmarks for human virtue and shared values. These values help evaluate whether an individual complies with societal ideals of virtuous behavior (Ellemers and Van Den Bos 2012).

Ethics has been defined in various ways to date, reflecting the different perspectives of researchers. Some scholars define it primarily as the principles of justice and fairness that guide interactions between individuals. Others expand the concept to include the distinction between good and bad behavior, emphasizing what is considered morally right or wrong, and outlining what individuals ought to do. Ethics is often seen as closely linked to the study of morality, encompassing the moral judgments, standards, and codes of conduct that inform moral decision-making (Beu and Buckley 2001). In fact, ethical reasoning is not uniform; individuals may rely on different frameworks—such as rules or outcomes—when judging what is right, and these tendencies can vary independently from one another (Schminke and Wells 1999). These definitions not only apply to general human behavior but also extend to specific contexts, such as business ethics, where ethical principles guide professional interactions. In business contexts, actions such as lying and offering bribes are considered unethical, not merely because they represent immoral personal choices, but because they threaten the integrity of contracts, undermine trust, and compromise the very foundation and purpose of business practices. Thus, the various interpretations of ethics highlight its dual role in

shaping both individual behavior and the ethical frameworks necessary for maintaining trust and functionality within specific contexts, such as organizations and business environments (Reilly and Kyj 1988).

Business ethics can be defined as the evaluation of actions taken or not taken in a professional setting based on whether they meet certain ethical standards. But it is difficult to know what actions are considered to be ethical (Russell et al. 2016). The reason for this is that ethical values are determined by a diverse set of value systems, and these can be very diverse for different individuals, organizations, and societies. An action will be considered ethical by one individual or group but not by another depending on their personal priorities, beliefs, and social norms (Beu and Buckley 2001). Besides, ethical choices are typically subject to situational contingencies such as cultural backgrounds, decision-specific situations, or stakeholder expectations. Because of heterogeneity, ethical conduct is found difficult to implement, and ethical standards are not derived universally; rather, they are formulated out of the interaction between individual values and situational contingencies (Russell et al. 2016). Still, ethics is a practice, and it is universal, extending to everyone in an organization, regardless of his/her position, level of authority, or scope of responsibility. Ethics is not something to be negotiated; it is normal and regular. Moral principles and codes of ethical conduct are no less relevant to everyone (Grigoropoulos 2019).

Alignment with personal perception heightens its subjectivity. Notwithstanding the aspiration of ethical standards to provide universally applicable rules, their interpretation and application are bound to vary with personal values, social norms, and situational contingencies (Grigoropoulos 2019). The variation allows for understanding how ethical problems may vary in different contexts and individuals. The variance in ethical stand among individuals requires further explanation (Müller et al. 2016). The language of ethics is spoken as if ethics were a simple phenomenon, one bounded by neat lines between ethical and unethical action. But this simplifies a much more complex reality (Pasztor 2015). Ethical choices are rarely presented in terms of either/or decisions; rather, they are hammered out in the various roles people play in society. Each role is defined by specific ethical expectations that sometimes oppose or intersect with each other (Grigoropoulos 2019). Despite the importance of ethics in defining behavior, people seldom stop to consider what ethics truly mean to them as individuals.

One reason for this oversight is the common presupposition among people that they have an inherent ethical inclination, which can make it uncomfortable or even objectionable to question another individual's ethical standards. However, ethics is not always instinctive or universal; it is highly subjective, highly personal, and requires constant effort and self-awareness (Pasztor 2015). In addition, unethical behavior in workplaces spreads quickly, just like an epidemic, since emotions tend to act as a gauge for moral judgment (Hazer et al. 2023). The direction of emotions affects how people understand and respond to ethical issues, thus contributing to the already subjective nature of taking ethical decisions. Even though most organizations possess codes of ethics to establish a formal framework, the rules fail to fully address the complex and dynamic nature of ethical challenges faced by real situations (Russell et al. 2016). The discussion of the subjective aspects of ethics and emotion's role sets the stage for understanding the display of ethical behavior in professional settings. Capturing this complexity is key to the creation of frameworks, which accommodate ethical diversity and promote consistent decision-making in varying contexts (Müller et al. 2016).

To gain a full comprehension of what ethics is, one has to acknowledge its inherent link with morality and practice in a wide range of environments. Morality is the general system that prescribes what is right or just, and ethics renders these into action in concrete norms that direct human interactions (Ellemers and van den Bos 2012). This kind of interactive relationship underscores the adaptive and situational character of ethics because it responds to cultural norms, social rules, and individual values. A foray into the theory bases of ethics permits a close look at its use as a philosophical system and as a functional guide in making decisions (Grigoropoulos 2019). Russell et al. (2016) conducted a qualitative study where they reviewed literature, codes of ethics, and critical incidents to develop ten dimensions of behavior applicable to ethical performance in the workplace. They include truthfulness, conflict of interest management, respect for intellectual property, confidentiality, fair treatment, avoidance of defamation of others, workplace bullying management, whistleblowing, abuse of power prevention, and compliance with rules. Their research acknowledges that ethical performance is a multidimensional construct and suggests a model of understanding and measuring ethical workplace behavior.

Ethical intent refers to the motivations or underlying reasons behind an individual's decisions and actions, focusing on whether these are guided by principles of fairness, integrity, and justice. It serves as a critical lens through which behavior can be evaluated, emphasizing that the 'why' behind actions is as important as the actions themselves (Beu and Buckley 2001). Understanding ethical intent is essential because well-intended actions can sometimes lead to unethical outcomes if their broader implications are not carefully considered. For many years, researchers believed that an individual's intention was the primary factor in determining whether a behavior was unethical, and often excused unintentional actions even if they were unethical (Russell et al. 2016). Ethical intent focuses on the motivations behind decisions rather than just their consequences, emphasizing that well-intentioned actions can still lead to unethical outcomes if ethical implications are ignored. For example, a well-intentioned decision to prioritize efficiency may unintentionally harm stakeholders or violate organizational norms (Beu and Buckley 2001). Not all actions that could be construed as unethical behavior are necessarily malicious, but may stem from ignorance, poor judgment, or failure to consider broader consequences (Russell et al. 2016). In addition to these motivational factors, individuals' desire for moral approbation—defined as the motivation to act ethically in order to gain approval from oneself or others—has also been identified as a significant psychological driver behind ethical choices (Ryan and Riordan 2000). Ethical dilemmas arise in situations where individuals must choose between two equally appealing or equally undesirable alternatives, making ethical decision-making a complex process requiring careful consideration of all potential outcomes (Müller et al. 2016). This distinction is important for individuals to combine their good intentions with a comprehensive understanding of ethical dimensions (Russell et al. 2016).

Finally, ethics is a link between abstract moral principles that guide human behavior and the actual deeds and choices required in specific situations. Its subjective and circumstantial nature makes it imperative to consider ethics a private and collective enterprise (Grigoropoulos 2019). The intricate interdependence of personal intention, social norms, and organizational structures is illustrative of the complexity involved in ethical decision-making and invites the necessity for adaptability when dealing with ethical issues. In shifting from an initial understanding of ethics to its use within

organizations, care must be taken to consider the principles that drive ethical behavior at work (Russell et al. 2016). These principles provide the general framework for balancing organizational goals with personal behavior to ensure integrity and accountability (Beu and Buckley 2001).

2.3.1.2.Principles of Organizational Ethics

In the world of management, the topic of ethics is a complex and multifaceted matter, typically accompanied by numerous interpretations and opinions whenever raised. Research has shown that managers have an inconsistent perception of ethics, most likely leading to inconsistency in ethical decision-making and actions. Much of the academic and practical discourse revolves around defining and operationalizing ethics as a concept, rather than focusing solely on ethical behavior. A detailed study of organizational ethics has categorized the concepts related to ethics and identified the most salient themes. These include rules, standards and codes, moral principles, distinguishing right from wrong in specific scenarios, a sense of social responsibility, justice, honesty, and integrity (Peachment et al. 1995). Another important concept in organizational ethics is ethical climate. Ethical climate is the collective perceptions of what is ethically acceptable behavior within an organization and contributes to shaping the ethical culture of the organization by influencing the actions of employees (Verkerk et al. 2001).

Given the complex ethical challenges they face in today's globalized economic environment, modern organizations must embrace ethical practices to thrive (Kulshreshtha 2015). Ethical practices foster trust, transparency, and accountability among employees across the organization, creating a culture where integrity drives decision-making. It is essential that ethical behavior remains consistent, regardless of individual roles or positions, and that ethical standards are universally accepted and applied at all levels of the organization. Ethical practices also strengthen relationships with external stakeholders, such as customers, partners, and investors. In an era when consumers and shareholders increasingly prioritize corporate responsibility, ethical organizations are in a critical position to maintain their competitive advantage and build long-term credibility (Verkerk et al. 2001).

Corporate ethics program implementation is extremely difficult, with numerous key limitations and problems that undermine their success, such as internalization, legalistic mentality, contextualization, and overall effectiveness. Perhaps the most significant hurdle is the inability of employees to internalize ethical norms. The majority of ethics programs are based on hierarchical sanctions and the dissemination of policies, rather than the creation of authentic personal commitment to these values, which can cause them to be viewed as externally mandated requirements. Another problem is the ubiquity of legalistic thought in the majority of programs that emphasize adherence to codified behavior. Although adherence to law is critical, it is only part of ethical behavior and even less likely to include such workplace values as leaving the work area clean for the next shift in industrial settings. Furthermore, there is the problem of contextualization since moral norms are viewed as having a universal applicability when every context has peculiar histories, values, and interests. This divergence reflects the need to understand and use moral responsibilities in specific contexts. Finally, these cumulative limitations undermine the overall effectiveness of ethics programs, hence reducing their ability to create a common and ethically sound working environment, especially since their impact becomes diluted at the lower organizational levels (Verkerk et al. 2001).

Ethical frameworks can be segregated into two simple categories: teleological and deontological theories. Teleological theories assess the moral value of an action on the basis of its outcomes, stressing that ethical choices are motivated by their consequences. One of the most prevalent teleological frameworks, utilitarianism, focuses on maximizing total utility or happiness. Studies indicate that managers tend to apply teleological reasoning when resolving ethical issues by concentrating on outcomes of their choice. In contrast, deontological ethics believes that ethical decision-making is based on obligations and absolute rules regardless of consequences. Under this perspective, individual rights and intentions are critical, with a requirement to keep to ethical guidelines that are similar regardless of the different situations. Together, these theories provide critical frameworks for handling ethical problems in organizational decision-making using the balancing act between consequences and ethical obligations (Peachment et al. 1995).

The teleology and deontology principles are fundamental paradigms of ethical decision-making that are also critical in understanding ethical leadership and interpersonal relationships in organizations. Confucian philosophy teachings, as well as Covey's paradigms, offer reflective concepts on building ethical relationships and achieving mutual gains. The Confucian ethics based on interdependence demands attention to maximizing the gains for all the stakeholders in social interactions. The model suggested assumes that behavior marked by honesty and moral integrity is likely to bring constructive, harmonious, and mutually beneficial outcomes. Similarly, Covey's "Win/Win Paradigm" also holds the superiority of interdependence in human relationships. Covey classifies six interaction paradigms, i.e., Win/Win, Win/Lose, Lose/Win, Lose/Lose, Win, and Win/Win or No Deal. By encouraging cooperation and seeking solutions that benefit more than self, Covey's model offers real methods of conflict resolution, building trust, and achieving outcomes in which all can feel heard and joined. Each paradigm is a perspective through which one might engage interaction, with the "Win/Win" paradigm most obviously offering a model for creating equitable and enduring relationships. Conversely, paradigms such as Win/Lose or Lose/Win, where personal goals are placed above the higher good, often lead to conflict, decreased trust, and long-term dissatisfaction. These kinds of approaches ruin cooperation and can create adversarial relationships that function against organizational and interpersonal success. This approach allows organizations to generate results that benefit all stakeholders while building a culture of respect, responsibility, and long-term cooperation, thus maximizing success at both the individual and organizational levels (Kulshreshtha 2015).

Ethics form the very foundation upon which trust, responsibility, and cooperation are established in organizations and shape individual behavior and group dynamics. When organizational principles coincide with ethical conduct, leaders and workers are able to create environments in which decision-making is guided by principles of fairness, honesty, and respect for one another. However, achieving this alignment requires a multilateral understanding of ethical challenges and a commitment to using templates that are sensitive to complexities of human interaction. As organizations navigate the shifting landscape of ethical expectations, their ability to incorporate these principles into their decision-making will be critical to both ethical

integrity and operational sustainability. Moving from these foundational ideas, the focus is now shifted to understanding the development of ethical decision-making within organizational contexts and the structures which enable it (Verkerk et al. 2001).

2.3.1.3.Ethical Decision-Making in Organizations

Ethical decision-making is an essential process in personal and organizational settings. With the fast-paced environment of today, organizations are confronted with intricate ethical issues driven by competing stakeholder interests and ambiguous regulations. Greater focus on diversity within organizations—ethnicity, gender, age, and socioeconomic status differences—has created difficulties for employees to comprehend and navigate the diverse viewpoints and behaviors of others when confronted with ethical issues. Modern organizations are increasingly unable to rely on a single set of values or moral ethics, considering that their labor force is more diverse than ever before. Additionally, the emergence of globalization and the growth of global business has escalated the complexities involved in making ethical decisions. Different cultural constructions of morality only serve to exacerbate the problem, with multinational corporations struggling to develop ethical policies that can be applied uniformly across different regions and cultures (Beu and Buckley 2001).

Organizational culture, shaped by both societal norms and internal company values, plays a significant role in guiding ethical decision-making in the workplace. Cultural frameworks influence how employees perceive and respond to ethical challenges, and environments that prioritize transparency, honesty, and accountability encourage principled decision-making. The societal culture in which an individual is located also supports ethical decision-making, albeit in different ways. Leaders who promote ethics further reinforce this effect because ethical leaders not only embody and promote ethical values, but they also set clear expectations for ethical behavior. In fact, empirical evidence suggests that the moral reasoning of individuals can shift significantly as a result of their experiences within ethically oriented group settings (Schminke and Wells 1999). By creating and sustaining a culture that values ethics, organizations empower employees to navigate complex dilemmas with a strong moral compass and make ethical decision-making an integral part of their operations (Grigoropoulos 2019).

The Ethical Decision-Making framework conceptualizes ethical decision-making as a sequential process with four stages: ethical issue recognition, ethical judgment, ethical intention, and ethical behavior (Kportorgbi et al. 2024). The first stage, ethical issue recognition, refers to an individual's cognitive ability to determine whether a situation is an ethical problem. This stage can be enhanced by factors such as ethics training, ethical leadership, and a strong organizational ethical climate. The second stage, ethical judgment, involves an individual's capacity to evaluate and determine the right course of action when faced with an ethical dilemma, which is greatly influenced by cognitive abilities and moral development. The third step, which has been termed as ethical intention, reflects a person's intention and commitment to perform ethically, as often guided by personal values and norms practiced within an organization. Finally, the fourth step, which has been termed as ethical behavior, concerns the actual translation of ethical choices. These four steps highlight the systematicity of the process of making ethical decisions and how organizational members translate perceived ethical values into practice (Kportorgbi et al. 2024).

In today's competitive and rapidly changing environment, a variety of factors driven by both internal and external pressures can hinder ethical decision-making in organizations. Globalization, technological advances, and shifts in workforce priorities, such as focus on intangible assets and talent management, have increased the complexity of ethical dilemmas. Pressures such as intense competition, the relentless pursuit of profit and return on investment, and political corruption often prevent individuals and organizations from prioritizing ethics. Societal changes, such as the younger generations' greater emphasis on individuality over traditional morality and the increasing expectation of quick financial gains, are other causes of the problem. In addition, organizational cultures that underestimate social responsibility, honesty, and integrity create environments in which unethical behavior can flourish. One manifestation of this is unethical pro-organizational behavior, where employees, driven by a perceived obligation to benefit their organization, engage in unethical actions such as manipulating information or concealing critical details (Grigoropoulos 2019). People may rationalize such unethical actions by prioritizing short-term outcomes or by conforming to organizational norms that conflict with ethical standards. To avoid these

challenges, organizations need to create systems that prioritize long-term accountability and foster cultures that value honesty (Beu and Buckley 2001).

The ethical decision-making process is essential to surpass the complex issues that exist in modern operating contexts of organizations. Those who are able to balance different perspectives, worldwide cultural norms, and shifting expectations of stakeholders have a clear edge in ethical decision-making (Kportorgbi et al. 2024). Organizations must establish an atmosphere that is based on transparency, integrity, and long-term responsibility, thereby allowing employees to face ethical issues honestly and confidently. To achieve this balance, organizations must position ethical issues right at the forefront of their governing mechanisms. In a quest by organizations to coordinate their activities around ethical principles, the role of ethics in governance becomes increasingly more essential, extending its influence from mere decision-making to institutionalized organizational design enabling sustained ethical behavior over the long term (Grigoropoulos 2019).

2.3.2. The Role of Ethics in Organizational Governance

A key innovation in the integration of ethical considerations into organizational governance is the establishment of legal frameworks for fighting corporate malpractice. The most prominent among these frameworks is the Sarbanes-Oxley Act, a landmark legislative initiative for restoring confidence and accountability in corporate conduct following unprecedented financial scandals. The Sarbanes-Oxley Act was signed into law in 2002 and was put in place to discourage corporate accounting malpractice and corruption. The act has provisions that affect corporate governance, risk management, auditing policy, and accounting reporting requirements of publicly traded companies. One of the major drivers behind the enactment of this legislation was the fact of accounting and stock scandals at Enron, a Fortune 500 seventh-ranked company, and similar violations in several other companies (Akküçük 2009).

Integrating ethical values into organizational culture plays a critical role in fostering organizational commitment and trust. Ethical leaders contribute to embedding core organizational values by ensuring employees feel valued and appreciated. Making fair and balanced decisions strengthens trust among employees and enhances their confidence in their roles. Ethical leaders increase individuals' involvement in their work

by their openness to input and fair decision making about matters important to employees (De Hoogh and Den Hartog 2008). This type of leadership not only supports individual well-being but also enables ethical practices to become ingrained at every level of the organizational culture. Ethical leaders align organizational goals with employees' personal values, helping employees develop a stronger sense of commitment to the organization's mission and vision. This alignment facilitates the integration of ethical values into daily operations and strengthens the foundation of the organizational culture on ethical principles (Grigoropoulos 2019).

The main motivation for a fraud act is seen as financial gain. However, motivation for financial gain is variable. Research offers various theories. Accordingly, the theory of profit-driven crime claims that crime occurs for economic reasons rather than sociological factors. The theory of goal orientation assumes that people commit fraud when other alternatives are insufficient to achieve the goal. Theory of social concern, on the other hand, appears as examples where a person thinks about the benefit of society rather than his own benefit when committing a crime. Another, Strain theory, argues that when society sets high goals for individuals, it gives certain individuals a higher chance of success, which increases the likelihood of committing crimes. Fear of falling theory describes people at the top of society taking inappropriate actions because they fear unsuccessful outcomes. American dream theory argues that everyone has a chance to be financially successful and that financial success is the only meaningful thing in life. Theory of crime forces appears as a theory that claims that it is necessary for success to follow the financial practices implemented by competitors in a highly competitive market (Gottschalk 2021).

Strengthening ethics in organizational culture is closely tied to the establishment of accountability mechanisms. Ethical leaders integrate ethical values into organizational culture through transparent decision-making processes and shared responsibilities (Grigoropoulos 2019). A culture of accountability ensures that ethical expectations are clearly communicated and consistently applied at all levels of the organization (Bernacchio et al. 2022). Furthermore, authority within the organization is not only based on technical expertise but also on the leader's commitment to ethical values and moral character. This is a strategy that increases the effectiveness of organizational operations and enables workers to adopt ethical governance. Ethical

leadership provides a culture in which workers are able to move beyond mere execution of tasks and organizational success. Eventually, ethical values become the foundation of organizational culture, inducing sustainable long-term growth (Grigoropoulos 2019).

The integration of ethical values into corporate governance is the basis upon which a solid and sustainable business society is developed. Through holding organizations accountable, promoting transparency, and ethical leadership, organizations are capable of building a culture in which ethical values are not just desired but are consistently practiced. Such organizational culture not only raises corporate integrity but also encourages workers to make decisions that not only uphold their individual code of ethics but also the overall goals of the company. Within this structure, acts of whistleblowing are what enable ethical governance through the presence of a structured mechanism for dealing with wrongdoing and corporate values. Thus, an examination of the definition of whistleblowing is required in order to acknowledge its role as a protective measure and as part of being accountable to ethical behavior (Grigoropoulos 2019).

2.3.3. Whistleblowing: Concept, Types, and Importance

2.3.3.1. Definition of Whistleblowing

Whistleblowing is a vital mechanism for advancing transparency and accountability within organizations through the exposure of unethical or illegal actions. Whistleblowing constitutes a key reporting mechanism for dealing with fraud that is otherwise hard to detect externally, which arises from the actions of organizational members (Smaïli 2023). Effective whistleblowing policies function as an early warning system that allows organizations to become aware of and contain unethical actions prior to their spiraling out of control. Whistleblowing is largely considered as a positive behavior to be encouraged in a workplace (Park and Blenkinsopp 2009). Malaysia itself has also recognized whistleblowing as a crucial internal control and enacted its first whistleblowing law under the Securities Industry Act 2003 with an intention to strengthen corporate governance and discourage fraudulent conduct. The Malaysian government has provided legal protections, incentives, and non-monetary rewards to whistleblowers to encourage whistleblowing, emphasizing the importance of such mechanisms in promoting a culture of integrity (Kalyanasundram 2018).

Although there is no clear information about the emergence of the concept of whistleblowing, it is thought that this term originated in 19th-century England when police officers blew their whistles to alert others to crimes being committed. Over time, the term evolved to refer to the disclosure of morally or legally unacceptable practices through internal or external channels (Purdy 2021). Later, whistleblowers became individuals who exposed institutionally approved wrongdoings in the corporate and political spheres. Reports from whistleblowers have often uncovered actions that might otherwise have remained undetected for years (Smaili and Arroyo 2019). One prominent example is Mark Felt, an assistant director at the FBI, who disclosed illegal activities carried out by the Nixon administration to the Washington Post. This ultimately led to Richard Nixon's resignation in 1974 (Purdy 2021).

Whistleblowing can be defined as reporting unethical, illegal or improper practices within an organization to individuals or organizations that can address the issue. Moreover, according to the OECD, whistleblowing is "Legal protection from discriminatory or disciplinary action for employees who disclose to the competent authorities in good faith and on reasonable grounds wrongdoing of whatever kind in the context of their workplace." (Savage 2018). The whistleblowing process begins when an individual witnesses improper behavior or identifies potential fraud, and this situation is just the beginning of a process that is influenced by personal, situational and environmental factors. The initial decision is to report wrongdoing or remain silent; this decision is often left indecisive because of the potential risk of retaliation. If an individual chooses to report, the organization then decides how to respond; by investigating, taking corrective action and protecting the whistleblower, or ignoring the issue altogether (Smaili 2023). The whistleblower's journey does not always end with the initial disclosure; dissatisfaction with the organization's response may lead to further decisions, such as seeking additional internal reporting or ultimately remaining silent. This complex process highlights the challenges and consequences that both whistleblowers and organizations face when dealing with unethical behavior (Clark 2023).

While examining the concept of whistleblowing, it is necessary to consider the reasons why people commit fraud. The first of these is convenience orientation. People's first reason for committing fraud is their tendency to take the easy way out. A person

focused on convenience aims to complete a task as quickly as possible, consuming the least amount of energy, and tends to solve the difficulties and problems they may encounter in as little time as possible. Studies have found that when the rationally expected benefit of an action exceeds the expected disadvantages, leaving a clear material advantage, employees tend to commit this crime (Gottschalk 2021).

To understand whistleblowing motivations, it is helpful to explain the fraud triangle, which consists of three elements: opportunity, pressure, and justification. Opportunity occurs when an individual identifies a situation in which they can commit fraud. Pressure involves financial, personal, or professional forces that push someone to take unethical actions, while justification involves rationalizing such actions as acceptable. Smaili and Arroyo (2019) introduced the concept of the whistleblower triangle, modeled on the fraud triangle. Similarly, the whistleblower triangle emphasizes that whistleblowing requires an opportunity (awareness of fraud), pressure (moral, financial, or reputational), and justification (personal circumstances or sacrifice). For example, an 'offended' whistleblower is motivated by a strong sense of responsibility to their values, their colleagues, or the organization itself. Their rationalizations are often altruistic, such as believing that they must act to protect others or uphold ethical standards. Contrary to popular beliefs, whistleblowers are not faithless employees with the intention of destroying their organizations. Rather, they are usually dedicated, long-term employees who see something unlawful or unethical taking place and have a moral feeling to report it so that the organization can be saved from additional damage (Near and Miceli 2015). Conversely, whistleblowers who fear harm from reporting may refrain from reporting in order to protect themselves (Clark 2023). Whistleblowers who choose not to utilize hotline mechanisms are most likely to report their concerns directly to their supervisors (30%) (Association of Certified Fraud Examiners 2022).

While whistleblowing often addresses white-collar crimes, not all such crimes fall under its scope. It is important to distinguish between different examples of crimes when understanding white-collar crimes where the concept of whistleblowing prevails (Smaili and Arroyo 2019). Tax evasion or internet fraud are not crimes within the scope of whistleblowing. An important point for whistleblowing is that people committing crimes have access to resources to hide the crime. While in traditional crimes, criminals tend to leave the crime scene, in this type of crimes, people continue in their current

positions and it is not possible to detect their criminal activity. The action of someone who is not authorized to enter a place that is off-limits does not amount to whistleblowing, but when a person who has the right to enter this place is involved in criminal activities, then this is where the criminal aspect comes in whereby the definition of whistleblowing can be applied (Gottschalk 2021).

Whistleblowing is a highly significant protection device in the interest of guaranteeing ethical behavior and making organizations accountable. By providing for the potential disclosure of hidden wrongdoing, it protects organizational integrity while supporting overall confidence in its operations (Smaili 2023). The sophistication of the kinds of decisions to be made regarding whistleblowing underlines the need for detailed policies that define clear reporting channels and provide safeguards for those who make these reports. Whistleblowers, in navigating organizational structures and legal frameworks, are generally placed in a multifaceted relationship of ethical requirements and individual danger (Kalyanasundram 2018). These dynamics highlight the need to understand the operation of whistleblowing across different settings, most importantly internal and external reporting mechanisms. A detailed consideration of these differences offers more insightful understanding of how to enable whistleblowing activity in an effort to achieve their intended goals (Clark 2023).

2.3.3.2. Internal vs. External Whistleblowing

Whistleblowing is a significant means of exposing unethical behavior in the private and public arenas. Whistleblower protection legislation has been enacted in numerous countries; nonetheless, the nature of such protective legislation in some jurisdictions might be limited (Savage 2018). In some cases, protection is only extended for reporting of wrongdoing to particular enforcement agencies, such as regulatory agencies or government agencies, but disclosures made in private organizations are not given such a protection (Kalyanasundram 2018). Two types of whistleblowing are identified through early research. The first is internal whistleblowing, in which an individual reports instances of corruption or fraud from their own firm (Heumann et al. 2013). This procedure is normally done by contacting a number of internal individuals, including the audit department, a compliance officer, a supervisor, an internal legal counsel, or using an internal hotline established for these very reasons. The second type,

external whistleblowing, occurs when the individual reports these concerns to external entities, including regulatory authorities, government agencies, the media, or public hotlines established to address fraud or misconduct by organizations (Ebaid 2022). External and internal whistleblowing must therefore be treated as qualitatively different behaviors (Park and Blenkinsopp 2009).

Internal whistleblowing is often preferred by organizations as it allows them to address misconduct in a controlled manner, minimizing potential public exposure and negative consequences. Unlike external whistleblowing, which can lead to reputational damage, legal liabilities, and a loss of stakeholder confidence, internal mechanisms provide a way to resolve issues discreetly within the organization (Salleh and Yunus 2015). By resolving issues internally, companies can mitigate the risks associated with external investigations, public scrutiny, and the dissemination of sensitive information to outside parties (Smaïli 2023). This creates a challenging environment for employees who may be reluctant to report wrongdoings internally, especially if they are unsure whether the issue is a legal violation. Furthermore, organizational leaders often prefer internal whistleblowing because it allows the issue to remain within the company where it can be addressed without being made public (Kalyanasundram 2018). In the vast majority of instances, employees report impropriety internally first, most commonly to their direct supervisor or other managerial personnel. External whistleblowing is typically reserved for unusual situations, most often when internal reporting has been futile or has resulted in retaliation (Near and Miceli 2015). Companies that do not want to encourage internal whistleblowing should establish effective internal whistleblowing mechanisms that encourage employees to report improper behavior, fraud, or corruption while protecting them from retaliation (Smaïli 2023).

Government policy or public interest in whistleblower laws provides flexibility in detecting fraud, but also introduces significant risks in external whistleblowing cases. When a whistleblower misinterprets information or acts with incomplete data, the resulting disclosure can have serious consequences for both the organization and the whistleblower (Heumann et al. 2013). Companies can face unfair investigations, reputational damage, and financial losses, while whistleblowers can face legal liability or professional consequences if their allegations are unfounded. Moreover, premature external disclosures can erode stakeholder trust, create unnecessary public alarm, and

compromise sensitive company information (Clark 2023). Whistleblower protection programs often rely on disclosing factual results rather than subjective policy criticisms and require careful judgment and conclusive evidence (Savage 2018). These risks provide a broader context for understanding the impact of external whistleblowing on both companies and individuals, highlighting the importance of well-defined mechanisms to manage disclosures effectively and focus the importance of internal whistleblowing systems where concerns can be thoroughly assessed and resolved without the extensive consequences of external reporting (Smaïli 2023).

Companies' approaches to whistleblowers vary. While some companies resort to various methods such as threats, dismissals, lawsuits or intimidation against whistleblowers, some companies see the whistleblowing mechanism as an opportunity to increase their self-regulation mechanism (Smaïli 2023). Companies that approach reporting mechanisms positively see this structure as an opportunity to monitor themselves and produce proactive solutions to problems and invest in systems and policies that encourage this. When reporting mechanisms do not aim to solve injustice quickly and constructively, they appear to be extremely dangerous and demotivating structures. Most whistleblowers have no desire to harm their firm, but when whistleblowers are neglected and do not receive a prompt or satisfactory response from their firm, they may be tempted to seek support from external authorities (Clark 2023).

Whistleblowing employees can be grouped into four main categories. While the first two of these categories produce positive results for the company, the other two are categories that harm the company and protect people's own psychological perceptions and interests. The first of these is the offended whistleblower. S/he acts entirely out of his/her moral feelings and reports events that do not align with his/her personal and moral values. These people consider the welfare of their teammates or society and can report any incident that is incompatible with their sense of justice. The second category consists of damaged whistleblower. These are people who have been harmed by a colleague or manager, and their main goal and motivation is to protect themselves. Generally, reports indicating sexual harassment, mobbing or toxicity are made by such whistleblowers. The third category is the opportunistic whistleblower. These people report information in order to increase their financial or political power, and they act entirely in their own interests. Reports made by these people generally negatively affect

job performance and reduce cooperation and efficiency in the workplace (Clark 2023). The last category is the retaliatory whistleblower. These people want the company or the people in it to be harmed, based on certain events they have experienced. These people, who report with the motive of revenge, may generally tend to make false reports. This category, like opportunistic ones, causes a decrease in work efficiency (Savage 2018).

In addition to this categorization based on motivations, whistleblowers can also be classified into five types according to their roles and behaviors. These are altruist, avenger, organization man, alarmist, and bounty hunter. Altruist Whistleblowers are those who fight bravely inside and outside the organization for justice and solution, pursue an ethical goal, act for social benefit when they see a wrong and boldly object. For that reason, although they are sometimes rewarded, they are usually the victims of the organization and society, and they are usually excluded by the environment. Most of them do not aim to gain anything personally from their verified claims. The second category, Avenger Whistleblower, is a person who acts purely for the purpose of revenge or retaliation and reports to take revenge on the organization or individual due to personal anger or perception of injustice. An Avenger Whistleblower does not care much about the public interest. The third category, organization man, appears as people who have adopted the organizational culture and report illegal or inappropriate behavior for the good of the organization or company. They are generally long-term employees, trust their own judgment, however, may conflict with the management for this reason and are generally not welcomed by the management. The fourth category, alarmist, represents employees who persistently complain without providing supporting evidence about the serious consequences of organizational policies and often lose credibility because of making false complaints. The last category, bounty hunter, represents people whose main motivation is to make money and often obtain rewards through these cases, but in some cases, these people may only want to ensure justice without initially having a financial motivation (Heumann et al. 2013).

A study conducted by PricewaterhouseCoopers indicated that 46% of companies participating in the study had encountered fraud or economic crime in the last 24 months. The report presented by PWC indicated that cybercrime crimes are the most common type of fraud in companies with a turnover between \$1 billion and \$10 billion, where external fraud has recently increased. In addition, cybercrime crimes are also the

most common fraud crimes in industrial manufacturing, government and public sector, health industries and technology, media and telecommunications sectors (PricewaterhouseCoopers 2022).

Although the internal audit function and the company's internal control structure are of great importance in detecting a fraud, the 2022 Association of Certified Fraud Examiners Occupational Fraud Report determined that 42% of the frauds were revealed through reports in 2,110 cases in 133 countries that caused a total loss of \$3.6 billion. The rate of detected frauds found by internal audit is 16%. 55% of the reports were made by an employee and 18% were made by customers. 16% were shared anonymously (Association of Certified Fraud Examiners 2022).

Whistleblowing is crucial for revealing unethical behavior and promoting transparency within organizations. While internal and external whistleblowing mechanisms offer different advantages and disadvantages, it is clear that the creation of an enabling environment for internal reporting is of utmost importance to risk mitigation and organizational integrity (Clark 2023). By creating cohesive policies and a culture of trust, organizations can reduce the potential consequences that come with external disclosures while also encouraging employees to be responsible and ethical at the same time. Finally, the success of whistleblowing systems depends on how well they remain ethical, highlighting the important role whistleblowing plays in protecting organizational ethics (Smaïli 2023).

2.3.3.3.The Role of Whistleblowing in Maintaining Ethics

Whistleblowing has always been associated with ethical and justice controversies, as a platform for examining the balance between public good and personal duty. Throughout the various periods, the revelation of wrongdoing has been celebrated as a moral duty while being denounced as a potential cause of social disintegration. Essentially, whistleblowing raises questions about the balance between trust and accountability, calling to account issues around what people owe others in order to maintain generally accepted norms of right and wrong. The emergence of the concept highlights the ongoing struggle by human beings to articulate and develop notions of justice and affirming the role of transparency and ethics in supporting trust among societies and institutions (Sparling 2021). Whistleblowing plays a critical role in

maintaining ethical standards within organizations by serving as a mechanism to detect and address misconduct (Park and Blenkinsopp 2009).

According to Schein's (1992) organizational culture model, organizations need to take three key steps to create a workplace culture that actively supports whistleblowing. First, consistent communication should be established with employees about the importance of addressing inappropriate behavior, and systems in place to facilitate whistleblowing should be encouraged. Second, it is essential to acknowledge and support whistleblowers, whether anonymous or with their consent, to ensure that they feel valued and protected (Mustapha et al. 2023). Third, organizations should maintain transparent discussions about how incidents of inappropriate behavior are handled, whether they are brought to light through whistleblowing. By taking these actions, firms can emphasize the courageous role that whistleblowers play as individuals who risk personal consequences to confront injustices within their organizations (Clark 2023). This approach enables organizations to clearly state their ethical commitments, celebrate positive examples of ethical behavior, and create a culture that reinforces these values through shared stories and practices (Smaili 2023).

Whistleblowing plays a critical role in maintaining ethical standards within organizations by serving as a mechanism to detect and address misconduct. Employees closest to day-to-day operations are often the first to notice unethical behavior or actions that violate organizational values (Ebaid 2022). The organization incurs several potential costs in the case of organizational misbehavior. They may be monetary when money or profit is lost, such as in the case of employee fraud. They may be reputational, such as where suits are filed (e.g., product recall, discrimination suit against employees, any one of a multitude of alleged illegal activity). There is potential increased awareness as a result of publicity in the mass media of alleged wrongdoing or even simply inappropriate behavior (Near and Miceli 2015). According to 2022 data, ACFE found in its study based on 2,504 fraud cases occurring in 125 different countries, causing a loss of over 3.6 billion dollars, that 50% of the fraud cases occurred with notices from within the company. It would be good to examine the 2,110 fraud cases examined in the ACFE report from different perspectives. At this point, we see that 70% of the companies where these incidents occurred have a reporting mechanism system. The report states that the damage incurred in companies without a reporting mechanism is twice as much

as in companies with a reporting mechanism. While the average loss per case is around 100 thousand dollars in companies with a reporting mechanism, it is around 200 thousand dollars in companies without a reporting mechanism. While incidents are detected within 12 months after the fraud begins in companies with a reporting mechanism, this period is around 18 months in companies without a reporting mechanism (ACFE 2022). In environments where whistleblowing is encouraged, fraudulent behavior is more likely to be detected. For this reason, company managements should work to ensure that whistleblowing mechanisms are fair and focus on promoting these practices among employees (Mustapha et al. 2023).

Building on this understanding, it is also important to evaluate the characteristics that increase individuals' likelihood to whistleblower and design mechanisms that align with these tendencies. In order to increase the whistleblowing action of individuals, it is useful to evaluate the characteristics that will increase the tendency to whistleblowing (Clark 2023). In particular, companies prefer their employees to report irregularities through internal channels rather than external channels. When a whistleblowing occurs through external channels, shareholders or stakeholders lose trust in the company and all confidential information of the company is revealed, decreasing its competitive power (Salleh and Yunus 2015). Therefore, a transparent whistleblowing mechanism that can be established within the company stands out as the first example that encourages individuals to whistleblower. Another point is that whistleblowers tend to whistleblower when violations directly or indirectly affect them or when they have convincing evidence (Mustapha et al. 2023). In addition, the fact that the violation endangers people's lives or has a major cost impact on the company or state they are affiliated with also stands out as factors that increase the tendency to whistleblower (Salleh and Yunus 2015).

In the letter he shared for Berkshire Hathaway stakeholders in 2005, Warren Buffett states that a whistleblower line has been established in the company, that he cannot follow every sparrow that falls in the city with its 180,000 employees, and that all employees can send information to the committee without fear. Although Buffet states in his letter that most of the notifications are individual notifications such as "The person next to me has bad breath," he states that he noticed important problems that he could not notice in the subsidiaries thanks to this mechanism. He admits that he had

information about many issues that could not be detected through audits, thanks to the reports, and that Berkshire Hathaway would have been a much more valuable company if he had established a whistleblowing mechanism years ago. This example underscores the critical importance of establishing effective whistleblowing mechanisms in fostering organizational transparency and addressing misconduct (Buffet 2005).

Whistleblowing system has a great impact on revealing injustices in an organization. Whistleblowing practices have a great impact on creating an ethical culture, transparency, and trust in the organization. Thanks to whistleblowing mechanisms, corruptions in large organizations such as WorldCom and Enron were revealed. It is necessary to work carefully on whistleblowing mechanisms due to examples of people who make these reports being fired, as in these companies (Smaïli 2023). However, the decision to blow the whistle is not without its challenges, as it requires significant personal conviction and courage. Potential risks, such as social isolation, reputational damage, and professional setbacks, can deter individuals from reporting misconduct. To effectively use whistleblowing as a tool to uphold ethical values, organizations must not only provide safe channels for reporting, but also create a culture where speaking up is valued and protected (Ebaid 2022). However, requiring employees to report unethical behavior may conflict with their personal values and moral beliefs, creating additional barriers to effective implementation (Skoczylas-Tworek 2020).

The first research in this field began to be carried out since the 1970s. In the early periods of research, whistleblowers were defined as "muckrakers from within", and in the 1980s, researchers investigated the main factors why whistleblowers report and focused on their basic motivations. With the spread of this concept, most companies make efforts to create a suitable environment for sharing the inappropriate behavior of employees with internal resources rather than external sources and solving the problem within the company. Today, whistleblowing is a structure supported by law in the context of the right to freedom of speech, and after several major scandals in 2002, the Sarbanes-Oxley Act was enacted to protect whistleblowers in order to prevent corporate fraud (Purdy 2021).

Fostering an ethical climate where whistleblowing thrives requires organizations to balance transparency, trust, and proactive mechanisms to address wrongdoing. Encouraging employees to report wrongdoing is not just about promoting organizational integrity, it is also about empowering individuals to contribute to a fair workplace (Smaïli 2023). However, the challenges that whistleblowers face, from social isolation to professional disruption, highlight the need for comprehensive systems that prioritize their protection. Since whistleblowing is increasingly recognized as a necessary mechanism for ensuring ethical standards, it is crucial that those who make the courageous decision to report malpractice are appropriately supported and protected from retaliation (Mustapha et al. 2023). This emphasizes the need for effective protection mechanisms to be in place, which will be explored in the next section.

2.3.3.4. Protection Mechanisms for Whistleblowers

The heightened attention in academic and legal communities to curbing public and private corruption has significantly enhanced the applicability of "whistleblower protection" legislation. These legislative measures are specifically formulated to safeguard government and corporate workers from retaliation when they reveal confidential information in a bid to thwart abuse or immoral practices within their organizations. The principal aim of such legislation is to address the root of corruption by empowering whistleblowers to inform journalists, regulatory bodies, or law enforcement officials of issues. One of the key constituents of such mechanisms is the provision for anonymity, which is especially crucial where powerful interests can coerce prospective whistleblowers. Despite legal provisions for protection, many remain reluctant to disclose malpractice because of the risks involved, especially where the accused are influential. To an employee who intends to blow the whistle it might be important how much he or she is protected from retaliation” (Park and Blenkinsopp 2009). In such cases, anonymous reporting mechanisms provide an effective solution, providing an environment in which the employees can speak out without the risk of personal or professional retribution (Sparling 2021). This element of confidentiality not only reduces the risks that whistleblowers face, but also acts as a deterrent to those who might abuse their positions of power, knowing that unethical actions can be reported at any time (Smaïli 2023).

Corporate crimes such as corruption and fraud are hindering socioeconomic growth globally, undermining accountability, deterring investment, and threatening future economic prospects. Corruption alone accounts for more than 5% of global GDP, with annual bribes exceeding \$2.6 trillion. Whistleblowing is a proven method to combat these issues, with employees uncovering nearly 50% of fraud cases, according to ACFE (ACFE 2022). Despite its effectiveness, many employees are reluctant to report misconduct due to fear of reprisal or distrust of their organization. In the 14th Global Fraud Survey conducted by Ernst & Young in 2016, participants were asked questions about fraudulent behavior. In the survey, 39% of the participants complained that bribery and corruption were widespread in their countries and that no steps were taken to improve this problem. Although this rate is high, participants stated that they had personal concerns when asked about bribery and corruption in their workplaces and avoided answering. This situation is important for the transparency of whistleblowing mechanisms (Ernst & Young 2016). More and more, legal protection and monetary reward for whistleblowers are being extended to private sector employees in the U.S., not just government employees. An example is the case of Cheryl Eckard, who brought to the attention of top management at GlaxoSmithKline's Puerto Rico factory the production of substandard drugs. Instead of addressing the issue, the company fired her. She later sued them, with GlaxoSmithKline paying out \$750 million in settlements, Eckard receiving \$96 million (Near and Miceli 2015). Therefore, protecting whistleblowers is essential; mechanisms such as anonymity, internal reporting systems, and strong ethical leadership are crucial to creating a culture where employees feel safe to disclose wrongdoing and enabling organizations to combat corruption more effectively (Mustapha et al. 2023).

In the survey conducted by Ernst & Young, participants were also asked about their individual approaches. 42% of participants stated that they would excuse unethical behavior in order to achieve financial goals. 83% of participants think that sanctions applied to decision-makers have a deterrent effect. At this point, the recommendation given to boards of directors as a result of the study is to allocate sufficient resources to investigation functions and to establish clear reporting channels and policies that encourage employees to report misconduct (Ernst & Young 2016).

A bold action like whistleblowing has both benefits and harms for the whistleblower. The first benefit is the benefit it provides to the injured party, since the economic damage or unfair gain caused by the person or institution committing fraud has ended (Kreindler & Associates 2024). We can summarize this situation as the positive feeling that comes from doing the right thing. In recent years, laws protecting whistleblowers have frequently come to the agenda, and an environment has been created where whistleblowers can report anonymously without revealing their identities. When approached from the perspective of those committing corruption, the risk of being reported by a colleague who may have knowledge of the details in an unusual situation appears to be a factor that will reduce the possibility of corruption (Sparling 2021).

While establishing a whistleblowing mechanism, it is necessary to create an environment where people can easily report and establish a system where they will not be punished when they do the right thing. Therefore, there are steps that boards of directors who want to establish this mechanism should take. Institutions must first have knowledge of national legal regulations. The second step is to raise awareness within the organization and identify the company's needs by asking the right questions. At this stage, it is important to clarify the goals and establish the mechanism for the right reasons rather than for symbolic purposes. The third stage is to establish a clear and applicable internal whistleblowing policy. In particular, a zero-tolerance policy should be implemented for retaliation against whistleblowers and a structure should be established where people feel comfortable. The next step is to orient employees, train them on when, why and how to report unusual situations (Smaïli 2023). The next step is to streamline the reporting process. At this stage, establishing lines that employees can reach 24/7 and creating online forms where they can share anonymously are important steps (ACFE 2022). For an effective whistleblowing mechanism, communicating with whistleblowers and providing feedback to them about their reports is the last step to be taken (Smaïli 2023).

The structure of the Board of Directors also has significant effects on the support of whistleblowing mechanisms and employee participation. For example, since the members of the boards of directors of large companies have more experience, they can better manage internal complexities and ensure more transparent decision-making.

Having independent directors in the Board of Directors helps reduce instances of ethical breaches in business operations as a result of the varied and distinct opinions they possess, in addition to the ease of introducing an effective whistleblowing mechanism. Additionally, gender-diverse boards of directors can help improve the enforcement of whistleblowing policies and mechanisms by incorporating varied perspectives into decision-making (Kalyanasundram 2018).

While whistleblower protection measures are required in order to ensure their well-being and reporting of malpractices, reward schemes have emerged as an additional measure to motivate people to report malpractices. Businesses regularly offer substantial compensation in exchange for the benefits that whistleblowers receive due to their moral behavior (Andon et al. 2016). Whistleblowers were paid \$4.8 billion in total from 2009 to 2014 (Kreindler & Associates 2024). Recent advancements in regulatory frameworks globally have progressively emphasized the implementation of financial incentives designed to promote whistleblowing, especially as the enforcement of corporate fraud has emerged as a fundamental aspect of regulatory strategies. A prominent example is the Wall Street Reform and Consumer Protection Act of 2010, also known as the Dodd-Frank Act, enacted after the global financial crisis. Outside the United States, similar incentive structures have been implemented in countries such as South Korea, Canada, Mexico, and to a lesser extent China and India (Andon et al. 2016). However, a study indicated that individuals are not directly motivated to whistleblow, and that rewards do not have a significant impact on their motivation to whistleblow. It has been revealed that whistleblowers are more likely to whistleblow when they are given a guarantee of protection (Ikbal 2017).

The risk of the whistleblower losing their job or having their career affected is considered the most important disadvantage of whistleblowing. There are many examples of this situation (Kreindler & Associates 2024). Kevin Moylan, a psychiatric clinic employee, shared with management that employees were not receiving adequate training and that there were deficiencies in the institution he worked for, and was forced into silence by the institution. The employee, who wrote a letter to the Tasmanian Minister of Health regarding the issue, has been unemployed for 6 years since the incident and suffers from post-traumatic stress disorder (Amstrong 2002).

Another disadvantage of reporting is the possibility of making a wrong assessment. When the content of the incident is limited, there is a possibility of making a false claim. In non-anonymous reporting mechanisms, making a false report can have serious consequences. In such cases, the employer may dismiss the person, thinking that the report was made maliciously and deliberately. In order to manage similar situations well, institutions should have a proper reporting procedure and employees involved in this process should be well trained (Springhouselaw.com 2023).

Another negative process that affects whistleblowers is the legal problems they may experience. In addition, the length of the process and the uncertainty in the process are other factors that negatively affect whistleblowers (Smaïli 2023). Although there are professional companies that manage this process, people who are inclined to whistleblowing may decide to abandon this tendency considering the negative consequences. To prevent this, the Chartered Institute of Personnel and Development, which is affiliated with human resources professionals in the United Kingdom, has established a whistleblowing advice line that provides free support and guidance to its members. The organization manages this work together with a leading charity in this field called Public Concern at Work (People Management 2014).

Whistleblower protection systems play a central role in fostering integrity and transparency within organizational settings. These frameworks serve the purpose of discouraging unethical conduct while ensuring the well-being of employees by defending whistleblowers making ethical disclosures (Mustapha et al. 2023). Strong systems focus on maintaining confidentiality, possess well-delineated reporting procedures, and implement stringent legal protection measures to guarantee people's ability to act without retaliation. But the effectiveness of such mechanisms depends not only on their design, but on the organizational culture that supports them. A sincere commitment to ethical leadership, backed up by regular training and sound leadership, ensures that whistleblowing is a useful mechanism for accountability and long-term organizational success (Mustapha et al. 2023).

2.3.3.5. Psychological Safety and Encouraging Whistleblowing

Building a culture of psychological safety is crucial to empowering staff to report unethical behavior and speak up without fear of retribution. Psychological safety

builds a culture of trust and openness in which individuals are comfortable to speak up when they observe inappropriate conduct. Team psychological safety is not the same as group cohesiveness, as research has shown that cohesiveness can reduce willingness to disagree and challenge others' views, implying a lack of interpersonal risk taking (Edmondson, 1999). In pursuit of this, organizations need to establish several, open channels of communication that suit their staff. These could be 24-hour hotlines that assure confidentiality, reporting systems on the internet, or special email addresses. Aside from this, involving external independent organizations to oversee reporting mechanisms can facilitate trust by averting potential biases and offering a secure platform for employees to speak out (Smaïli 2023). Specifically, employees are more inclined to report misconduct when they perceive the wrongdoing as severe, possess strong evidence, receive support from their supervisors, and work in an organization that fosters a culture supportive of whistleblowing. Under these conditions, employees are significantly more likely to come forward, regardless of their own characteristics (Near and Miceli 2018). By demonstrating openness to being transparent and accountable, organizations can encourage a culture in which ethical behavior is valued and employees are not afraid when contributing to the organization's integrity (Mustapha et al. 2023).

The underlying reasons for reporting unethical activity can be divided into two groups: intrinsic and extrinsic forces. Extrinsic forces are those that are instigated by external pressures, reward, or punishment, of which financial reward is a prime example (Andon et al. 2016). Intrinsic forces, however, are those that are instigated by an individual's internal sense of moral belief and values, such as a sense of obligation or belief in justice. Whereas intrinsic motivation is a built-in interest in an environment, subsequent studies have established that additional sources, including moral duty, loyalty, and identity, also intrinsically motivate (Teichmann and Falker 2020). Likewise, extrinsic motivation has transcended money to include a variety of social, legal, and organizational processes aimed at promoting ethical action (Andon et al. 2016).

While extrinsic motivation such as incentives and reporting structures play a critical role, the success of these systems ultimately depends on the trust and support fostered by organizational leadership. Team psychological safety should facilitate learning behavior in work teams because it alleviates excessive concern about others'

reactions to actions that have the potential for embarrassment or threat, which learning behaviors often have (Edmondson, 1999). Although whistleblowing practices that are effectively implemented and encouraged in companies make great contributions, it is seen that many employees in companies where these practices are not used effectively do not report irregular situations due to fear and pressure (Chen et al. 2017). Another reason why such transactions are not reported is that employees do not trust their superiors and organizations. For this reason, leaders' attitudes have a great impact on the effective functioning of whistleblowing mechanisms in companies (Mustapha et al. 2023).

It is necessary to evaluate the act of whistleblowing from the employee's perspective. The decision to become a whistleblower is not an easy step for an employee. Making such a decision can have traumatic consequences; if companies do not take effective action, the whistleblower may face the risk of retaliation, lose their job, be ostracized by their colleagues and struggle with problems affecting their personal life. Therefore, supporting whistleblowers and carrying out work that addresses their concerns at every stage of the process is one way to make the act of whistleblowing more effective (Savage 2018).

Various hypotheses are presented to increase the tendency to report. The first of these is the provision of anonymity to whistleblowers (Salleh and Yunus 2015). In a survey, 86% of the participants stated that the opportunity to report anonymously was important to them. However, reporting anonymously carries the risk of reducing the impact and reliability of the report or the whistleblower (Teichmann and Falker 2020). The second hypothesis is the benefits provided to whistleblowers. In this regard, while various studies indicate that financial incentives provided to whistleblowers will increase the likelihood of reporting, some studies argue that these incentives have no effect on the tendency to report (Andon et al. 2016). The third hypothesis argues that the management's moderate approach to the reporting mechanism and taking action will increase the tendency to report (Salleh and Yunus 2015).

While most discussions around whistleblowing focus on fostering trust and providing incentives, some studies explore the role of deterrents such as penalties in encouraging ethical reporting. Prospect theory suggests that individuals tend to value

losses more heavily than equivalent gains, implying that the fear of consequences for failing to report observed misconduct could outweigh the motivation provided by rewards. This perspective argues that establishing a system where employees are penalized for their inability to report corruption can make whistleblowing a mandatory responsibility rather than a voluntary action. This argument is corroborated by Chen et al. (2017), with the addition that in environments where whistleblowing is actively promoted, penalty sanctions were more effective than rewards in inducing internal reporting. However, while punitive interventions may increase reporting levels in certain situations, organizations should consider their interventions carefully to avoid creating fear or undermining psychological safety, as these would undermine the overall climate of openness and trust (Smaïli 2023).

There are a number of different studies, methodologies, and perspectives on this subject. One key methodology is that of providing financial incentives to whistleblowers when their grievance leads to an effective action against the institution responsible for the ill in question or the impropriety in question (Teichmann and Falker 2020). A study conducted specifically on accountants found that a potential financial incentive encourages reporting a fraud to external authorities. However, in cases where the perceived seriousness of the wrongdoing is high, the presence of a financial incentive is not significant, whereas in cases where the perceived seriousness is low, the financial incentive increases the intention to report the potential fraud to external authorities (Andon et al. 2016).

Another study by Teichmann and Falker (2020) mentions the harsh attitudes of some countries towards whistleblowers and describes the harsh attitudes that state officials face, especially when they become whistleblowers. At this point, it is mentioned that legal authorities should support whistleblowers. Similarly, whistleblowing is a process that should be supported by companies. Focusing on the potential benefits of whistleblowing rather than seeing them as a threat is in the company's interest (Smaïli 2023). In particular, fraud cases that are resolved within the company without the media and legal authorities knowing provide great benefits to the company. Therefore, it is a very important step to give whistleblowers the message that they provide a valuable service and that their efforts are appreciated, rather than giving them a financial incentive.

Another area that needs to be examined is the situations that prevent employees from reporting corruption when they encounter it. In some cases, employees may be reluctant to use the reporting mechanism (Mustapha et al. 2023). In organizations where reporting mechanisms are not effectively organized, where the effectiveness of reporting and the protection of the whistleblower are not maintained, employees refrain from reporting the unusual situation they encounter. A study conducted with public companies in Poland found that while some institutions explained this structure in great detail in the reports shared with the public, others made very limited or no mention of it at all. However, with the existence of reporting channels within listed companies, it has been observed that they are not efficient in detecting unethical practices. In this study, it is revealed that whistleblowers are concerned with the safety of reporting channels and afraid that they cannot be ensured anonymity. According to this, the study argues that increasing internal controls aimed at providing a feeling of security to possible whistleblowers, as opposed to providing money alone, will improve reporting mechanisms (Skoczylas-Tworek 2020).

Encouraging whistleblowing is a complex process that involves aspects of trust, transparency, and accountability in organizations. By creating an ethics culture where employees feel safeguarded and valued, organizations can empower individuals to act as guardians of integrity (Smaïli 2023). Motivational drivers such as intrinsic values and extrinsic rewards must be balanced with proper mechanisms that offer anonymity and protection in ensuring a culture of openness. While supportive systems are crucial, they need to be complemented by a clear commitment on the leadership's part to address ethical issues in a proper and equitable manner (Chen et al. 2017). Lastly, establishing a culture whereby whistleblowing is not only safe but also admired as a critical aspect of organizational values is critical to maintaining long-term ethical practices (Savage 2018).

2.3.4. Group Pressure and Its Influence on Whistleblowing Decisions

2.3.4.1. The Impact of Group Norms on Ethical Behavior

Group norms are an influential determinant of ethical behavior in organizations and are a vital determiner of the way people perceive and react to ethical issues. Here, ethical leadership—defined as the display and enactment of behavior that conforms to

normative expectations through personal behavior, interpersonal relationships, and managerial decisions—is imperative in impacting decision-making and creating an ethical organizational environment (Ellemers and Van Den Bos 2012). Studies have found that ethical leadership can reduce incidents of unethical acts and interpersonal disputes among group members and can promote prosocial behaviors and enhance task performance. Ethical leaders are expected to manage group processes well, aligning individual behavior with collective ethical standards (De Hoogh and Den Hartog 2008). This model is based on two straightforward assumptions: the "moral individual" and the "moral administrator." As moral persons, ethical leaders are viewed as honest, trustworthy, and fair, and they model ethical behavior in both their personal and professional lives. The moral manager component of ethical leadership focuses on actively encouraging ethical behavior and deterring unethical actions through open communication, appropriate rewards, and punitive measures for inappropriate behavior (Wen and Chen 2016).

Ethical behavior within organizations is deeply influenced by values and norms established by leadership and reinforced by organizational practices. In a study conducted by Wen and Chen (2016), the relationship between employees' whistleblowing intentions and ethical leadership was examined and a positive relationship was found between these two situations. In addition, it was stated that ethical leadership provides employees with the opportunity to learn about such ethical concepts, and it was also stated in the study that ethical leadership has a supportive effect on employees in the process of whistleblowing. It is also understood as a result of the study that ethical leadership yields more positive results, especially in more power-oriented eastern societies (Wen and Chen 2016).

Group norms and group dynamics have a major impact on individuals' ethical perceptions. One study, which prioritized either the group or the individual, found that group members tended to align their actions with the norms approved by their group. For example, when the group viewed working for the collective good as morally right, individuals were more likely to prioritize group goals. Conversely, when the group viewed self-improvement as an ethical choice, members were more likely to pursue personal growth (Ellemers and Van Den Bos 2012). Supporting this, Schminke and Wells (1999) found that group norms, incentives, and expectations significantly

influence individuals' likelihood of engaging in or reporting unethical behavior, demonstrating how social consensus within the group can override individual ethical standards. This behavioral alignment is also influenced by individuals' desire for moral approbation—the motivation to act ethically in order to gain approval or avoid disapproval from others—which has been identified as a key determinant in ethical decision-making (Ryan and Riordan 2000). This means that moral evaluations within a group are more deeply implicated in the shaping of behavior than are talent-based evaluations. Group norms are thus a strong force within the shaping of moral decisions, and they will dominate over larger cultural norms.

Some examples can be used to illustrate the effect of group memberships on moral judgments. People have been found to favor in-group members over out-group members; this is due to the need for positive social identity, which increases their self-esteem (Ellemers and Van Den Bos 2012). Additionally, even slight categorizations, like arbitrary group membership, can lead to in-group bias. This can lead to higher tolerance for unethical behavior by in-group members compared to similar behavior by out-group members (Hildereth and Anderson 2018). For instance, people are more likely to perceive an unequal exchange as fair when it is with a friend or an in-group member than when it is with an out-group member (Wright et al. 2013). But this tolerance is not absolute; the extent of unethical behavior can reduce the level of favoritism for members of one's in-group. These findings suggest that people will tolerate unethical behavior displayed by members of their in-group to some extent but may act when this extent is violated (Wright et al. 2013).

As a pervasive group norm, group loyalty can significantly influence ethical behavior by encouraging individuals to prioritize loyalty to their group over moral considerations. While loyalty fosters compliance and trust, it can also create a moral blind spot that leads members to ignore or justify unethical actions (Wright et al. 2013). For example, politicians have downplayed their leaders' wrongdoings, supported harmful policies, and misrepresented investigations to protect their party's reputation. Likewise, corporate leaders have inflated their profits, hidden product hazards, and ignored unethical behaviors like predatory selling practices because they were committed to their firms. Where loyalty is deeply entrenched as a group norm, blindness

to unethical behavior sets in and ethical decision-making is stunted, and complicity culture results (Hildreth and Anderson 2018).

A key element of ethical behavior is whistleblowing, which involves the process of reporting unethical behavior to maintain accountability and integrity in an organization. Empirical research shows that people are more likely to blow the whistle when they are supported by an organizational culture that values accountability and fairness (Wen and Chen 2020). However, the existence of fear of reprisal, perpetrator seniority, and lack of responsibility or justice in the company can efficiently reduce the likelihood of reporting unethical behavior. In one accounting student study regarding whether students would report, 78% of the sample reported that they would be willing to report a violation if they observed any. The respondents reported that among the largest barriers to reporting was fear of reprisal from their respective institutions or from the perpetrators of the abuses. In addition, the third most important factor discouraging students from reporting was the presence of perpetrators within the management structure or in a higher level of authority than themselves (Ebaid 2022). These relationships place a premium on creating a culture that supports and sanctions ethical behavior, thus enabling whistleblowing to serve as a critical mechanism for guaranteeing organizational integrity (Ebaid 2022).

Organizational ethical behavior is shaped by a complex interaction of group values, leadership, and overall organizational culture. In order to empower organizations to create a culture that supports integrity and responsibility, they must address the dynamics that influence ethical decision-making and encourage forward-leaning response to unethical conduct (Ellemers and van den Bos 2012). The challenge is how to reconcile group allegiance with ethical accountability to individuals, so that allegiance to the group does not override the organization's overall ethical standards. It is crucial to create institutions that guarantee justice and transparency, but then it must be complemented by a climate that guarantees psychological safety and allows individuals to speak out without fear of retaliation or exclusion (Wright et al. 2013). Based on this foundation, the necessity to examine how psychological safety can further empower employees to behave in an ethical way, specifically through whistleblowing, as a foundation for organizational integrity is established (Wen and Chen 2020).

2.3.4.2.Group Loyalty vs. Ethical Obligations

Group cohesion theory is an influential factor that influences the decisions of individuals, especially in matters of a sensitive nature such as reporting ethical violations. Empirical studies show that strong group cohesion has a negative influence on the intentions of internal whistleblowers even among individuals with high individual strength traits. In the case of audit teams, research has shown that when one member of a highly cohesive team sees another team member engaging in unethical practices, reporting such a deed becomes much lower. This means that the influence of group norms can override personal beliefs, generating a conflict between loyalty to the group and moral obligation. The influence of group processes may override individual values and moral standards when leaders fail to model ethical behavior (De Hoogh and Den Hartog 2008). The findings highlight that people are more likely to favor the maintenance of social relations within their groups at the expense of ignoring ethical concerns (Alleyne et al. 2019). As Schminke and Wells (1999) emphasize, individuals often modify their ethical frameworks under the influence of cohesive group settings, prioritizing harmony and belonging over independent moral evaluation.

The research above, along with most such studies, primarily identify the possibility that group loyalty may inhibit ethical reporting. Loyalty can, however, make it more probable that one will engage in ethical behavior regarding one's own actions. For instance, loyalty decreases fraudulent activity in contexts associated with fraud and can make it more likely that an individual will act against someone else's unethical actions. The findings of the current research provide a more nuanced understanding of the effects of loyalty, challenging the general assumption that loyalty necessarily gives rise to corruption. In particular, the effects of loyalty are mediated by the explicitness of expectations: in cases where loyalty is not explicitly required, loyalty can act as a moral capital insofar as it leads individuals to examine the moral character of a situation. Conversely, when loyalty is positively promoted or conflicts with other moral principles, like fairness in elections or protection from harm in whistleblowing, it can produce unethical outcomes (Hildreth et al. 2015).

A member's moral choices can be affected by the desire to belong to a group, especially in difficult situations such as whistleblowing. Identification and safeguarding

as a member of a group provide a sense of identity and security but with implicit expectations. The revelation of immoral acts can be seen as a betrayal that threatens the individual's reputation and acceptance within the group. Fear of being judged or rejected can keep individuals from resisting the group even when resistance goes against broader social norms. Second, behavior that is not responsive to external moral codes or other group norms can be justified or acceptable within the confines of the group (Ellemers and Van Den Bos 2012). For example, a group may justify unethical actions as necessary for its survival or success, which can create moral conflict for the member. In these moments, the individual must reconcile loyalty to the group with an obligation to uphold universal moral principles and often struggle with the possibility of losing both a sense of belonging and personal integrity (Hildreth et al. 2015).

A different perspective argues that group loyalty can encourage ethical behavior by giving more importance to the moral dimensions of a situation rather than conflicting with ethical principles. When a group member is loyal, it is not just about loyalty to the group, but also about remaining loyal to a morality that is consistent with their ideal self (Hildreth et al. 2015). In such cases, loyalty can prompt the individual to act in ways that are ethically consistent with both the values of the group and universal moral standards, by activating virtues such as honesty and justice. This approach contends that loyalty is not necessarily a bad thing; rather, it can ensure moral behavior by recalling the moral implications of actions (Hildreth and Anderson 2018). However, this view recognizes that when the demands of loyalty become clear or conflict with broader ethical obligations, the individual may still face difficulties in reconciling these competing priorities. It therefore tends to view the influence of loyalty not as a constraint, but as a dynamic force that in many cases aligns personal ethics with group loyalty (Hildreth et al. 2015).

The goal of establishing a whistleblower program is to increase the likelihood that unethical or harmful practices will be reported. However, the risk of being embedded in group values raises the question of how interpersonal loyalty can prevent employees from reporting inappropriate behavior, especially in tight-knit, self-organizing groups such as military units. This type of situation also leads to strong group norms overshadowing organizational values, leading employees to prioritize loyalty to their immediate group over broader ethical responsibilities (Clark 2023). To

address this, companies should strengthen employees' identification with the organization as a whole. Encouraging social integration across different teams and groups is an important strategy to ensure that group dynamics do not undermine organizational priorities (Clark 2023). Strategies may include rotating team members to balance loyalty between group and organizational goals or implementing multi-team structures to reduce excessive focus on a single group (Alleyne et al. 2019).

Loyalty can significantly distort moral judgments, especially in group contexts. Individuals who act honestly but against the interests of their group generally view their own behavior as less ethical, even if they adhere to broader moral principles. This suggests that loyalty rather than honesty has become the primary basis for their moral judgments. In contrast, deceptive actions that benefit the group were perceived as ethical even though they harmed those outside the group. Notably, this distortion is specific to within-group dynamics, because similar behaviors involving outgroups did not elicit the same ethical conflict. Loyalty leads individuals to feel that even if they do the right thing (e.g., reporting unethical behavior), their actions may be unethical when they conflict with group loyalty (Hildreth and Anderson 2018).

In the quest to understand the complex interaction between group dynamics and moral responsibilities, it is imperative to recognize the huge role played by loyalty in the decision-making processes of individuals. While loyalty is often celebrated as a virtue, it has the ability to inspire or hinder ethical action, depending on the context in which it finds itself (Hildreth et al. 2015). It requires deliberate efforts on both the organizational and individual fronts to reconcile the inherent conflict between maintaining membership within a group and respecting universal ethical standards. Through the development of environments where there is freedom to communicate openly and think ethically, and having systems whereby group values are coordinated with corporate morality, people are empowered to make choices that support integrity without having to lose membership. Finally, this balance is necessary not only for moral decision-making, but also for the formation of trust and responsibility within and between group boundaries (Ellemers and van den Bos).

3. METHODOLOGY

3.1. SURVEY DESIGN, DIMENSIONS, AND SOURCES

In the context of this study, a questionnaire was developed to analyze the effects of group dynamics on ethical behavior in Turkish family firms. The questionnaire has 81 items in total, including six demographic questions and divided into 16 separate sections. However, for analytical purposes, the study focuses on 9 main dimensions, comprising 37 items, which are most pertinent to the identified research objectives. Furthermore, 6 demographic questions were added to assess possible differences between various participant variables. The information gathered will be maintained confidential to the maximum level, protecting the anonymity of the respondents while offering useful insights into the connection between group dynamics and workplace ethics. The results of this survey will enhance the knowledge of how collective factors affect ethical behavior and decision-making processes in family businesses.

This survey includes 9 core dimensions, each designed to assess various aspects of ethical behavior, decision-making, and team performance within the workplace. These dimensions record the employees' opinions and perceptions of various workplace scenarios, providing a comprehensive view of how individuals respond to ethical dilemmas and external influences.

Desired Moral Approbation from Others – Praise Dimension (DIM_PRAISE): DIM_PRAISE examines the extent to which individuals seek outside approval and recognition for their moral decisions. This facet represents a person's desire to have their moral decisions noticed and positively reinforced by those around them. Individuals with high scores in this dimension tend to place great importance on being perceived as ethical and responsible. They want to be sure that their actions are in line with societal and organizational moral standards. Furthermore, they want to be recognized, endorsed, and even rewarded for their ethical conduct, which further encourages them to uphold an ethical standing. On the other hand, individuals with lower scores may exhibit lesser vulnerability to external opinions, with a greater

emphasis on internal moral values compared to social acceptance. This dimension is useful in determining the influence of social reinforcement on ethical decision-making within organizational contexts. This scale was originally developed by Ryan and Riordan (2000) and is used directly in this study.

Desire for Moral Approbation – Blame Avoidance Dimension (DIM_BLAKE): DIM_BLAKE measures people's susceptibility to the blame of others and avoidance of blame for moral errors. The dimension is defined as the degree to which one is bothered about being judged or punished for their involvement in morally wrong behavior irrespective of whether or not they see the error. Individuals scoring high in this dimension would walk out of their way to stay away from situations with the potential of criticism, since they like maintaining a good moral reputation in front of their peers. They may become anxious when blamed, even if justified, and may engage in behaviors that have the aim of reducing or deflecting responsibility. Conversely, individuals with lower scores are less sensitive to external evaluation and can demonstrate greater willingness to accept responsibility for moral wrongdoing. To understand this component is to recognize how social impression concerns affect moral decision-making and responsibility within the workplace. The scale was developed by Ryan and Riordan (2000) and applied in its original form in this study.

Desired Moral Approbation from Self Dimension (DIM_SELF): DIM_SELF examines the extent to which individuals use their internal moral justification instead of depending on external approval. This dimension is a reflection of a strong internal sense of moral confidence, where individuals are more concerned about their moral beliefs than with what other people think. Workers who score high in this dimension make decisions according to their own moral code and do not care much about what other individuals think. They rely on their moral principles and are firmly committed to their decisions, even when they encounter resistance or criticism. Lower scorers, however, may be more susceptible to external influences, altering their moral stances according to the views of others. This factor gives valuable insight into the impact of self-confidence on ethical decision-making and how internalized beliefs influence workplace behavior. The original scale by Ryan and Riordan (2000) was adopted without modifications for use in this study.

Psychological Safety Dimension (DIM_PSYCHOLOGICAL SAFETY): DIM_PSYCHOLOGICAL SAFETY gauges the degree to which individuals believe there is an open space for self-expression, risk-taking, and seeking help within their workplace. Psychological safety culture enables open communication, where individuals feel free to bring up issues and express their concerns without fear of adverse reactions. High scores in this dimension reveal that individuals feel safe discussing challenging subjects, asking colleagues for help, and taking risks without fear of being criticized or put down. On the other hand, lower scores may indicate a workplace culture where employees are afraid of being criticized, ostracized, or punished and become reluctant to speak up. This aspect is so important to understanding workplace culture's impact on collaboration, innovation, and ethical decision-making because psychological safety plays a large role in employees' willingness to confront difficulties and engage in constructive debate. This dimension is measured using the original scale developed by Edmondson (1999).

Group Cohesion Dimension (DIM_COHESION): DIM_COHESION assesses the interpersonal relationship strength, trust, and mutual support among members of a team. A team with high cohesion is one with strong relationships, a feeling of brotherhood, and a desire to help each other in reaching shared objectives. Individuals with high scores on this dimension experience a strong sense of belonging, like working with others, and have faith in their teammates to offer professional and personal support. They anticipate regular interaction and exhibit a good team climate that supports cooperation and morale. On the other hand, low scores can reflect poor social bonds, low trust, or absence of commitment within the team. This dimension is important to understand in order to assess workplace relationships, team effectiveness, and job satisfaction since high group cohesion is an essential element of organizational success. This dimension is measured using the group cohesion scale developed by Schminke and Wells (1999).

Collective Efficacy Dimension (DIM_EFFICACY): DIM_EFFICACY gauges the extent to which individuals trust their group to complete the work, surmount obstacles, and resolve unanticipated problems. Employees with high scores in this dimension have great confidence in the competence, problem-solving capability, and commitment to goal accomplishment of their coworkers. They think that if they work

hard enough, their team can successfully cope with even the toughest challenges. A strong degree of collective efficacy creates a sense of unity, motivation, and resilience among members of the group, further enhancing performance and morale. Low scores, conversely, can reflect doubts regarding the capability of the team, potentially affecting confidence, collaboration, and productivity as a whole. This dimension allows for an understanding of the impact of trust in collective capabilities on teamwork, decision-making, and organizational success. This dimension is measured using items from the original scale developed by de Hoogh and den Hartog (2008).

Team Performance Dimension (DIM_PERFORMANCE):

DIM_PERFORMANCE assesses the general effectiveness, productivity, and achievement of a team in realizing its objectives. It reflects the quality and efficiency of the output generated, as well as the ability of the team to attain organizational goals. High scores in this dimension reflect a well-functioning, competent, and goal-oriented team delivering high-quality output through successful teamwork. On the other hand, lower scores can indicate inefficiencies, quality issues, or coordination difficulties that detract from overall performance. This aspect is relevant to determining the efficiency of a team's functioning, areas that need improvement, and improving collective outcomes in an organization. This dimension is adapted from de Hoogh and den Hartog (2008)

Internal Whistleblowing Intentions Dimension (DIM_IWB):

DIM_IWB captures the inclination of employees to report misconduct or unethical behavior within their organization using internal channels. A high score on this dimension reflects a strong propensity to utilize formal reporting channels, such as reporting to managers, top management, or specialized internal bodies, to correct misconduct. Individuals who feel safe in their working environment and have faith in the ethical principles of the company are more inclined to complain internally instead of resorting to external action. On the other hand, low scores can indicate reluctance due to fear of retaliation, lack of confidence in the reporting process, or doubt in the efficacy of internal solutions. This aspect is required to assess the organization's ethical climate, transparency, and degree to which employees feel free to report ethical misconduct. This dimension is measured using the internal whistleblowing scale developed by Park and Blenkinsopp (2009).

External Whistleblowing Intentions Dimension (DIM_EWB): DIM_EWB assesses the probability of workers reporting unethical conduct or misconduct to external organizations, parties, or the public. High scores on this dimension reflect a higher probability of bypassing internal reporting channels and resorting to external remedial action when misconduct is perceived to be serious, unresolved, or when internal channels are considered ineffective. Employees with high scores on demonstrating strong inclinations to use external whistleblowing would experience a civic or moral compulsion to bring corrupt activities to light despite professional or personal risks. The lower score indicates a preference to handle matters internally, either due to faith in internal redressal mechanisms or apprehension of possible repercussions. Understanding this facet is also important in assessing an organization's ethical climate, openness, and the level of trust employees have in internal versus external reporting systems. This dimension is measured using the external whistleblowing scale developed by Park and Blenkinsopp (2009).

3.2. DEMOGRAPHIC DATA

The study included the responses of 205 individuals employed in Turkish family businesses. Importantly, the surveyed participants were drawn from a diverse range of family firms in Turkey, including small, medium-sized, and large-scale enterprises operating in various sectors such as manufacturing, services, and retail. Among the respondents, 92 (44.9%) were female and 113 (55.1%) were male. The gender distribution provides insight into the composition of the study sample and enables an examination of group processes and ethical behavior across genders.

Gender	Number of Participants	Percentage (%)
Female	92	44.9
Male	113	55.1
Total	205	100

Table 1: Gender Status of Survey Participants

Age distribution of the 205 respondents is a relatively broad age bracket. While 9 (4.4%) of the 205 respondents are aged between 18-24 years, 43 respondents (21%) are 25-29 years, and 54 respondents (26.3%) are 30-34 years old. Other respondents are

38 (18.5%) aged 35-39 years, and 27 (13.2%) are 40-45 years. Fewer of the respondents are in higher age ranges, with 10 respondents (4.9%) aged 45-49 and 24 respondents (11.7%) aged 50+.

Age Group	Number of Participants	Percentage (%)
18-24 years	9	4.4
25-29 years	43	21
30-34 years	54	26.3
35-39 years	38	18.5
40-45 years	27	13.2
45-49 years	10	4.9
50+ years	24	11.7
Total	205	100

Table 2: Age Distribution of Survey Participants

The respondents have varied levels of total work experience with a broad professional background. Out of the 205 respondents, there are 4 respondents (2%) having less than 1 year of work experience, 42 respondents (20.5%) having 1-5 years of work experience, and the highest number of 54 respondents (26.3%) having 6-10 years of work experience. Additionally, 37 of the respondents (18%) have 11-15 years of experience, 33 respondents (16.1%) have 16-20 years of experience, and 35 respondents (17.1%) have more than 20 years of professional experience.

Total Work Experience	Number of Participants	Percentage (%)
Less than 1 year	4	2
1-5 years	42	20.5
6-10 years	54	26.3
11-15 years	37	18
16-20 years	33	16.1
More than 20 years	35	17.1
Total	205	100

Table 3: Work Experience Distribution of Survey Participants

The participants show mixed tenure in their current organizations based on varied work experiences. Among 205 participants, 40 participants (19.5%) have been working in their company for less than one year, followed by 91 participants (44.4%) who have been working for 1-3 years. Another 13 participants (6.3%) have been working for 3-5 years in their organization, whereas 61 participants (29.8%) have been working in their current company for more than five years.

Experience in Current Company	Number of Participants	Percentage (%)
Less than 1 year	40	19.5
1-3 years	91	44.4
3-5 years	13	6.3
More than 5 years	61	29.8
Total	205	100

Table 4: Tenure Distribution in Current Company

The educational background of the 205 interviewees shows that the majority of them have sound educational qualifications. Among the interviewees, 1 person (0.5%) has studied up to primary level only, and 8 interviewees (3.9%) possess a high school diploma. The majority of them, 119 persons (58.0%), possess a bachelor's degree, and 66 interviewees (32.2%) possess a master's degree. In addition, 11 persons (5.4%) possess a doctorate degree.

Education Level	Number of Participants	Percentage (%)
Primary Education	1	0.5
High School	8	3.9
Bachelor's Degree	119	58
Master's Degree	66	32.2
Doctorate	11	5.4
Total	205	100

Table 5: Education Level Distribution of Survey Participants

All the respondents belong to family businesses and fall into seven main job categories. There are 39 subjects (19%) in the category of Financial Affairs, with members working in finance and insurance. There are 39 subjects (19%) in the category

of Management & Support, with members working in the management and administrative support occupations. The Audit group has 31 members (15.1%). They are audit and risk management professionals. The Technology & Engineering group has 28 members (13.7%) from IT, software engineering, and industrial engineering. The Consulting group has 23 members (11.2%), who are consultancy professionals. The Marketing & Sales group has 21 participants (10.2%) from sales, marketing, and retail. Others category includes 24 individuals, which is 11.7%. They are from education, manufacturing, and R&D.

Job Category	Number of Participants	Percentage (%)
Financial Affairs	39	19
Consulting	23	11.2
Audit	31	15.1
Management & Support	39	19
Technology & Engineering	28	13.7
Marketing & Sales	21	10.2
Other	24	11.7
Total	205	100

Table 6: Profession of Survey Participant

4. FINDINGS AND DATA ANALYSIS

4.1. DESCRIPTIVE RESULTS

Descriptive statistical analyses were performed in order to capture the perceptions of family business employees about the organization, ethical conduct, and team building in detail. The following table presents the mean, standard deviation, and distribution statistics (including minimum, maximum, and quartiles) for each dimension captured in the survey. These findings identify key trends in employee attitudes and behaviors, thereby offering insights into central tendencies and variability across the constructs measured. Descriptive statistics give the initial insight into prevailing trends in the dataset and form a foundation for the subsequent analysis and interpretation.

Dimensions	Mean	Standard Deviation	Min	25 %	Median	75%	Max
DIM_PRAISE	3.65	0.91	1	3.4	3.8	4.2	5
DIM_BLAAME	3.03	1	1	2	3.33	4	5
DIM_SELF	3.88	0.98	1	3.5	4	4.75	5
DIM_PSYCHOLOGICAL SAFETY	3.49	0.68	1.4	3	3.6	4	5
DIM_COHESION	3.35	0.73	1.4	2.8	3.5	3.9	5
DIM_EFFICACY	3.77	1.15	1	3	4	5	5
DIM_PERFORMANCE	3.77	0.92	1	3	4	4	5
DIM_IWB	3.91	1.17	1	3.25	4	5	5
DIM_EWB	2.47	1.05	1	2	2	3	5

Table 7: Descriptive Statistics of Survey

Highest Mean Scores: Descriptive findings reveal that the largest mean score was for DIM_IWB at 3.91. This shows that employees have a greater inclination to report misconduct internally than through external means. This finding is a reflection of the trust that individuals place in their company's internal channels and highlights that they would rather see solutions within the organization.

Likewise, DIM_SELF was also discovered to be considerably higher (Mean: 3.88), which reflects that employees depend primarily upon their personal moral judgments rather than looking for support from others. This finding reflects a robust individual moral trust, whereby employees exhibit confidence in their moral decision-making processes without seeking confirmation from others.

Aside from that, DIM_PERFORMANCE received an average score of 3.77, validating the employee perception of the team being productive and effective. This finding specifies a shared optimism in the capability of the team to satisfy performance expectations and remain effective in producing organizational outputs. DIM EFFICACY also received an average score of 3.77, which suggests employees are largely confident that their team is capable of handling problems and difficulties effectively. A higher collective efficacy score suggests that the employees view their group as being competent and having the ability to prevail over difficulties through teamwork.

Lowest Mean Scores: The descriptive statistics also indicate that DIM_EWB recorded the lowest mean score (Mean: 2.47), which indicates that employees are resistant to reporting unethical behavior to external parties. This observation indicates a tendency by employees to leave ethical issues internally instead of taking them to external parties; potential reasons could be concerns about possible repercussions, insufficient trust in reporting channels outside, or greater loyalty to the organization.

Besides, DIM_BLA ME recorded a mean of 3.03, indicating a modest degree of concern among employees regarding potential fault attribution for moral shortcomings. While there was sensitivity to criticism and responsibility among some employees, the overall mean score indicates that avoiding blame is not a predominant consideration in the ethical decision-making process within the organization.

Highest Standard Deviation Scores: Descriptive statistics show that DIM_IWB generated the largest standard deviation (SD: 1.17), indicating high variation in employees' intentions to report unethical conduct within the company. While some employees are evidently highly willing to utilize internal reporting mechanisms, others are not, maybe because of concerns regarding confidentiality, anticipated retaliations, or perceptions of the reporting system's ineffectiveness. The significant difference in

responses highlights the importance of organizational efforts to create an open and safe environment where employees feel safe to report unethical behavior.

Likewise, DIM_EFFICACY also showed a large standard deviation (SD: 1.15), reflecting variable perceptions regarding the team's capability to perform and problem-solve. Whereas some employees are very confident in their team's capacity to solve problems, others might be aware of deficiencies in effectiveness, skill sets, or teamwork. This variation indicates that despite an overall high mark in collective effectiveness, disparities in team performance or dynamics can result in differential trust among employees.

DIM_EWB also registered a high standard deviation (SD: 1.08), indicating much variability in the extent to which employees prefer reporting outside parties. There are some who absolutely dislike reporting outside, but others may perceive it as being a good option in certain contexts. This variance may result from the extent of trust they have in external reporting mechanisms, fears of potential retribution, or varying degrees of organizational commitment. The difference in what people see regarding ethical reporting channels within the organization indicates that the policy and culture of external whistleblowing might need to be looked into more intensively.

Lowest Standard Deviation Scores: The descriptive analysis showed that DIM_PSYCHOLOGICAL SAFETY recorded the lowest standard deviation (SD: 0.68), reflecting a high level of consistency among the employees in their perceptions of psychological safety within the company. This suggests that independent of their jobs or departmental affiliations, employees to a large extent hold similar opinions about their ability to speak up, take risks, and ask questions without fear of adverse repercussions. A consistent psychological safety score is a good sign of a work environment that is receptive to trust and enables open communication.

Furthermore, DIM_COHESION also possessed a moderate standard deviation (SD: 0.73), indicating that employees have a similar impression of the degree of social relationships, trust, and mutual support within their teams. The similarity in response shows that the majority of employees share the same level of camaraderie and collaboration, which strengthens the organizational values of teamwork and cooperation.

Median and Quartile Scores: The examination of median and quartile statistics offers additional information on the dispersion of the responses on various dimensions. The findings indicate that DIM_IWB have a comparatively high median score of 4, with the Q₃ percentile measuring 5, which demonstrates that a majority of the employees have an inclination towards reporting unethical behavior internally. The concentration of responses in the upper quartiles indicates a high level of confidence in internal reporting mechanisms and substantiates earlier findings that employees favor addressing ethical issues internally rather than externally. In contrast, DIM_EWB have a median of 2 and Q₃ percentile of 3, indicating that most employees are reluctant to report wrongdoing outside the company. The distribution of responses indicates that some employees may entertain the possibility of external reporting, but this is less desirable than the internal channels.

Internal or External Whistleblowing Intention: Of the group of dimensions considered for this research, DIM_IWB stands out more, as it is the one with the highest mean score (Mean: 3.91) and highest standard deviation (SD: 1.17). This is to say that although the majority of the workers are willing to report unethical conduct within the company, there is considerable dispersion in their response, meaning some are not yet ready to blow the whistle internally. The closer examination of quartile values (Q₁: 3.25, Median: 4, Q₃: 5) reveals that most of the employees are ranked in the higher range, and thus they validate the general trend towards internal whistleblowing. However, the broader variation in answers indicates that while some employees have absolute confidence in internal reporting systems, others might perceive challenges relating to the effectiveness of these internal reporting channels.

This result is especially relevant to DIM_EWB (Mean: 2.47, SD: 1.05), which has the lowest mean but also a more limited interquartile range (Q₁: 2, Median: 2, Q₃: 3), indicating less willingness to speak up on ethical issues externally. The stark difference between internal and external whistleblowing intentions highlights a strong preference for dealing with ethical problems internally rather than seeking external redress.

The predominance of DIM_IWB within the data examined highlights the imperative of organizational culture, trust in internal governance structures, and perceived benefits and drawbacks of reporting wrongdoing. Although a positive

tendency towards internal reporting may mean that there exists a generally favorable ethical climate, the great difference in answers leads one to deduce that more would be required to achieve consensus in employees' trust in internal whistleblowing channels. Meeting the contributing factors to the variety—among them the assurance of anonymity, the enhancement of protection from retaliatory actions, and the boost in management responsiveness—may go further to enhance employees' confidence in reporting misconduct within the organization.

4.2. CORRELATION MATRIX

In the present research, a correlation matrix was generated in order to study the variable relationships through the Pearson correlation coefficient (r). Correlation is employed to identify both the direction and strength of linear relationships among variables. (r) has values ranging from -1 to +1, where positive values show a direct relationship among variables, and negative values demonstrate an inverse relationship. In order to establish the statistical significance of such correlations, p-values were determined. Correlations that have a p-value of less than 0.05 are statistically significant, while correlations that have a p-value of less than 0.001 show a very strong relationship.

	DIM_PRAISE	DIM_BLAKE	DIM_SELF	DIM_PSYCHOLOGICAL SAFETY	DIM_COHESION	DIM_EFFICACY	DIM_PERFORMANCE	DIM_IWB	DIM_EWB
DIM_PRAISE		0.21 (p<0.001031)	0.29 (p<0.001)	0.3 (p<0.001)	0.33 (p<0.001)	0.48 (p<0.001)	0.32 (p<0.001)	0.54 (p<0.001)	0.31 (p<0.001)
DIM_BLAKE	0.21 (p<0.001031)		0.11 (p=0.117)	-0.12 (p<0.001786)	0.04 (p=0.5666)	-0.02 (p=0.8139)	-0.1 (p=0.1704)	0.02 (p=0.7753)	0.08 (p=0.2842)
DIM_SELF	0.29 (p<0.001)	0.11 (p=0.117)		0.29 (p<0.001)	0.32 (p<0.001)	0.61 (p<0.001)	0.49 (p<0.001)	0.53 (p<0.001)	0.3 (p<0.001)
DIM_PSYCHOLOGICAL SAFETY	0.3 (p<0.001)	-0.12 (p<0.001786)	0.29 (p<0.001)		0.36 (p<0.001)	0.59 (p<0.001)	0.54 (p<0.001)	0.44 (p<0.001)	0.3 (p<0.001)
DIM_COHESION	0.33 (p<0.001)	0.04 (p=0.5666)	0.32 (p<0.001)	0.36 (p<0.001)		0.58 (p<0.001)	0.56 (p<0.001)	0.43 (p<0.001)	0.22 (p<0.001019)
DIM_EFFICACY	0.48 (p<0.001)	-0.02 (p=0.8139)	0.61 (p<0.001)	0.59 (p<0.001)	0.58 (p<0.001)		0.84 (p<0.001)	0.72 (p<0.001)	0.46 (p<0.001)
DIM_PERFORMANCE	0.32 (p<0.001)	-0.1 (p=0.1704)	0.49 (p<0.001)	0.54 (p<0.001)	0.56 (p<0.001)	0.84 (p<0.001)		0.62 (p<0.001)	0.41 (p<0.001)
DIM_IWB	0.54 (p<0.001)	0.02 (p=0.7753)	0.53 (p<0.001)	0.44 (p<0.001)	0.43 (p<0.001)	0.72 (p<0.001)	0.62 (p<0.001)		0.5 (p<0.001)
DIM_EWB	0.31 (p<0.001)	0.08 (p=0.2842)	0.3 (p<0.001)	0.3 (p<0.001)	0.22 (p<0.001019)	0.46 (p<0.001)	0.41 (p<0.001)	0.5 (p<0.001)	

Table 8: Correlation Matrix of Survey

The examination of DIM_PRAISE shows a strong relationship with intentions to report internal whistleblowing, which is DIM_IWB's highest positive correlation value ($r = 0.54$, $p < 0.001$). What is being said here is that individuals who look for external moral praise and recognition are more inclined to report unethical behavior internally because, perhaps, they wish to be seen as moral agents within their workplace. Their inclination towards internal reporting may be due to the fact that they wish to associate themselves with the company's ethical norms and be accepted by management and peers. DIM_PRAISE is also positively related to DIM_EWB ($r = 0.31$, $p < 0.001$), though this is weaker. This means that although recognition-seekers are somewhat predisposed to reporting unethical behavior external to their company, they are likely to choose internal reporting channels much more strongly over external reporting channels. The reason for this might be the perception that approval internally is stronger than external recognition and hence provides strength to their tendency to manage ethical problems within. Conversely, DIM_PRAISE does not manifest any significant negative correlation with any of the dimensions in the matrix.

The examination of DIM_BLAKE reveals there is no statistically significant connection with the intention to blow the whistle, since its correlations with DIM_IWB ($r = 0.02$, $p = 0.775$) and DIM_EWB ($r = 0.08$, $p = 0.284$) are not statistically significant ($p > 0.05$). This suggests the desire to avoid blame is not a motive for one contemplating reporting unethical behavior, whether internally or to external authorities. Workers who show fear of blame attribution do not appear to use whistleblowing as a means of self-protection or avoiding blame. Also, DIM_BLAKE does not have any statistically significant positive or negative correlation with any other dimension in the matrix. This indicates that blame avoidance does not have a considerable impact on employees' attitudes regarding team cohesion, efficacy, or psychological safety. In contrast to other moral dimensions that direct workplace behavior and decision-making, DIM_BLAKE seems to have minimal effect on general organizational perceptions and ethical behaviors. Generally, these results are suggestive that evading blame does not serve as a significant determinate of whistleblowing intentions or other organizational attitudes. This shows that individuals' anxieties regarding being blamed do not, in fact, influence their utilization of ethical reporting, operating in coordination or cooperation, or solving problems in the workplace.

The investigation of DIM_SELF brings to the fore its association with the reasons to whistleblow. DIM_SELF is positively and highly correlated with DIM_IWB ($r = 0.53, p < 0.001$), demonstrating that workers who use their internal moral judgment are more prone to report wrongdoing internally. The inference of this is that individuals who have well-settled personal moral principles do not look for external validation in making the decision to act in response to wrongdoing; rather, they use their personal moral reflection. Likewise, DIM_SELF is positively correlated with DIM_EWB ($r = 0.30, p < 0.001$) but to a smaller degree. This shows that individuals who rely on their personal moral principles would more likely escalate support for internal reporting channels, but they could also resort to external whistleblowing if they consider internal channels unsatisfactory. Also, besides whistleblowing, DIM_SELF bears its highest significant positive correlation with DIM_EFFICACY ($r = 0.61, p < 0.001$). This strong correlation suggests that employees who trust their moral judgment also have strong confidence in the ability of their team to handle problems in an effective way. It indicates that individuals with high self-directed ethics are employed in environments where problem-solving and teamwork are valued, reinforcing an association between individual moral confidence and collective efficacy. DIM_SELF is not found to be strongly negatively correlated with any dimension in the matrix.

DIM_PSYCHOLOGICAL SAFETY is strongly related to whistleblowing intentions, specifically in promoting a work environment where individuals are secure in speaking up about wrongdoing. DIM_PSYCHOLOGICAL SAFETY's relation with DIM_IWB is also positive ($r = 0.44, p < 0.001$), and it signals that individuals who feel psychologically safe in the workplace would likely disclose wrongdoing through internal channels. This means that workers will more readily use internal reporting channels if they can trust their work environment and do not fear any retaliation. In the same vein, DIM_PSYCHOLOGICAL SAFETY is positively related to DIM_EWB ($r = 0.30, p < 0.001$) but of a lesser order. This suggests that although employees who are psychologically safe are predisposed to internal reporting, they would still engage in external whistleblowing if they find the internal mechanisms to be lacking or ineffective. Other than its association with whistleblowing, DIM_PSYCHOLOGICAL SAFETY is most strongly positively related to DIM_EFFICACY ($r = 0.59, p < 0.001$). This strong connection indicates that workers who consider their workplace to be

psychologically safe would also tend to believe in the problem-solving capabilities of their team and in effectively resolving issues as a team. A psychologically safe work environment seems to foster increased capacity for problem-solving as a group, therefore strengthening the belief in teamwork and organizational efficiency. The dimension of psychological safety is not strongly negatively correlated with any of the dimensions in the remodeled matrix. This indicates that although psychological safety is a very important element in ethical reporting and establishing team confidence, it does not play an important role in influencing negative ideas, for example, disengagement or doubt of the company's future.

DIM_COHESION is pivotal in influencing whistleblowing intentions and the quality of teamwork as perceived by employees. The positive relationship between DIM_COHESION and DIM_IWB ($r = 0.43$, $p < 0.001$) suggests that employees who perceive high group cohesion are more inclined to report unethical behavior internally. This implies that employees who feel a sense of belongingness to their work teams trust their co-workers to handle ethical problems within the organization, thus fostering a shared sense of responsibility. In the same vein, DIM_COHESION is positively related to DIM_EWB ($r = 0.22$, $p = 0.002$), albeit weaker. The implication of this is that although cohesive teams strongly prefer internal whistleblowing, there exists a subset of employees who would prefer external reporting should the internal mechanisms prove ineffective. The comparatively weaker link with DIM_EWB would imply that team-oriented individuals would attempt to address issues within their immediate organizational circle prior to seeking external avenues. Other than whistleblowing behavior, DIM_COHESION also has the highest significant positive relationship with DIM_EFFICACY ($r = 0.58$, $p < 0.001$). This means that employees who have a high sense of belongingness and cohesion among members of their teams are also most likely to have confidence in their team being able to solve problems competently. A cohesive team seems to build a shared sense of confidence in surmounting workplace challenges, and thereby organizational effectiveness. DIM_COHESION does not significantly negatively correlate with any dimension in the matrix.

The examination of DIM_EFFICACY demonstrates its strong impact on whistleblowing intentions and team performance. DIM_EFFICACY is positively correlated with DIM_IWB ($r = 0.72$, $p < 0.001$), demonstrating that workers who

believe in their team's collective problem-solving capacity are more inclined to whistleblow internally. This implies that when employees view their group as being competent, they are likely to have greater faith in the internal mechanisms to resolve ethical issues efficiently. DIM_EFFICACY also exhibits a significant relationship with DIM_EWB ($r = 0.46$, $p < 0.001$), though to a lesser degree. This implies that although employees with high collective efficacy favor internal reporting mechanisms, they are still likely to use external whistleblowing if they find internal measures to be ineffective. Other than whistleblowing, DIM_EFFICACY also positively correlates highly with DIM_PERFORMANCE ($r = 0.84$, $p < 0.001$). The strong correlation confirms once again the notion that groups who have more confidence in their collective capabilities are more effective and productive. High collective efficacy is indicative of workplace performance that is better, therefore confirming the assertion that groups who have faith in themselves are more effective at performing to expectations and solving challenges. The DIM_EFFICACY variable indicates no significant inverse relationship with any of the dimensions of the matrix.

The explanation of DIM_PERFORMANCE recognizes its positive association with whistleblowing intentions and collective efficacy. DIM_PERFORMANCE is strongly positively correlated with DIM_IWB ($r = 0.62$, $p < 0.001$), which indicates that high-performing teams are more likely to report unethical conduct internally. This suggests that workers who perceive their teams to be effective and efficient have greater confidence in internal reporting mechanisms to handle ethical violations. Likewise, DIM_PERFORMANCE is also positively correlated with DIM_EWB ($r = 0.41$, $p < 0.001$), but to a lesser degree. This would indicate that although high-performance teams would tend to emphasize internal solutions, they would still engage in external whistleblowing if internal reporting mechanisms were seen as ineffective. Other than its correlation with whistleblowing behavior, DIM_PERFORMANCE has its highest positive correlation with DIM_EFFICACY ($r = 0.84$, $p < 0.001$). The high correlation stresses the point that high-performing teams strongly believe in their problem-solving capability as a team. High-performance and effective corporate culture reinforces employees' beliefs that they, as a team, can conquer difficulties successfully. The DIM_PERFORMANCE variable does not present significant negative correlation with any dimension of the matrix.

DIM_IWB and DIM_EWB reveal important discrepancies in the ways that organizational and individual variables shape whistleblowing behavior. The results show that DIM_IWB has stronger correlations with workplace dynamics consistently than DIM_EWB, indicating that workers are more inclined to report unethical practices internally when the work environment builds trust, collaboration, and moral norms. Importantly, DIM_IWB is highly positively related to DIM_EFFICACY ($r = 0.72, p < 0.001$), DIM_PERFORMANCE ($r = 0.62, p < 0.001$), and DIM_PRAISE ($r = 0.54, p < 0.001$). This implies that workers who believe in their group's collective problem-solving capacity and who believe in high performance expectations are more likely to participate in internal whistleblowing. Furthermore, a need for moral approval is also linked with a greater possibility of internal reporting, supporting the notion that those who desire ethical approval favor handling matters within the company.

On the other hand, DIM_EWB, although positively correlated with corresponding dimensions, shows weaker relationships. The strongest correlations of DIM_EWB are with DIM_IWB ($r = 0.50, p < 0.001$), DIM_EFFICACY ($r = 0.46, p < 0.001$), and DIM_PERFORMANCE ($r = 0.41, p < 0.001$). This would indicate that external whistleblowing is not a favored avenue in general and would be contemplated only if internal channels fail. Workers who report externally might still have faith in their team's work and problem-solving capacities but are willing to circumvent internal channels, reflecting possible issues regarding the efficacy of internal reporting mechanisms.

Finally, internal whistleblowing is strongly linked to proactive problem-solving behavior, team cohesion, and ethical commitment, whereas external whistleblowing is a secondary option that employees take when internal mechanisms fail. The fostering of a culture of ethical accountability, psychological safety, and strong team dynamics can make employees more likely to internally report unethical behavior, reducing the need for external disclosures and enhancing organizational integrity trust.

4.3. LINEAR REGRESSION

To study the determinants affecting whistleblowing intentions within organizational contexts, DIM_IWB and DIM_EWB were utilized as dependent variables for a linear regression model. The two scales reflect the probability of

employees reporting unethical behavior through internal organizational channels or external avenues. The independent variables considered in the model are the remaining surveyed dimensions. Based on the analysis of these predictors, the research will identify the most significant factors that have a strong influence on the decisions of employees to engage in whistleblowing within or outside the organization.

DIM_IWB (Dependent Variable):

Model	R	R ²	Adjusted R ²
1	0.783	0.613	0.597

Predictor	Estimate	SE	t	p
Intercept	-0.108	0.424	-0.256	0.798
DIM_PRAISE	0.320	0.069	4.652	0.000
DIM_BLAAME	-0.058	0.056	-1.033	0.303
DIM_SELF	0.188	0.068	2.778	0.006
DIM_PSYCHOLOGICAL SAFETY	0.003	0.097	0.029	0.977
DIM_COHESION	0.022	0.090	0.247	0.805
DIM_EFFICACY	0.346	0.106	3.259	0.001
DIM_PERFORMANCE	0.107	0.110	0.976	0.330

Table 9: Internal Whistleblowing Intention Regression

Regression analysis reveals that there is a strong association between the independent variables and DIM_IWB, as is evidenced by an R of 0.783. This explains that the model is a good fit for a high level of correlation between the predictors and the dependent variable. In addition, the coefficient of determination (R²) is 0.613, which shows that 61.3% of the variance in intentions to use internal whistleblowing is accounted for by the independent variables represented in the model. This is a moderate to large explanatory power. In addition, the Adjusted R² is 0.597, which considers the number of predictors in the model and gives a better estimate of the goodness of fit of the model. The slight difference observed between R² and Adjusted R² indicates that the majority of the predictors play a significant role in the model, thus indicating that overfitting is not a major issue. These results indicate the adequacy of the model in describing internal whistleblowing behavior in the context of an organization.

Linear regression analysis results attest to a strong association between DIM_PRAISE and DIM_IWB through a significant positive coefficient ($\beta = 0.320$, $t = 4.652$, $p < 0.001$). This is consistent with the results of previous correlation analyses,

where DIM_PRAISE was found to have the strongest positive correlation with DIM_IWB ($r = 0.54$, $p < 0.001$). The regression analysis confirms that individuals who seek external moral validation are more inclined to internally report unethical actions, corroborating the hypothesis that they would like to be seen as ethical actors within the organization. The result supports the earlier interpretation that recognition-seekers would rather use internal whistleblowing as a means of confirming adherence to organizational norms. The findings also indicate that their motivation is not purely driven by a sense of moral obligation but is also driven by the need for social approval in the organizational setting. The persistence of DIM_PRAISE as the most robust predictor of DIM_IWB in the regression equation indicates that this need for approval exerts a powerful influence on ethical reporting behavior. Overall, the outcome of the regression analysis is consistent with that of the correlation test, thus solidifying the conclusion that persons motivated by external recognition are among the most likely to engage in internal whistleblowing.

Regression analysis reveals that DIM_EFFICACY is the most significant predictor of DIM_IWB ($\beta = 0.346$, $t = 3.259$, $p = 0.001$), which implies that workers who have confidence in the problem-solving capacity of their team have a much greater inclination to report ethical misconduct internally. This finding is consistent with the earlier correlation analyses, where it was indicated that DIM_EFFICACY was significantly correlated with DIM_IWB ($r = 0.72$, $p < 0.001$), thereby lending credence to the fact that a team's perceived effectiveness and competence play a significant role in facilitating ethical responsibility in organizations. Employees with high collective efficacy beliefs are surer that internal reporting channels will result in positive outcomes, thereby reducing their reluctance to report unethical behaviors. This result highlights the paramount significance of cultivating a culture that encourages cooperation and mutual assistance, given that employees who have faith in their organization's capacity to address ethical issues internally are more inclined to use formal reporting mechanisms than to engage in disengagement or external whistleblowing.

The linear regression analysis confirms the positive correlation of DIM_SELF with internal whistleblowing intentions (DIM_IWB) as reflected in a statistically significant coefficient ($\beta = 0.188$, $t = 2.778$, $p = 0.006$). The finding agrees with the

previous correlation analysis which demonstrated a strong positive correlation between DIM_SELF and DIM_IWB ($r = 0.53$, $p < 0.001$). The results indicate that employees who use their own internal ethical reasoning are more likely to report unethical conduct within the organization because they do not need external approval but act according to their own ethical principles. Nevertheless, although the p-value of 0.006 is statistically significant, it barely exceeds the more stringent 0.005 level, indicating a small risk of doubt regarding the strength of the relationship. This implies that while the relation of DIM_SELF to DIM_IWB actually exists, it is weaker than some other predictors in the model. Nonetheless, results consistency between regression analysis and correlation analysis corroborates the argument that the confidence of an individual in what is right drives ethical reporting cultures.

The linear regression analysis offers more information regarding the impact of DIM_BLAKE, DIM_PSYCHOLOGICAL SAFETY, DIM_COHESION, and DIM_PERFORMANCE on DIM_IWB. DIM_BLAKE, consistent with earlier correlation outcomes ($r = 0.02$, $p = 0.775$), does not establish a statistically significant correlation with DIM_IWB ($\beta = -0.058$, $p = 0.303$), reaffirming that fear of being blamed is not a significant determinant of employees reporting unethical behavior. This means that avoiding blame is no firm incentive to report ethically or to refrain from unethical reporting. Nevertheless, DIM_PSYCHOLOGICAL SAFETY, which is positively correlated with DIM_IWB ($r = 0.44$, $p < 0.001$), seems to be less impactful in the regression model with a non-significant coefficient ($\beta = 0.003$, $p = 0.977$). This means that individuals who feel free to speak up are more able to report issues more often, yet there are stronger predictors in the model on DIM_IWB. This weakens the direct relationship between DIM_PSYCHOLOGICAL SAFETY and internal reporting. Likewise, DIM_COHESION, which had a positive correlation with DIM_IWB ($r = 0.43$, $p < 0.001$), now shows a small and non-statistically significant impact in the regression model ($\beta = 0.022$, $p = 0.576$). This means that while team cohesion encourages a sense of responsibility for ethical action, its effect is reduced when all the other variables are included together. Lastly, DIM_PERFORMANCE, despite its strong correlation with DIM_IWB ($r = 0.62$, $p < 0.001$), unexpectedly does not materialize as a significant predictor in the regression model ($\beta = 0.107$, $p = 0.330$). This suggests that although high-performing teams may be more likely to blow the whistle, their reporting

decisions are more likely to be influenced by larger work environment problems beyond performance. These results imply that while DIM_PSYCHOLOGICAL SAFETY, DIM_COHESION, and DIM_PERFORMANCE predict whistleblowing behavior at a correlational level, their influence directly on DIM_IWB is significantly weaker in the regression model compared to stronger predictors such as DIM_EFFICACY, DIM_PRAISE, and DIM_SELF.

The result of the regression analysis indicates that some of the independent variables failed to show a statistically significant association with DIM_IWB, as presented by their p-values greater than 0.05, implying that they are not significant in the prediction of whistleblowing behavior in this scenario. The DIM_BLAME ($p = 0.303$) dimension, which quantifies the inclination to shun responsibility, was hypothesized to have an effect on whistleblowing behavior; its minimal effect, nevertheless, indicates that fear of attribution has limited role in the choice to disclose unethical behavior. Similarly, DIM_PSYCHOLOGICAL SAFETY ($p = 0.977$) was expected to facilitate internal whistleblowing as it offers a secure reporting climate, but its lack of significance shows that workers may base their whistleblowing decisions on factors other than perceived workplace safety. Likewise, DIM_COHESION ($p = 0.805$), which reflects the strength of interpersonal bonds and mutual support within the team, was not found to be a significant predictor of whistleblowing behavior, suggesting that the presence of close-knit relationships among team members does not necessarily influence an individual's decision to report unethical practices. Lastly, DIM_PERFORMANCE ($p = 0.330$) did not also show a statistically significant effect, echoing that the productivity level of the team is not a significant driver of whistleblowing behavior.

DIM_EWB (Dependent Variable):

Model	R	R²	Adjusted R²
1	0.537	0.289	0.260

Predictor	Estimate	SE	t	p
Intercept	0.247	0.516	0.479	0.633
DIM_PRAISE	0.031	0.088	0.350	0.727
DIM_BLAAME	0.093	0.068	1.378	0.170
DIM_SELF	-0.028	0.084	-0.334	0.739
DIM_PSYCHOLOGICAL SAFETY	0.058	0.119	0.491	0.624
DIM_COHESION	-0.159	0.109	-1.451	0.148
DIM_EFFICACY	0.161	0.133	1.213	0.226
DIM_PERFORMANCE	0.126	0.134	0.942	0.347

Table 10: External Whistleblowing Intention Regression

The results garnered from the regression analysis demonstrate a moderate correlation between the independent variables and the intention to use external whistleblowing, as seen through an R value of 0.537. This indicates the model is a modest fit, explaining a noteworthy level of correlation between the predictors and the dependent variable. The coefficient of determination (R^2) is 0.289, which means that 28.9% of the variation in intentions to use external whistleblowing is explained by the independent variables in the model. This is a moderate explanatory power. The Adjusted R^2 is 0.260, which provides a better measure of model fit by controlling for the number of predictors included. The minimal difference observed between R^2 and Adjusted R^2 show that an overwhelming majority of the predictors are significant in the model and that overfitting is not a significant concern. Together, these results validate the fit of the model in predicting external whistleblowing in organizational settings.

The regression analysis revealed that none of the predictors bore a statistically significant connection with external whistleblowing intentions (DIM_EWB) since all of the respective p-values were above the 0.05 level. In particular, DIM_PRAISE ($p = 0.727$), DIM_BLAAME ($p = 0.170$), and DIM_SELF ($p = 0.739$)—each denoting moral praise, avoiding blame, and internal moral beliefs—were not able to demonstrate any significant influence on the probability of external whistleblowing. Likewise, DIM_PSYCHOLOGICAL SAFETY ($p = 0.624$), DIM_COHESION ($p = 0.148$),

DIM EFFICACY ($p = 0.226$), and DIM PERFORMANCE ($p = 0.347$), reflecting perceptions of psychological safety, group cohesion, collective efficacy, and team performance, respectively, did not also show statistically significant relationships with the dependent variable. The results indicate that personal ethical rewards, perceived safety, group interaction, and confidence in group efficacy do not have a significant impact on reporting unethical behavior to external organizations. Consequently, the urge to indulge in external whistleblowing would then seem to be motivated by considerations not examined by these provided aspects, reinforcing the notion all the more that such disclosure will occur only if internal protections are perceived to be unfruitful or unavailable.

The correlation matrix revealed a number of significant positive correlations between some of the dimensions and external whistleblowing intentions (DIM_EWB)—including DIM PSYCHOLOGICAL SAFETY, DIM COHESION, DIM EFFICACY, DIM PERFORMANCE, DIM PRAISE, and DIM SELF—but the linear regression analysis failed to uphold these correlations when the predictors were analyzed together. None of the dimensions in the model reached statistical significance in the regression analysis, even though they revealed considerable correlations at a bivariate level. This disparity indicates that, although specific individual or organizational factors may seem to exert considerable influence when examined in isolation, their ability to predict outcomes significantly declines when the interconnections among variables are considered. Such a result highlights the possibility of multicollinearity or shared variance among predictors, which can mask the distinct impacts in multivariate analyses. Therefore, while the correlation matrix would suggest that safety or efficacy perceptions, team dynamics, and moral values can affect the occurrence of externally reporting misconduct, the regression model indicates that the same variables on their own cannot account for this type of behavior.

4.4. DEMOGRAPHIC ANALYSIS

For the purposes of this research, a number of changes were carried out to the demographic information in order to conduct more precise and pertinent analysis. The age group of 18-24-year-old respondents was removed from the analysis since they accounted for less than 10% of the overall sample. Likewise, the age group 45-49 was merged with the age group 50+, forming a new category '45+ years' to enable more

significant analysis. For work experience, the four individuals who had less than one year of experience were not included, since their numbers were low. For tenure in the current company, the 3-5 year and 5+ year groups were combined and a '3+ years' category was formed. The education category was divided into 'bachelor's degree and below' and 'Above Bachelor's degree' for easier comparisons. Finally, the research divided respondents into seven principal job categories, giving a better idea of the composition of the workforce in different sectors of Turkish family businesses.

Gender: Throughout the analysis, the scores for women were consistently higher in most of the core dimensions reflecting women's workplace experiences and attitudes to the environment. DIM_BLAAME demonstrates that women are more susceptible to blame and judgment and hence would have a more intense inclination towards evading conditions in which they may be judged. This may indicate that women are more careful about their behavior and want to uphold a good moral image. Also, women indicate greater DIM_PSYCHOLOGICAL SAFETY, which indicates greater feelings of openness and safety in communicating and taking risks in the workplace. This greater feeling of psychological safety may enable women to communicate openly and ask for assistance without fear of adverse repercussions. DIM_EFFICACY also reflected that females reported more confidence in their team to surmount challenges and achieve targets, reflecting more trust in team efforts. Lastly, women's higher scores on DIM_PERFORMANCE demonstrate their perception of team achievement, productivity, and effectiveness and suggest that women perceive their teams as performing at a high level. These dimensions together illustrate that women perceive a more positive, supportive, and cooperative work environment, where they feel free to be themselves, more engaged in their organizations, confident in the abilities of their team, and perceive high team performance.

The scores of male respondents were considerably higher in DIM_EWB compared to female respondents, which suggests that male respondents tend relatively more to report unethical behavior to external parties. Although this does not necessarily indicate that external whistleblowing is the most frequent approach for them, it indicates that men are relatively more willing to look for solutions outside the company compared to women. This may be reflective of less confidence in internal processes or more willingness to take ethical problems further up when internal channels are perceived to

be futile. Their relatively higher proclivity for external reporting may also be attributed as a signal of civic responsibility or a different approach to combating unethical behavior.

In the comparison, both men and women shared similar tendencies on a number of dimensions, suggesting shared perceptions and behaviors in the workplace. DIM_PRAISE and DIM_SELF found no gender differences. Men and women alike want external moral approval and use their internal moral approval, showing equal confidence in ethical decision-making. DIM_COHESION also revealed the same pattern, with men and women both reflecting high levels of interpersonal relations, trust, and mutual support within their teams. Both sexes appear to have a similar degree of group cohesion, which creates a spirit of cooperation and common objectives. Lastly, DIM_IWB showed that men and women are equally likely to report unethical conduct internally, which indicates that both sexes appreciate utilizing internal channels in correcting wrongdoing. These dimensions cumulatively draw attention to similarities in values and behaviors between men and women as far as getting moral approval, building team coherence, and internal ethical reporting are concerned.

Age: A study of the data proves that there is no regular or consistent increase or decrease along any dimension with regard to the age groups. The absence of a definite trend indicates that as age goes up, there is no linear or predictable growth in the scores of the different dimensions. That is, the correspondence between age and the dimensions examined is not in a linear direction, in the sense that older people are not necessarily higher or lower on the dimensions than younger people. This absence of a linear trend suggests that factors other than age, per se, are likely to have a stronger influence in determining perceptions and behaviors concerning ethical decision-making, teamwork, and leadership in the workplace.

The age group of 25-29 is notable for having considerably higher scores in DIM_COHESION, DIM_EFFICACY, and DIM_PERFORMANCE than the other age groups. They score strongly on DIM_COHESION and DIM_EFFICACY, which indicates high levels of trust and mutual support for each other within their teams and a confident perception that their team can solve difficult problems and attain goals. Also, the group feels their teams are very effective, with high levels of performance and achievement. Conversely, the 25-29 age group has the lowest scores in DIM_EWB.

Their lower performance in DIM_EWB suggests that they are less inclined to report unethical behavior to external authorities compared to other age groups, possibly showing greater confidence in internal controls or a wish to manage it within their own ranks. In general, individuals aged 25–29 appear to be highly engaged, team-oriented, and confident in their collective capabilities, while also preferring to address ethical issues internally rather than seeking external intervention.

The 30–34 age bracket does not excel in any dimension with higher scores than the other age groups. Indeed, they have the lowest score in DIM_PERFORMANCE, which implies that they might find their teams to be less productive or effective than the other age groups. This age group seems to be middling on most dimensions, with no particular strengths or weaknesses. Though they don't score high in any single dimension, neither do they record low scores in any dimension. This may be indicative of the fact that individuals belonging to this age group hold relatively balanced attitudes towards their organizational world and organizational relationships, without being particularly exceptional in the perception of team effectiveness or leadership. Their scores can indicate stability but without the strong opinions or experiences that would characterize their approach to teamwork, ethics, and leadership in a more unique manner.

The age group of 35–39 has higher scores in DIM_BLAAME than other age groups. Their elevated score in this dimension indicates that individuals in this age range are more concerned about being blamed or judged at work, perhaps reflecting a heightened sensitivity to their professional reputation and the consequences of their actions. Conversely, this group performs lower in DIM_PSYCHOLOGICAL SAFETY, suggesting they feel less safe expressing themselves or taking interpersonal risks in their work environment. These findings may indicate a sense of caution and constraint among individuals aged 35–39, where concerns over blame and a lack of psychological safety could be shaping their workplace behavior and interpersonal engagement.

The age group of 40–45 stands out with much higher scores across several key dimensions compared to other age groups. They excel in DIM_PRAISE, DIM_SELF, DIM_PSYCHOLOGICAL SAFETY, DIM_IWB, and DIM_EWB. These elevated scores suggest that this age group has a strong tendency to seek external moral praise (DIM_PRAISE) while also relying on their own internal moral self-justification

(DIM_SELF). They feel more psychologically safe in their workplaces, which allows for greater openness, interpersonal risk-taking, and confidence in expressing concerns. Additionally, their high scores in both DIM_IWB and DIM_EWB indicate a heightened ethical awareness and a greater willingness to report unethical behavior through both internal and external channels. The absence of lower scores in any dimension for this group reflects a well-rounded and confident perception of their work environment, especially in terms of moral stance, ethical engagement, and psychological security.

The 45+ age group does not outperform other age groups in any of the measured dimensions. Instead, they show lower scores in several key areas, including DIM_PRAISE, DIM_BLAME, DIM_SELF, DIM_COHESION, DIM_EFFICACY, and DIM_IWB. The lower scores in DIM_PRAISE and DIM_SELF suggest that this age group may place less importance on receiving moral approval from others and on internal moral justification compared to younger groups. A lower score in DIM_BLAME indicates reduced sensitivity to being blamed, which may reflect emotional detachment or decreased responsiveness to external judgment. Additionally, their lower ratings in DIM_COHESION and DIM_EFFICACY suggest that they may feel less connected to their teams and less confident in their collective ability to achieve goals. Finally, their lower score in DIM_IWB suggests a reduced tendency to report unethical behavior internally. These patterns may point to a sense of detachment or diminished team integration and ethical involvement within the 45+ age group.

Overall, as one gets older, there is a clear shift away from elevated levels of involvement and self-assurance seen in the younger age groups (25–29) toward more cautious and disengaged mindsets seen in the older demographic segments. The 25–29-year-old cohort is particularly important given its strong emphasis on trust, effectiveness, and performance concerning working together, showing a high confidence in the skill and achievement of their respective groups. Conversely, the 30–34 age group presents a rather balanced description, without great strengths or weaknesses, which can reveal a stage of stability in work perceptions. In the 35–39 years age group, signs of dissatisfaction begin to appear, which are notably revealed by lower scores in psychological safety, suggesting a growing discomfort with self-expression and taking interpersonal risks. The age group of 40 to 45 years demonstrates a more mature and assertive perspective, which is characterized by high moral

awareness, psychological stability, and readiness to make ethical choices as and when the situation demands. Individuals over the age of 45 demonstrate lesser involvement, low trust levels in cooperation, and lower ethical responsiveness, indicating a level of retreat from cooperative relationships and internal reporting mechanisms in workplace settings.

Total Work Experience: The group with 1-5 years of work experience is outstanding with a high score in DIM_PERFORMANCE relative to more experienced cohorts, which can indicate that respondents in this category view their teams as being more effective and productive. Perhaps this is due to confidence and optimism in their work environment, where they tend to view themselves and their teams as being able to accomplish goals. However, this group scores lower in DIM_IWB and DIM_EWB compared to more experienced groups. These lower scores indicate that individuals with less work experience may be less inclined to report unethical behavior, either internally or externally. This could be due to a lack of familiarity with reporting mechanisms, or a tendency to avoid confronting issues that may seem outside their scope of responsibility. Generally, this group exhibits good perceptions of team performance but could work on developing ethical decision-making and knowledge of reporting channels.

The 6–10 years work experience group has greater DIM_PRAISE, DIM_EFFICACY, and DIM_IWB scores compared to other groups, indicating that such individuals put much importance on gaining external moral approval, are sure about their team's shared competence, and are more likely to report unethical conduct internally. The strong ethical awareness and team effectiveness demonstrate a strong sense of responsibility for dealing with workplace misconduct, as well as confidence in their team's capacity for goal attainment. These characteristics show an integrated style of ethical decision-making and teamwork. Interestingly, the group does not have the worst scores on any of the dimensions measured, confirming the hypothesis that they have a balanced and positive attitude regarding their work environment. Overall, the 6 to 10 years experienced group seems to have gained strong ethical consciousness and faith in their work environment while having a better and involved attitude than less experienced groups.

The group having 11–15 years of work experience is characterized by their high scores in DIM_BLAKE and DIM_COHESION compared to the other groups. Their

relatively higher score in DIM_BLAAME indicates a higher sensitivity to criticism or evaluation within the work setting, which could imply a higher level of awareness regarding their status and the consequences of their actions. The high mark in DIM_COHESION indicates that individuals in this team possess a higher level of trust, mutual support, and interpersonal relationships between teammates. On the other hand, this team is lower in some of the most important dimensions, including DIM_PSYCHOLOGICAL SAFETY and DIM_EFFICACY. These poorer scores suggest that though they might feel interpersonally connected, they might also feel less secure to communicate openly and be less sure of their team's potential for goal achievement. Such trends might demonstrate the intricate dynamic whereby healthy peer relations exist alongside expanding uncertainty regarding the organizational climate and its capacity for fostering open communication and successful performance.

The 16 to 20 years working experience group displays greater scores in DIM_SELF, DIM_PSYCHOLOGICAL SAFETY, and DIM_EWB than the other groups. The greater scores indicate that the workers in this group have greater faith in their internal moral judgment (DIM_SELF) and greater psychological safety in the workplace, which leads to open communication and the freedom to take interpersonal risks. Their greater DIM_EWB score indicates a greater likelihood of reporting unethical behavior to those outside the organization, which portrays a high sense of ethical obligation and civic commitment. They have a lower score on DIM_PERFORMANCE, which can imply that they consider their teams to be less effective or productive than teams in other experience groups. This could reflect a shift in priorities, with less focus on performance outcomes and more on personal conviction, psychological well-being, and ethical behavior. Overall, the 16–20 years of experience group appears to value moral clarity and emotional stability, and to show relatively less concern with productivity in teams.

The group with over 20 years of working experience does not excel with higher scores in any dimension when compared with other age groups. Yet, they achieve lower scores in DIM_PRAISE, DIM_BLAAME, DIM_SELF, and DIM_COHESION. The lower score in DIM_PRAISE indicates that this group of people is perhaps less concerned with gaining external moral approval or praise for their work, perhaps demonstrating a move toward internalized motivations and self-confidence. Likewise,

their lower score in DIM_BLAKE reveals lower sensitivity to blame, perhaps a function of years of experience and more confident or detached style of dealing with workplace politics. Lower on DIM_SELF, they would be less likely to lean on their internal moral self-justification as much as other groups, which could reflect a less emotional or more pragmatic decision-making style. Finally, the lower mark in DIM_COHESION shows that this group might view their teams as having poorer interpersonal relationships or less support for one another than other groups, which may be a reflection of feeling disconnected or less engaged in team cohesion after several decades in the labor force. These results indicate that although those with over 20 years of experience have valuable knowledge to contribute to their jobs, they might be somewhat isolated from the more cooperative and approval-seeking dynamics that younger cohorts interact with.

As work experience grows, we see a marked change in workplace attitudes and behaviors. Those with fewer years of experience, i.e., the 1-5 and 6-10 year cohorts, are more likely to be optimistic and confident in the performance and teamwork of their company, flourishing in settings that are focused on inclusiveness and success. Yet, as people gain more experience, they see things in a more sophisticated and sometimes less positive light. The 11-15 and 16-20 year age brackets demonstrate a combination of high commitment and higher emotional intelligence, yet more cautious optimism and, for some, increasing disillusionment. Those in excess of 20 years' experience, although still highly valuable for their expertise, start to display signs of disconnection, with less engagement on issues such as teamwork and ethical reporting. This sequence implies that as people progress in their careers, they tend to move away from collective achievement and performance results toward more internal, individualistic perspectives and a greater sense of realism about their organizations. Generally, the experience curve indicates a complicated development in workplace relationships, with more years of experience sometimes being associated with less focus on teamwork and greater amounts of cynicism.

Tenure in Current Company: With growing work experience, some dimensions reveal a gradual shift in scores. DIM_BLAKE exhibits a declining trend, attaining their highest scores among individuals with less than one year of experience, with the scores decreasing with growing work experience. The result can be construed

to imply that less experienced employees tend to be more blame-sensitive. On the other hand, DIM_PRAISE and DIM_IWB reflect a progressive increase, meaning that those with more experience tend to give more importance to external praise and are more likely to internally report unethical behavior. For other dimensions, a clear sequential change is not apparent because those with less than a year's experience tend to score higher. This implies that newer employees can have a more idealized idea of leadership, cooperation, and performance, while older employees are more realistic in their perception.

Workers with less than 1 year of experience in their current organization are especially characterized by their high scores in DIM_PERFORMANCE, DIM_EWB, and DIM_BLAKE compared to more experienced cohorts. These results indicate that these individuals have strong expectations regarding team productivity, a higher inclination to report unethical behavior externally, and a high sensitivity to blame or judgment, possibly due to the early stage of their organizational integration. Yet, these employees have the lowest scores in DIM_COHESION and DIM_EFFICACY, indicating that, in spite of their idealistic mindset and high expectations, they may be unable to establish a comprehensive link with their teams and may lack confidence in their teams being effective at goal attainment. These employees seem enthusiastic and ethically aware overall, yet their brief organizational tenure could be linked to sentiments of disaffection and doubt about team performance and shared competency.

Employees with organizational tenure of 1 to 3 years reveal a high sense of DIM_SELF, DIM_PSYCHOLOGICAL SAFETY, and DIM_COHESION. High DIM_SELF scores express the existence of a high inner moral compass with heavy reliance on personal moral judgment rather than extrinsic sources of approval. Their high mark on DIM_PSYCHOLOGICAL SAFETY shows that they feel at ease expressing themselves and being interpersonal in taking risks with no fear of repercussions, and it signifies a welcoming and open work environment. Further, the high mark on DIM_COHESION reveals close interpersonal relationships and trust among the team members. However, the group also scores low for DIM_EFFICACY, DIM_PERFORMANCE, and DIM_EWB. The low mark in DIM_EFFICACY implies a potential absence of self-trust in being able to overcome difficulties and reach goals as a team. Similarly, the lower mark in DIM_PERFORMANCE supports this notion, as it

shows that they hold the view that their teams are less productive or effective compared to other teams. Lastly, the lower score in DIM_EWB indicates a lower propensity to report unethical behavior externally, perhaps because there is a greater propensity to work out problems internally. In general, though this group possesses good internal ethical norms, psychological well-being, and social interdependence, there remains some room for improvement in terms of team efficacy and outcome orientation.

Respondents with more than 3 years of organizational tenure score higher on DIM_EFFICACY, DIM_PRAISE, and DIM_IWB. These higher scores indicate that they are more confident that their team can overcome obstacles, put more value on getting moral recognition from others, and are more likely to report unethical behavior internally. The above scores reflect a strong team effectiveness with a higher sense of ethical duties in the organization. Moreover, it is likely that these favorable attitudes are to some extent an outcome of their longer organizational experience, which might have enabled them to develop a stronger sense of team dynamics and organizational norms. This group reflects lower scores on DIM_BLAKE, DIM_SELF, and DIM_PSYCHOLOGICAL SAFETY. A lower DIM_BLAKE score would suggest less sensitivity to judgment or blame and, hence, perhaps a more detached or hardened worldview that has been tempered by experience. Less internal moral justification is also indicated by a lower DIM_SELF score, which can signify a more externalized or pragmatic approach to ethical decision-making. Additionally, the lower DIM_PSYCHOLOGICAL SAFETY score indicates that these employees may be less comfortable expressing themselves or taking interpersonal risk, possibly as a result of having learned through experience to take a more cautious or conservative stance. Overall, while longer-serving staff show high ethical awareness and team confidence—possibly acquired through their longer organizational experience—they will also tend to have less psychological comfort and moral latitude in decision-making.

Taken together, these findings indicate a substantively important change in workplace orientation and ethical behavior with longer organizational tenure. The shorter-tenured employees would be more prone to idealism, greater vigilance for evaluation, and demanding expectations of group performance and responsiveness to ethics. They might not have confidence in finally trusting their work groups or working collectively effectively, however. For longer-tenured employees, they appear to

transition toward becoming more pragmatic and realistic. They have greater faith in their teams, put greater value on external validation, and have more desires to report unethical behavior within the company. Conversely, the observed reduction in their blame sensitivity, internal moral justification, and psychological safety scores indicates a trend towards emotional detachment and more guarded engagement with organizational processes. The shift from idealism to pragmatism highlights the impact of long-term organizational experience on personal views of ethical issues, as well as on their relationships with coworkers, commitment to values, and involvement with the broader work environment.

Education: Candidates with higher education qualifications score higher in almost all measured facets compared to those with only a bachelor's degree or less. This fact suggests that higher education can be associated with higher ethical awareness, self-assurance in teamwork environments, and engagement in the workplace. However, there is a notable exception for DIM_EWB, where the difference between the two education groups is insignificantly small. This implies that the tendency to report unethical behavior to external bodies does not show significant variation in terms of educational levels. In other words, regardless of their academic education, people show similar tendencies towards external whistleblowing, which means that such ethical behavior can be influenced more by personal values or organizational settings than by an individual's level of academic qualification.

Individuals with a master's degree or above have significantly greater scores on nearly all facets than those with a bachelor's degree or below, indicating the impact of the level of education on work attitudes. This category has greater scores on DIM_PRAISE, DIM_BLAME, DIM_SELF, DIM_COHESION, DIM_EFFICACY, and DIM_PSYCHOLOGICAL SAFETY, indicative of greater moral awareness, greater confidence, closer interpersonal relationships, and greater faith in the competence of their team. They also indicate a higher sense of safety in self-expression and open communication at the workplace. Nevertheless, the DIM_EWB scores are quite similar for both educational levels, which suggests that intentions to report unethical behavior externally are not largely determined by academic credentials. In general, higher levels of education are associated with more positive attitudes in the majority of the

dimensions, indicating higher ethical sensitivity, interpersonal trust among coworkers, and psychological comfort in the workplace.

Profession: Financial Affairs group members score high on several dimensions, including DIM_PRAISE, DIM_SELF, DIM_EFFICACY, DIM_IWB, and DIM_EWB. The high scores they have obtained indicate that members of this group have high regard for external ethical sanction as well as internal moral thinking, and they also have high faith in their group's problem-solving capability. Further, they have a definite inclination to report unethical conduct via internal and external channels, reflecting a high degree of ethical consciousness and an inherent sense of responsibility. Notably, there are no categories where they register especially low scores, which implies a general engaged and conscientious approach to their responsibilities, marked by ethical awareness, belief in cooperative operations, and an active stance towards misconduct.

Consulting industry staff rank the highest on DIM_BLAME, meaning they are more sensitive to potential blame or judgment within their work environment. This could imply that the people in this group are more sensitive to what they do and how it affects the company, perhaps reflecting a high level of responsibility and aspiration to uphold a good image. Interestingly, there are no areas in which they are particularly rated low, revealing a consistent and comprehensive approach to different elements of teamwork, ethical conduct, and emotional control. Although their higher sensitivity to criticism may indicate a more reserved and responsible approach, their overall performance in other dimensions seems to be on par with that of the colleagues from various professions, potentially indicating a consistent and involved attitude within the working environment.

Employees from audit department record the lowest DIM_PSYCHOLOGICAL SAFETY scores, revealing inherent challenge in self-expression and interpersonal risk-taking within the workplace. This can suggest challenge in establishing a psychologically safe environment where open communication can flourish. Lower scores in DIM_PSYCHOLOGICAL SAFETY suggest possible hesitance in speaking up, which can be harmful to teamwork and hinder effective collaboration. Additionally, there is no single dimension where this group is scoring exceptionally high, which would suggest that the audit function could do with targeted programs intended to

increase psychological safety and foster a more open and trusting organizational culture to improve both team effectiveness and engagement.

Management & Support personnel score highest on DIM_PSYCHOLOGICAL SAFETY, which implies that they feel secure in taking risks and expressing themselves at work. This represents a high degree of openness and trust among team members that is critical in enhancing teamwork and overcoming challenges effectively. Absence of any area wherein this group falls far behind others indicates a general and reasonable approach in their practices, complemented by a good attitude towards psychological safety, teamwork, and ethical conduct. This group can easily excel in a setting where they have the assurance of putting forward suggestions, expressing their grievances, and practicing open communication, all elements crucial to their overall efficacy and organizational success.

Employees who work in Technology and Engineering exhibit high competency in DIM_COHESION and DIM_PERFORMANCE. The fact that they are highly rated in DIM_COHESION reflects good interpersonal relationships, trust, and esprit de corps among members of a team. This implies that they operate in a cohesively integrated and collaborative environment. Meanwhile, the fact that they are also highly rated in DIM_PERFORMANCE shows high commitment to goal achievement and result delivery, emphasizing productivity and efficiency. The high cohesion and performance combination demonstrates that Technology and Engineering professionals display competence in sustaining effective teamwork, simultaneously generating results, thereby highlighting a balanced yet outcome-focused work culture in this population.

Members in the Marketing and Sales function score lower in several important dimensions, such as DIM_PRAISE, DIM_SELF, DIM_COHESION, DIM EFFICACY, DIM_PERFORMANCE, DIM_IWB, and DIM_EWB. Lower scores indicate that members of this group may put less value on extrinsic moral approval and intrinsic moral reflection, and struggle to establish healthy interpersonal relationships with others in their groups. Also, the lesser belief that the team can meet goals along with a low score of the team's actual performance indicates the absence of collective confidence. Their comparatively lower scores on internal and external whistleblowing scales may reflect hesitance to report unethical practices, possibly owing to insufficient trust in organizational processes or unwillingness to go outside departmental limits. Generally,

these individuals may be facing issues of morale, teamwork, and ethical involvement—pointing toward a possible need for greater support, communication, and motivation within this group.

Others group does not score high on any dimension but score lowest on DIM_BLAAME, indicating that they are least sensitive to being blamed or judged at work. This can mean that individuals in this group may be more detached or less accountable in their actions, possibly showing less engagement with the dynamics of the team or organizational needs. The absence of high scores on many of the dimensions may indicate that this group may not have very strong perceptions or tendencies in terms of leadership, performance, ethical conduct, or emotional control. This reality could indicate a more passive or neutral function within the organization, which may mean that this group does not strongly identify with or participate in the more active components of teamwork, responsibility, or organizational objectives.

Briefly, the Financial Affairs group is defined by high ethical awareness, high engagement, and favorable attitudes towards organizational culture, whereas the Marketing & Sales group has lower levels, with a less positive attitude regarding their company's future. The Financial Affairs group has an overwhelmingly positive general attitude, sound teamworking, and a greater likelihood of reporting unethical conduct. The Marketing & Sales group, on the other hand, exhibits less teamwork, leadership, and team performance compared to their counterparts. This difference signifies that there is a remarkable difference between the two groups in terms of organizational commitment, teamwork, and future outlook. Financial Affairs is better aligned with the values of the organization, whereas the Marketing & Sales team has potential for performance improvement by enhancing engagement, teamwork, and general morale.

5. DISCUSSION AND CONCLUSION

5.1. RESULTS AND DISCUSSIONS

This research provides a comprehensive analysis of the perceptions adopted by employees in Turkish family businesses about organizational ethics, behavior, and interpersonal relationships. Employees' work routines and behaviors are shaped by a number of variables, including demography, levels of education, job titles, and years of experience with the firm. Results derived from descriptive statistics, correlation matrices, and linear regression tests provide important insights into the relationship between the variables and their impact on organizational trust, ethical behavior, and general performance.

Descriptive statistical analysis shows that employees are more willing to report unethical behavior using internal as opposed to external channels. This demonstrates a high degree of confidence in the internal mechanisms of the organization and the aspiration to limit ethical issues within the firm. Conversely, the willingness to report misconduct to external organizations is evidently much weaker, implying broad opposition to bringing external powers into internal affairs. Furthermore, the avoidance of blame or responsibility, although observed among a few staff members, is not a predominant influence on ethical behavior in the overall workforce.

The correlation matrix indicates significant interdependencies among the different variables affecting whistleblowing intention and broader organizational dynamics. A robust relationship is observed between the propensity to engage in moral legitimation—either external or self-reflection—and reporting unethicity internally. Confidence in the team's ability to overcome challenges is also closely linked to internal whistleblowing, with the finding that employees have a higher likelihood of speaking up when they believe in their team's competency. Finally, the presence of a psychologically safe environment emerges as a key influencing factor, reinforcing the argument for employees being more likely to report misconduct when they feel confident in expressing themselves without fear of negative consequences. All these findings point to

the importance of moral motivation, team effectiveness, and psychological safety in facilitating ethical responsiveness within the organization.

The regression analysis reveals that the motivation for reporting unethical behavior within an organization is significantly explained by three determinants: the need for ethical approval from peers, dependence on one's own personal ethical codes, and belief in the problem-solving efficiency of the team. The results indicate that individual ethical judgments and assessments of team effectiveness have strong bearing on the intention to report concerns through internal channels. Contrarily, however, the analysis for external whistleblowing indicates that the predictors examined do not play a determinative role. We can conclude, therefore, that neither team dynamics-based perceptions nor ethical incentives have a notable addition to the likelihood of employees externally reporting wrongdoing. The model's relatively modest explanatory power lends additional credence to the argument that external whistleblowing is influenced by other contextual or organizational variables beyond those covered in this research.

The combination of descriptive, correlational, and regression analyses confirms that employees in Turkish family businesses have a strong inclination to deal with unethical behavior through internal channels rather than external ones. Ethical problems are mostly addressed within the company, which signifies a strong inclination towards internal processes. Correlation analysis reveals that there is a positive correlation between the intention to report internally and external and internal moral motivations, the perception of the team's capability to handle difficulties, and the existence of psychological safety in the workplace. These findings highlight the importance of a positive team culture and robust ethics structure. The result of the regression analysis also adds weight to this view by identifying moral approval-seeking, personal moral conviction, and belief in team capabilities as robust predictors of internal reporting behavior. External whistleblowing, on the other hand, appears relatively insensitive to all the variables assessed, which may imply that such activities could be influenced by broader contextual or situational contingencies beyond the remit of this research. Additionally, employees are also unlikely to report corruption to external channels for fear of detrimental consequences such as losing employment, revenge, or social censure, all of which could function as immense dampeners. As a group, the findings indicate that internal reporting is based in individual ethical values and trust between parties,

while external reporting seems more reactive and limited in nature. This points to the importance of organizations strengthening internal ethical frameworks, fostering trust, and eliminating the psychological risks of speaking out.

From the analysis above, the demographic findings reveal distinctive patterns across gender, age, education, and work experience. Women consistently rated higher in psychological safety, team efficacy, and performance, indicating a more engaged and confident perception of their work environment, while men were more likely to report unethical behavior externally, suggesting less reliance on internal systems. Younger employees (25–29) stood out for their high team trust, effectiveness, and performance, whereas older groups, especially those aged 45 and above, reported lower levels of moral motivation, team confidence, and ethical responsiveness, reflecting signs of disengagement. Educational attainment showed a clear distinction, with those holding graduate degrees reporting higher scores across nearly all dimensions except external whistleblowing, where no significant difference was observed.

In terms of work experience, early-career employees (1–5 years) perceived their teams as more productive but were less inclined to report misconduct, while those with 6–10 years demonstrated a stronger ethical orientation and team confidence. As experience and tenure increased, a gradual shift from idealism to pragmatism became evident, marked by declining blame sensitivity and psychological safety, and rising emphasis on team trust and internal ethical reporting. Furthermore, sector-specific trends identified Financial Affairs employees with high ethical awareness, cooperation, and a high probability of reporting unethical practices internally and externally. Marketing and Sales employees were found to score lower on several dimensions, indicating issues with morale and cooperation. These results reinforce the importance of specific interventions for overcoming certain issues and enhancing general organizational performance, particularly in more disillusioned or disengaged groups.

5.2. LIMITATIONS OF THE STUDY

Although this study makes important contributions in the area of the impact of group dynamics on ethical, unethical, and whistleblowing behavior in Turkish family firms, it is essential to note that there are some limitations that restrict the generalizability and applicability of its findings. The most critical limitation of the study

is its geographical scope in Turkey. The distinctive cultural, economic, and organizational characteristics that are hallmarks of Turkish society—i.e., hierarchical structuring of family relationships, collectivist values, and the salience of personal loyalty in business relationships—may influence ethical attitudes and whistleblowing intentions in ways that are not representative of the circumstances actually faced by family firms conducting business in other national environments. For example, in Turkey, employees may not blow the whistle, not only due to organizational culture, but also due to broader cultural expectations of deference to elders or familial authority. Therefore, the findings may not be readily generalizable to Western European, North American, or East Asian family firms, where individualism, openness, and whistleblower protection may be more ingrained.

A further key limitation concerns the exclusive concentration on family business employees. While this deliberate concentration enabled close examination of the interpersonal and structural dynamics inherent in family firms, it simultaneously precluded comparative insights into the manifestation of equivalent dynamics in non-family or public firms. For example, non-family firms tend to have more formally established governance structures, merit-based promotion schemes, and professionalized ethics committees, which can lessen the impact of group cohesion or family loyalty on ethical decision-making. In the absence of a comparative control group of non-family enterprises, it is challenging to ascertain if the trends in ethical and whistleblowing behavior witnessed are indeed specific to the family firm context or whether these are more universal organizational factors evident in a variety of business models.

Moreover, the study's conceptual model is based on a set of proven dimensions—including moral approval (both from oneself and others), psychological safety, group cohesion, and inclusive leadership—that are drawn from the current literature in organizational behavior and business ethics. While these constructs are theoretically relevant and empirically tested, they nonetheless represent only a limited subset of the broader array of factors that influence ethical behavior. For instance, personality traits such as moral courage or locus of control, or situational variables such as ethical climate or perceived organizational justice, were not included in the analysis. Such exclusions could have led to an inadequate understanding of why certain

individuals are prone to report or ignore unethical behavior. The research also did not differentiate between the severity or type of unethical behavior, which may potentially have a significant influence on whistleblowing intention. For instance, workers might react quite differently when seeing minor code infractions compared to seeing fraud or harassment.

The other methodological limitation entails the use of a cross-sectional survey design and self-report questionnaires. Although this is a common approach in organizational research, given its scalability and efficiency, the technique has numerous issues regarding the internal validity of the results. Because the data were gathered at a single point in time, the study is weak in its potential to establish causal links or follow the trajectory of ethical perceptions and behaviors over time—particularly in circumstances such as organizational crises, leadership succession, or generational succession, which frequently occur in family businesses. Furthermore, self-report data are susceptible to social desirability bias. Despite assurances of anonymity, respondents may still present themselves in a more favorable light, especially when responding to sensitive topics like ethical behavior, social influence, or whistleblower behavior. For example, an employee may overstate their likelihood of reporting unethical behavior in an attempt to appear ethical; however, they may opt not to do so in reality for fear of potential backlash or damage to interpersonal relationships. Although the questionnaire included multiple items measuring similar constructs, no statistical control for item redundancy or multicollinearity was conducted, as descriptive statistics showed realistic and consistent response patterns across variables.

Also, because of the anonymous and voluntary nature of the involvement in the data collection process—where the information was mostly communicated via professional networks and social media like WhatsApp—the research was not able to identify each respondent's source or organizational affiliation. Hence, it was not possible to ascertain with precision the number of responses from small, medium, or large family firms. The absence of traceability constrains the validity of population comparisons and precludes a more detailed exploration of how size or structure of the organization affects whistleblowing activity or ethical behavior. Furthermore, the inability to confirm participant affiliations creates the possibility of sampling bias, where replies drift unintentionally toward particular firm types or employee groups.

Finally, while the sample of 205 participants was adequate for the statistical tests conducted, there is a possibility that it does not capture the complete diversity of the family business environment in Turkey. The sample may have overrepresented some industries (e.g., finance, auditing, or consulting) and underrepresented others such as agriculture, manufacturing, or retail. In addition, the sampling did not explicitly control for regional and socioeconomic distinctions between family businesses, particularly between those that are located in larger cities such as Istanbul or Ankara and those that are located in smaller towns and cities. This can affect the representativeness of the data and limit the degree to which the results can be generalized to the wider population of family firms in Turkey. For instance, organizations located in more conservative regions may manifest different trends of group dynamics and whistleblowing action compared to businesses operating in the midst of more liberal urban centers.

In total, while this research has much to offer organizational ethics and family business scholarship, its findings need to be interpreted in the context of these limitations. Future research would be enhanced by incorporating longitudinal designs, qualitative interviews, and larger sample sizes to further enhance our understanding of how group dynamics shape ethical behavior in various business contexts.

5.3. CONCLUSION

Family businesses are vital to the global economy, making significant contributions to employment generation, economic stability, and wealth creation over generations. Their longevity stems from their ability to balance traditional methods with innovative strategies, leveraging established trust and a long-term orientation to maintain their competitive advantage. However, challenges related to conflicts between family and business interests, nepotism, and the complexities of succession planning need to be managed carefully to ensure continued viability. Effective governance frameworks, professionalization, and succession planning are the recipes for their longevity as very few family businesses last up to the third generation. Central family values coupled with modern business concepts, including entrepreneurial dynamism, customer focus, and lifelong learning, are required in order to achieve sustainability. By fostering a congenial yet professional culture, with non-family professionals as needed, and striking a balance between family harmony and business performance, these

companies can ride out market cycles and remain competitive. Ultimately, being aware of and adapting to evolving business environments while maintaining family legacies will be key to their long-term success.

Group dynamics in family firms is of the highest importance because it has a direct bearing on decision-making, collaborative work, and overall organizational effectiveness. The manner in which individuals interact within such organizations, the leadership approach employed, and the capacity to maintain group cohesiveness as well as manage conflict are all crucial determinants of business outcomes. Group cohesiveness generates trust, openness in communication, and increased strategic congruence; however, excessive conformity might result in groupthink and interfere with responsiveness to change. Moreover, unresolved conflicts in family businesses can escalate due to dual roles for personal and professional relationships, which need systematic conflict resolution mechanisms. Authoritative yet inclusive leadership, psychological safety, and open communication are necessary to develop an adaptive and dynamic business culture. By understanding the subtlety of group dynamics and strategically managing interpersonal relationships, family businesses can optimize their operational efficiency and long-term sustainability.

Ethical behavior is the cornerstone of durable family enterprises, shaping trust, responsibility, and decision-making. The interaction among personal values, social norms, and organizational culture defines the ethical environment of a firm, impacting internal governance as well as external reputation. Ethical decision-making is particularly critical in family businesses, where personal and business agendas tend to intersect, requiring meticulous management of dilemmas. Transparency, integrity, and fairness must be embedded in leadership practices to prevent conflicts of interest, favoritism, and ethical complacency. Strong ethical framework through clearly defined principles, whistleblowing policies, and compliance mechanisms guarantees that businesses operate with credibility and social responsibility. By supporting a culture of being ethical and committed, family enterprises can make themselves stronger, build trust with the individuals concerned, and achieve long-term prosperity while preserving the values of business and family legacy.

Whistleblowing mechanisms are important in ensuring organizational ethical accountability and transparency. As a means of detection and confrontation of unethical conduct, whistleblowing supports organizational accountability and acts as a check on fraudulent or criminal activity. Whistleblowing that is effective promotes a culture where employees feel secure in reporting misconduct without suffering reprisals, thus strengthening the culture of trust and ethical accountability. Organizations need to create effective reporting channels, provide anonymity where it is required, and have legal protection for whistleblowers. Additionally, the effectiveness of these interventions relies on organizational leadership creating a culture where ethical issues are considered seriously, and thus employees are able to express their concerns without fear of negative repercussions. The incorporation of whistleblowing practices into corporate governance structures allows family firms to further entrench their commitment to ethical conduct, defend their reputation, and enhance long-term sustainability.

This research utilized a standardized survey research design to examine the impact of group dynamics on ethical behavior in Turkish family firms. The survey used several dimensions, such as psychological safety, moral approbation, collective efficacy, and whistleblowing intentions. These dimensions were utilized to examine the influence of workplace relationships on ethical decision-making, cooperation, and reporting practices. The following section provides a dimension-by-dimension analysis, focusing specifically on how each construct relates to employees' intentions to report unethical behavior either internally or externally.

Individuals who appreciate external moral praise are much more prone to report unethical behavior using internal reporting mechanisms. This is a tendency that is seemingly motivated by more than just moral duty; it is also the need to be regarded as ethically accountable in the organizational setting. Although there is some correlation between motivation for external recognition and the tendency to report wrongdoing to external stakeholders, a clear preference emerges for the utilization of internal procedures. The results are indicative of the fact that individuals who seek approval are more prone to align with the ethical expectations of the firm, finding reporting internally to be a more fulfilling and socially inclusive behavior. Interestingly, this dimension consistently appeared as one of the strongest predictors of internal whistleblowing in every evaluation methodology.

The desire to avoid blame or fault of a personal nature does not appear to rank high in the motivation of employees to whistleblow either internally or externally. Although initial expectations were held that fear of being blamed could cause individuals to whistleblow for self-protection purposes or for distancing themselves from evil, there is no evidence here to substantiate the hypothesis. Throughout the correlational as well as the regression tests, this factor did not show any meaningful association with whistleblowing activity or other attitudes of the company. This tells us that blame avoidance is not a decisive attribute in ethical choices or reporting methods in the context of Turkish family firms.

Those who rely on their internal moral compass have a strong tendency to reveal unethical practices in their organizations. This finding underscores the role of individual moral conviction as a driver of ethical action, independent of external approval or peer pressure. People with high levels of internally driven ethical thought are more likely to act when confronted by wrongdoing, demonstrating a reliance on their own judgment and not seeking approval from their peers. While their external reporting willingness is also present, it is much weaker, suggesting a strong preference for addressing problems within the organizational context. Also, this internally directed moral orientation is positively linked to greater confidence in the team's ability to succeed, bridging moral integrity and perceptions of collective competence.

Psychological safety is a significant determinant of the intentions of employees to report unethical behavior internally by creating a setting where employees feel safe to voice their concerns. When employees view their workplace as a friendly, non-hostile, and risk-taking setting for interpersonal relationships, they are more inclined to report unethical behavior using internal reporting channels. While this variable also has a positive correlation with external reporting, the correlation is much weaker. Interestingly, though there are strong correlations between psychological safety, internal whistleblowing, and team effectiveness, it fails to be a strong predictor in the regression model. This indicates that, though psychological safety climate fosters ethical vocal behavior, other predictors such as moral orientation and perceptions of team ability may have a more immediate influence on employees' actions.

Team cohesion—characterized by high interpersonal relations, trust, and support—is an important internal whistleblowing facilitator. Individuals with a strong sense of belonging and identification with their team will more likely bring up ethical concerns within organizational boundaries, possibly due to a collective sense of responsibility and belief in collective judgment. While cohesion is positively related to external whistleblowing, the relationship is much weaker, suggesting a greater tendency to internalize problems when there is high team cohesion. Furthermore, high cohesion teams are perceived as being more effective at overcoming barriers, thereby connecting social cohesion to collective effectiveness. Nonetheless, similar to psychological safety, cohesion does not hold its predictive power in the regression test, which suggests that its influence on whistleblowing behavior may be more indirect or contingent.

The belief in the team's collective ability to deal with problems comes out as one of the strongest and most consistent predictors of internal whistleblowing. People who perceive their teams as competent and effective have a higher likelihood of reporting unethical behavior through internal channels, likely due to their confidence that the issue will be handled appropriately and constructively. Although a positive relationship exists with external whistleblowing, it is weaker, hence supporting the assertion that trust in internal controls diminishes the perceived necessity to express concerns outside. Beyond its utility in forecasting whistleblowing, perceived team efficacy is also robustly linked to high levels of reported team performance and thus further solidifies its critical role in promoting ethical conduct and organizational effectiveness.

Perceptions of high team performance are positively related to employees' intention to internally report unethical behavior. Where teams are perceived to be productive, efficient, and capable of achieving organizational goals, individuals will be more likely to have confidence in internal mechanisms and report ethical concerns through appropriate channels. The same but lower correlation with external reporting suggests that high-performance teams may still consider external channels an option if the internal ones are not considered sufficient. It should be mentioned that despite its strong connections with internal whistleblowing and team effectiveness, team performance does not appear as a key predictor in the regression model. This implies that while high performance may contribute to a healthy organizational climate, it is not an independent primary driver of ethical reporting behavior.

Internal whistleblowing appears to be a covert and multifaceted behavior that is influenced by an interplay between personal moral values and dynamics that are perceived within a team. Surprisingly, among all the variables analyzed, trust in team performance, external moral recognition seeking, and internal moral belief are identified as the strongest drivers. Individuals who have confidence in their team's ability to rectify wrongdoing, obtain approval for moral conduct, and depend on their personal moral sense have a much stronger inclination to report unethical conduct via internal channels. Although psychological safety, team cohesion, and perceived team effectiveness are positively linked to this conduct, the influence of these predictors weakens when in combination with more dominant factors. The results indicate that ethical reporting is more likely where employees experience a sense of individual responsibility alongside collective empowerment—highlighting the dual significance of moral clarity and effective, confident collaboration in facilitating ethical responsiveness in organizations.

External whistleblowing, in contrast to internal reporting, is marked by significant hesitation and a lack of firm predictive relationships with workplace dimensions being examined. Although some individual characteristics—namely, internal moral belief and desire for recognition—exhibit weak relationships with the intention to engage in external reporting, none of the dimensions significantly predict this behavior when considered in a multivariate context. This would suggest that external reporting is not driven mainly by stable individual or organizational characteristics; instead, it could be a reactive behavior prompted when internal mechanisms are perceived as inadequate or untrustworthy. The comparatively lower levels of intention to report externally found across the sample also lend support to the notion that employees in Turkish family businesses prefer to address ethical concerns internally, provided there is sufficient support, trust, and effectiveness present. Public disclosure appears to remain a last resort, perhaps prompted by situational pressures and not by enduring psychological or cultural pressures.

5.4. SUGGESTIONS FOR FUTURE RESEARCH

From the findings and limitations of the present study, several potential directions for future research can be identified to advance our understanding of ethical

behavior and the processes of whistleblowing within organizational settings, with specific focus on family businesses.

To start with, future studies can greatly benefit from qualitative research like in-depth interviews, case studies, or ethnographic studies. This study gave us useful statistical trends from the survey data, but it stopped short of giving us a full picture of the emotional, relational, and cultural determinants that affect employees' moral decisions. For example, to understand why an employee fails to report misconduct in spite of high moral approval ratings, we need to probe deeper and tell a story. It is such information that can unearth underlying pressures, unspoken fears, and the emotional toll of whistleblowing that statistics cannot convey.

Second, longitudinal research methods might be applied in various follow-up studies to investigate the process of group composition, psychological safety, and whistleblowing intentions. The composition of groups and supporting moral environments is not static; it frequently fluctuates after a leadership change, generational change, or crisis. Tracing the same individuals through different phases would provide researchers with a map of the ethical culture dynamics. It would help to identify when and why ethical conduct may be being promoted or undermined in various family businesses.

Third, additional comparative research on non-family and family businesses may be carried out to determine if the observed effects are actually peculiar to family-owned firms. Although this research targeted family businesses for theoretical as well as contextual reasons, a comparison of their ethical processes with those in publicly listed or state-owned organizations would provide more precise insight into the organizational processes at play. For instance, are whistleblowing reservations more a product of familial obligation or of broader organizational culture? Such comparative data would be necessary to inform more generalized ethical governance strategies.

A fourth possible direction for future research is to examine fields where ethical transgressions can have life-altering or even life-threatening consequences. Industries such as healthcare, aviation, pharmaceuticals, food manufacturing, and construction involve decisions where ethical failures can directly endanger human lives and well-being at stake. In these cases, the stakes of whistleblowing are much higher, not just in

relation to job security, but in terms of ethical obligation. Research might investigate whether workers in these industries are more likely to feel increased pressure to report unethical behavior, or whether fear of consequences and an organizational culture of silence is even more pronounced. For example, a nurse witnessing cases of medical malpractice might experience much more severe psychological distress than an office worker who discovers accounting errors. These variations merit focused scholarly inquiry.

Fifth, subsequent research could investigate the impact of hierarchical level in family firms on ethical decision-making and whistleblowing actions. Those occupying various organizational levels—i.e., junior staff, middle managers, or executive officers—may view and act on ethical issues in dramatically different manners. While those on lower organizational levels may experience greater peer pressure or fear of retaliation, those at senior management levels may be confronted with problems involving reputational concerns or divided loyalties. An examination of these intra-organization variations could yield valuable insight into the ways that authority, influence, and perceived accountability shape ethical behavior. Furthermore, categorizing participants according to their relative positions could demonstrate whether inclusive leadership or group cohesion affects employees differently based on their position in the organization.

Sixth, future research can explore the impact of personal financial pressures and job insecurity on people's moral decision-making and willingness to whistleblow. Even more so in an environment where there is a high rate of unemployment or general economic insecurity, employees might hesitate to whistleblow on unethical practices for fear of losing their jobs or suffering economic reprisals. The mental tension of economic insecurity—exhibited by concerns over not being in a position to work or provide for one's family—can take precedence over ethical issues, even when moral transgressions are plainly stated. The addition of factors such as job security perception, income level, or family financial pressure may be able to paint a fuller picture of the interaction between extrinsic economic forces and intrinsic moral drivers in influencing ethical behavior.

Lastly, research focused on specific industries could add depth to our knowledge by examining how ethical conduct and the propensity for whistleblowing differ across industries with distinctive risk profiles and professional norms. Future research can prioritize industries where ethical wrongdoing is likely to be systemic, routine, or concealed behind intricate hierarchical structures. In high-risk sectors such as finance, energy, logistics, or pharmaceuticals, power asymmetries within organizations and profitability pressures can disrupt open communication and diminish ethical accountability. Focused study in these sectors can be employed to guide sector-based governance reforms and determine where group solidarity facilitates or hinders ethical disclosure.

In brief, extending the methodological, contextual, and industry-specific dimensions of future studies may provide richer and more generalizable insights regarding the effect of group dynamics on ethical decisions and whistleblowing actions, especially in high-risk settings where the cost of silence is paid in human life.

5.5. PRACTICAL IMPLICATIONS AND RECOMMENDATIONS

The results of this study yield several practical implications for family firms, organizational managers, and policymakers who are concerned with promoting ethical conduct and encouraging whistleblowing in professional environments. These suggestions have particular significance for Turkish family firms, yet they can also provide valuable insights to comparable organizational environments across different cultural contexts.

Most importantly, the positive and proximal relationship between psychological safety, ethical behavior, and intentions to internal whistleblowing highlights the imperative necessity for families to create firms where people feel it safe to voice concerns with no chance of retaliation or punishment. Family firms, heretofore run under vertically organized and emotive workspaces, must especially endeavor to develop an atmosphere of openness and no-punishment communication. Methods such as open-door policies, routine feedback sessions, and anonymous reporting mechanisms can be used to establish psychological safety and demonstrate to employees that their opinions are respected and guarded.

Second, the findings of the study show that individuals who look for moral justification—particularly from their peers—are more prone to engage in internal whistleblowing if there is a positive work culture. This demonstrates that doing the right thing can be encouraged by implementing reward systems in which virtuous behavior is clearly identified and rewarded. Family businesses can develop internal practices like ethics awards, appreciative emails, or recognition at team meetings to foster ethical behavior and align it with workers' desires for moral approval. Rewarding ethical decisions not only reinforces individual behavior but also gradually shifts the organizational culture.

Another critical implication is the need for clear, well-promoted, and trusted whistleblowing mechanisms. Internal whistleblowing is perceived as more desirable than external reporting, yet employees will only use these channels if they have trust that their anonymity will be preserved and their concerns will be addressed in a fair manner. Family businesses need to prioritize institutionalizing internal ethics reporting structures and well-communicate their presence. Above all, such systems need to be envisioned not as a menace to loyalty or cohesion, but rather as a vital right and responsibility of all employees in upholding moral standards.

Also, the study emphasizes the need for industry-tailored, bespoke ethical governance solutions. For those industries where ethical failures could result in dire or even life-threatening repercussions—medicine, construction, food processing, and healthcare—the family firms must implement stricter ethics policies, more frequent training, and more robust reporting mechanisms. Workers who work in such high-stakes industries frequently are subject to more intense ethical predicaments, where inaction would cost lives. Sector-sensitive ethical regulation and tailored interventions can help mitigate such risks and foster a culture of accountability.

Additionally, the research determined that team efficacy and group cohesion perceptions differ by age groups. Whereas younger employees see more inclusive leadership and team efficacy, older age groups demonstrate more moderate or critical perceptions. These findings support the necessity of recognizing differences among generations in organizational settings and designing initiatives to foster intergenerational dialogue and collaboration. Family businesses—frequently comprising

various generations—ought to build open systems that ensure the voice of younger employees is not only heard but also included in the decision-making procedure. This will have the ability to enhance employee motivation and establish a more responsive, forward-looking organizational culture.

Lastly, policy makers and business associations can assist by ensuring that external whistleblowing channels are accessible, legally secure, and well-known to the public. One needs to establish a broader environment where employees can be certain that, in case they report misconduct outside the company, they will be protected from retaliation and will not suffer adverse consequences on their careers. Policy makers should develop ethical guidelines for family businesses, particularly small and medium-sized ones that lack resources. They must also offer precise toolkits for various industries, legal education, and sample procedures to make external reporting a standard and valued option.

In conclusion, this study's findings reveal that ethical behavior and whistleblowing within family firms can be significantly supported through the construction of psychologically safe environments, alignment of moral recognition with firm values, crafting of effective and trustworthy reporting mechanisms, and acknowledgement of sectoral and generational differences. These practical steps not only reaffirm personal integrity but also reach out to family firms' long-term resiliency and ethical maturity.

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7. APPENDIX

Appendix A: English Questionnaire

Many academic studies have examined the impact of personal characteristics such as optimism, moral standards, hope, or pessimism on employee performance. While some research suggests that individuals have limited influence on their teams, other studies indicate the opposite—that the team has a greater influence on the individual.

In this survey study, we aim to explore the extent to which individuals working in family businesses in Turkey are influenced by their teams and, conversely, how much they influence their teams. Hakan KÖSE, a graduate student at the Turkish-German University, is conducting this research under the supervision of Prof. Dr. Dilek ZAMANTILI NAYIR as part of his master's thesis. The survey is designed to assess group dynamics among employees in family businesses. We kindly invite you to complete the questionnaire. Your responses will be kept confidential and used solely within the scope of this thesis and for scientific purposes. Your participation is highly valuable to us. If you have any questions or comments, please feel free to contact the thesis advisor at dilek.nayir@tau.edu.tr. We sincerely thank you for your support.

Participation in this survey is entirely voluntary. By completing the questionnaire, you acknowledge that you are participating voluntarily and that you give your informed consent based on the information provided. All responses will be kept confidential and used only for the purposes of the master's thesis and possible future academic research.

Desired moral approbation from others – praise					
The questions in the first block are designed to get to know you personally. Let's start with questions about your perception of morality. To what extent do other people's opinions matter to you when it comes to your moral behavior?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
1. I want others to think that my decisions are ethical.					
2. I want others to view me as a moral person.					
3. I hope others view my behaviors as ethical					
4. I want others to support my decisions on moral issues.					
5. I want others to praise my choices in ethical situations.					

Desired moral approbation from others – blame					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
6. I do not want to be criticized when I do not do the right thing.					
7. I do not like others to blame me even when I am in the wrong.					
8. I do not like to be criticized for doing something wrong.					

Desired moral approbation from self					
Would you say you are tolerant or forgiving toward yourself?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
9. I do not care what other people think as long as I know that I have done the right thing.					
10. I do what I think is right, no matter what anyone else thinks.					
11. I do not worry about what other people think when I do something that I know is right.					
12. I do not worry about others' opinions as long as I feel confident about the ethical decisions that I make.					

Psychological Safety					
Now let's move on to your company... Could you share your thoughts about the organization you work for and the overall environment?					
	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree
13. I am able to bring up problems and tough issues.					

14. People in this organization sometimes reject others for being different.					
15. It is safe to take a risk in this organization.					
16. It is easy for me to ask other members of this organization for help.					
17. No one in this organization would deliberately act in a way that undermines my efforts.					

Problem-focused IEM (Interpersonal emotion management) strategy Think about the people you usually work with. When you face problems within the team, how do you typically respond? To what extent do you agree with the following statements?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
18. I modify the elements of the situation that are having an undesired impact on my team members.					
19. I work out plans to remove the negative aspects of situations.					
20. I remove the negative aspects of the situation that are negatively impacting my team members.					
21. I change the situation to alter its emotional impact.					
22. I take actions to get rid of the problems my team members are having.					
23. When I want my team members to feel more positive emotions (such as joy or amusement), I put their problems into perspective.					
24. I try to influence the emotions of my team members by changing how they think about the situation they are in.					
25. When I want my team members to feel less negative emotion (such as sadness or anger), I change the meaning they are attaching to a situation.					
26. When I want my team members to feel more positive emotion (such as joy or amusement), I change the meaning they are attaching to the situation.					
27. When I want my team members to feel less negative emotion (such as sadness or anger), I put their problems into perspective.					

Emotion-focused IEM (Interpersonal emotion management) strategy					
This set of questions also focuses on problems. How do you usually behave when faced with the following situations?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
28. When a situation is disturbing my team members, I focus their attention away from the troubling aspect of the problem.					
29. I refocus the conversation towards aspects of the situation that my team members should find more appealing.					
30. I distract my team members' attention from the aspect of the problem causing their undesired emotions.					
31. When a situation is unpleasant to my team members, I refocus them by discussing positive issues.					
32. When I think a situation will cause an undesirable emotion in my team members, I distract them from focusing on the negative aspects of that situation.					
33. When my team members are experiencing undesirable emotions, I tell them not to express them.					
34. I encourage my team members to keep their emotions to themselves.					
35. When my team members with whom I am interacting are 'venting' about a problem, I get them to stop.					
36. When my team members are experiencing undesirable emotions, I suggest strategies for them to suppress these emotions.					
37. I encourage my team members not to express their emotions.					

Inclusive Leadership					
The questions in this section are about your manager. To what extent do you agree with the following statements?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
38. The manager is open to hearing new ideas.					
39. The manager is attentive to new opportunities to improve work processes.					
40. The manager is open to discuss the desired goals and new ways to achieve them.					
41. The manager is available for consultation on problems.					

42. The manager is an ongoing presence in this team someone who is readily available.					
43. The manager is available for professional questions I would like to consult with him/her.					
44. The manager is ready to listen to my requests.					
45. The manager encourages me to access him/her on emerging issues.					
46. The manager is accessible for discussing emerging problems.					

Dual-oriented ambidextrous human resource practices (AHRP) - Commitment orientation (CMH) What is the social and cultural environment like at the company you work for?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
47. When the company recruits, it focuses on matching employee values with corporate culture.					
48. The company invests a lot of time and money on employee training every year.					
49. The company often promotes emotional exchanges between employees by organizing social gatherings.					
50. I communicate with relevant leaders and colleagues of the company conveniently and smoothly.					
51. The company encourages employees to put forward reasonable suggestions and participate in management decision-making.					
52. The company gives employees sufficient autonomy in work arrangements and resource allocation.					
53. The company improves employee capabilities through cross-departmental cooperation or job rotation.					

Cooperation orientation (COH) What is the general attitude toward collaboration in your company?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
54. Employees with a wider social network inside and outside the company are more likely to be promoted.					
55. The company's performance evaluation standard focuses on the satisfaction and recognition of external customers.					

56. I often participate in peer or customer exchanges and seminars to improve my skills.					
57. The company encourages employees to share information and resources inside and outside the team.					
58. The company often arranges external training or advanced studies to expand employee knowledge.					

Group Cohesion How would you describe your compatibility with your team?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
59. To what extent do you trust the members of your audit team?					
60. To what extent are the people in your audit team helpful to you in getting your job done?					
61. To what extent are people in your audit team friendly?					
62. To what extent do people in your audit team take a personal interest in you?					
63. To what extent do you look forward to being with the members of your audit team each day?					

Collective efficacy Do you think your team is successful in getting the job done?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
64. I feel confident about the capability of my group to perform the tasks very well.					
65. My group is able to solve difficult tasks if we invest the necessary effort.					
66. I feel confident that my group will be able to manage effectively unexpected troubles.					
67. My group is totally competent to solve the task.					

Team hopelessness At times, we may feel discouraged about our team. How would you describe the overall mood in your team lately?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
68. We are pessimistic about our future with this organization.					
69. We do not expect this organization to have an excellent future.					
70. We do not expect to be with this organization three years from					

now.					
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Team performance Could you evaluate your team's performance in the following areas?					
	Very Good	Good	Neither Good nor Bad	Bad	Very Bad
71. The efficiency of work the team produces.					
72. The quality of work the team produces.					
73. Your evaluation of the overall achievement of the team.					

Internal and external whistle-blowing intentions (IWB) Let's say you witnessed a coworker or your manager engaging in an unethical or illegal activity (such as embezzlement, giving or receiving a bribe, etc.). What would you do in that situation?					
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
74. Report it to the appropriate persons within the audit firm					
75. Use the reporting channels inside of the audit firm.					
76. Let upper level of management know about the act.					
77. Tell my supervisor about the act.					
78. Report it to the appropriate authorities outside of the audit firm.					
79. Report it to the appropriate authorities outside of the audit firm.					
80. Provide information to outside agencies.					
81. Inform the public about the act.					

82. Gender

- Male
- Female

83. Age

- Between 20-24
- Between 25-29
- Between 30-34
- Between 35-39
- Between 40-45
- Between 45-49
- 50 and above

84. Total work experience

- Less than 1 year
- Between 1-5 years
- Between 6-10 years
- Between 11-15 years
- Between 16-20 years
- 20 years and above

85. Work experience in current company

- Less than 1 year

- Between 2-3 years
- Between 4-5 years
- 5 years and above

86. Educational Qualification

- High School
- Bachelor's Degree
- Master's Degree
- PhD

87. Industry (Please select one that suits your current profession the most)

- Agriculture
- Wholesale and retail
- Government
- Hotel and accommodation
- Consulting
- Transport and Storage
- Health and Social Work
- Administration and Support
- Finance and Insurance
- Education
- Real Estate
- Information Technology
- Industrial Engineering
- Mining and Quarrying
- Others (please specify):

Appendix B: Türkçe Anket

Birçok akademik çalışma, şirket çalışanlarının iyimserlik, ahlaki standartlar, umut ya da karamsarlık gibi özelliklerinin performansa etkisini irdelemiştir. Kimi araştırmalar bireylerin ekiplerini fazlaca etkilemediğini ortaya koyarken, diğer bazı çalışmalar, tam tersine, ekibin etkisinin birey üzerinde daha fazla olduğunu göstermiştir.

Bu anket çalışmasında, Türkiye’de aile işletmelerinde çalışan kişilerin ekiplerinden ne ölçüde etkilendiklerini ve kendilerinin de takımlarını ne kadar etkilediğini irdelemek istiyoruz. Türk Alman Üniversitesi’nde yüksek lisans tezi yazmakta olan Hakan KÖSE isimli öğrenci, Prof. Dr. Dilek ZAMANTILI NAYIR yürütücülüğünde bu konuyu daha yakından incelemek için, aile işletmesi çalışanlarına anket uygulamakta, grup dinamiklerini ölçmektedir. Bu çalışmaya katılmak için, anketi doldurmanızı rica ediyoruz. Ankete verilen cevaplar gizli kalacak, bulgular yalnızca tez kapsamında ve bilimsel amaçlar için kullanılacaktır. Katılımınız bizim için çok değerlidir. Herhangi bir sorunuz veya yorumunuz olması halinde, memnuniyetle tezin yürütücüsü olan öğretim üyesine yazabilirsiniz (dilek.nayir@tau.edu.tr). Desteginiz için şimdiden teşekkür ederiz.

Bu ankete katılım tamamen gönüllülük esasına dayanmaktadır. Anketi doldurarak çalışmaya gönüllü olarak katıldığınızı ve yapılan bilgilendirme doğrultusunda onam verdiğinizi kabul etmiş sayılacaksınız. Verilen cevaplar gizli tutulacak ve yalnızca yüksek lisans tezi kapsamında ve ileride yapılabilecek bilimsel araştırmalarda kullanılacaktır.

İlk bloktaki bu sorularımız kişisel olarak sizi tanımaya yönelik. Öncelikle “ahlak algısı” ile ilgili sorularla başlayalım. Ahlaki davranışlarınız ile ilgili olarak başkalarının fikri sizin için ne ölçüde önemlidir?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
1. Başka kişilerin, kararlarımın ahlaki olduğunu düşünmesini isterim.					
2. Başka kişilerin beni ahlaklı bir kişi olarak görmelerini isterim.					
3. Başka kişilerin davranışlarımı ahlaklı bulduğunu ümit ediyorum.					

4. Ahlaki konulardaki kararlarımın başkaları tarafından desteklenmesini isterim.					
5. Etik konularla ilgili yaptığım seçimlerin başkaları tarafından övülmesini isterim.					
6. Doğru olmayan bir şey yaptığım zaman eleştirilmek istemem					
7. Hatalı bile olsam başkalarının beni suçlamasından hoşlanmıyorum.					
8. Yanlış bir şey yaptığım zaman eleştirilmekten hoşlanmıyorum.					

Peki kendinize karşı hoşgörülü müsünüz?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
9. Doğru şeyi yaptığımı bildiğim sürece diğer insanların ne düşündüğünü umursamam.					
10. Başkalarının ne düşündüğünden bağımsız olarak, doğru olduğunu düşündüğüm şeyi yaparım.					
11. Doğru olduğunu bildiğim bir şeyi yaptığımda, başkalarının ne düşündüğü konusunda endişelenmem.					
12. Aldığım etik kararlarla ilgili kendime güvendiğim sürece, başkalarının görüşleri hakkında endişelenmem.					

Şimdi gelelim firmanıza... Çalıştığınız kurumla ve genel ortam ile ilgili düşüncelerinizi paylaşır mısınız?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
13. Sorunları ve zor konuları zorlanmadan dile getirebiliyorum.					
14. Çalıştığım kuruluştaki insanlar, bazen başkalarını farklı oldukları için reddederler.					
15. Bu kuruluştaki rahatlıkla risk alınabilir.					
16. Bu kuruluştaki diğer kişilerden yardım istemek benim için kolay bir şey.					
17. Bu kuruluştaki hiç kimse kasıtlı olarak çabalarımı engelleyecek şekilde hareket etmez.					

Genelde beraber çalıştığınız insanları düşünün. Ekip içinde problemlerle karşılaştığınızda tutumunuz ne oluyor? Aşağıdaki ifadelere ne ölçüde katılıyorsunuz?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
18. Ekip üyelerim üzerinde olumsuz etki yaratan olaylar varsa, o olaylara ilişkin unsurları değiştiririm.					
19. Olayların olumsuz yönlerini ortadan kaldıracak planlar yaparım.					
20. Olayların, ekip üyelerimi olumsuz etkileyen taraflarını ortadan kaldırırım.					
21. Ortada bizim etkileyen bir durum varsa, duygusal olarak etkilenmememiz için durumda değişiklik yaparım.					
22. Ekip üyelerimin yaşadığı sorunlardan kurtulmaları için harekete geçerim.					
23. Ekip üyelerimin mutluluk, sevinç gibi olumlu duygular hissetmeleri için, sorunları farklı açılardan ele almaya çalışırım.					
24. Ekip üyelerimin içinde bulundukları durumla ilgili düşüncelerini değiştirerek duygularını etkilemeye çalışırım.					
25. Ekip üyelerimin daha az olumsuz duygu (üzüntü veya öfke gibi) hissetmelerini istediğimde, onların belirli bir duruma yükledikleri anlamı değiştiririm.					
26. Ekip üyelerimin mutluluk, sevinç gibi daha olumlu duygular hissetmelerini istediğimde, onların belirli bir duruma yükledikleri anlamı değiştiririm.					
27. Ekip üyelerimin daha az olumsuz duygu (üzüntü veya öfke gibi) hissetmelerini sağlamak için, sorunları büyütmemeleri konusunda yardımcı olurum.					

Bu soru bloku da problemlerle ilgili. Aşağıdaki durumlarla karşılaştığınızda nasıl davranırsınız?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
28. Ekip üyelerimi rahatsız eden bir durum olduğunda, onların dikkatini sorunun rahatsız edici yönünden uzaklaştırırım.					
29. Bir konuşmada kitlendiğimiz					

zaman, konuyu ekip üyelerimin hoşuna gidecek yönere çekerim.					
30. Bir sorunla karşılaştığımızda, ekip üyelerimin dikkatini, olumsuzlardan uzaklaştırırım.					
31. Ekip üyelerim için hoş olmayan bir olay olduğunda, olumlu konuları tartışarak onları yeniden odaklarım.					
32. Belirli bir durum ekip arkadaşlarımda kötü duygulara yol açacaksa, onları o duruma odaklanmaktan uzaklaştırırım.					
33. Ekip üyelerim istenmeyen duygular yaşadıklarında, onlara duygularını dile <u>getirmemeleri</u> konusunda uyarırım.					
34. Ekip üyelerimi duygularını kendilerine saklamaları için teşvik ederim.					
35. Ekip üyelerim bir soruna yönelik olumsuz duygularını açıkça dile getirdiğinde, onları durdururum.					
36. Ekip üyelerim istenmeyen duygular yaşadıklarında, onlara bu duyguları bastırmaya yönelik stratejiler öneririm.					
37. Ekip üyelerimi duygularını ifade <u>etmemeleri</u> konusunda teşvik ederim.					

Bu bölümdeki sorular, yöneticiniz ile ilgilidir. Aşağıdaki ifadelere ne ölçüde katılıyorsunuz?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
38. Yöneticimiz yeni fikirleri duymaya açıktır.					
39. Yöneticimiz, iş süreçlerini iyileştirmeye yönelik yeni fırsatlara karşı açıktır.					
40. Yöneticimiz, arzu edilen hedefleri ve bu hedeflere ulaşmanın yeni yollarını tartışmaya açıktır.					
41. Yöneticimiz, sorunlarla ilgili kendisine danışmamıza hazırdır.					
42. Yöneticimiz, ekip içinde sürekli hazır vaziyette olan ve kendisine her an ulaşabileceğimiz bir kişidir.					
43. Yöneticimiz, kendisine danışmak istediğim mesleki sorular için her zaman müsaittir.					
44. Yöneticimiz, taleplerime kulak vermeye hazırdır.					
45. Yönetici, ortaya çıkan konularda kendisine ulaşmam için beni teşvik eder.					
46. Meydana gelen sorunları değerlendirmek için yöneticimiz her zaman ulaşılabilir					

durumdadır.					
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Çalıştığınız firmadaki sosyal ve kültürel ortam nasıldır?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
47. Şirketimiz, işe alım yaparken görüşülen kişinin değerleri ile kurum kültürünün eşleşmesine önem verir.					
48. Şirketimiz, çalışan eğitimine her yıl oldukça fazla zaman ve para yatırımı yapmaktadır.					
49. Şirketimiz, sıklıkla sosyal aktiviteler düzenleyerek çalışanlar arasındaki duygusal iletişimi arttırmaya çalışır.					
50. Şirket liderleri ve meslektaşlarımla rahat ve sorunsuz bir şekilde iletişim kurabilmekteyim.					
51. Şirket, çalışanlarımı mantıklı önerilerde bulunmaya ve yönetimin karar alma süreçlerine katılmaya teşvik eder					
52. Şirket, çalışanlarının işlerini kendilerinin planlaması ve kaynak kullanımı konusunda yeterince özerklik vermektedir					
53. Şirket, departmanlar arası iş birliğini desteklemekte ve rotasyon gibi uygulamalarla çalışanların yeteneklerini geliştirmektedir.					

Şirketinizde iş birliği konusuna nasıl bakılır?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
54. Şirket içinde ve dışında daha geniş çevreye ve tanıdıklara sahip çalışanların terfi alma olasılıkları daha yüksektir					
55. Şirketimizde performans değerlendirmesi yapılırken, müşteri tatmini ve memnuniyeti temel almaktadır.					
56. Yetkinliklerimi geliştirmek için sık sık meslektaşlarımla ve müşterilerle mesleki seminerlere ve toplantılara katılırım.					

57. Şirketimiz, çalışanların gerek kendi ekipleri bünyesinde gerekse dışarıda bilgi paylaşımı yapmasını ister.					
58. Şirket, çalışanların yeteneklerini artırmak için sıklıkla eğitimler veya ileri düzey çalışmalar düzenler.					

Sizce beraber çalıştığınız ekip içinde uyumunuz nasıl?					
	Çok fazla	Oldukça fazla	Ne az ne çok	Oldukça az	Çok az
59. Ekip üyelerinize ne ölçüde güveniyorsunuz?					
60. Ekibinizdeki kişiler işinizi yaparken size ne ölçüde yardımcı oluyor?					
61. Ekibinizdeki kişiler ne ölçüde dost canlısıdır?					
62. Ekibinizdeki kişilerin size ilişkin kişisel ilgisi ne ölçüdedir?					
63. Ekibinizdeki kişilerle her gün beraber olmayı sabırsızlıkla bekliyor musunuz (yani “iple çekiyor musunuz?”)					

Sizce ekibiniz elindeki işleri yapmakta başarılı mı?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
64. Ekibimin elindeki işleri çok iyi yapacağından eminim.					
65. Gerekli çabayı gösterdiğimiz takdirde, ekibim zor meseleleri de çözer.					
66. Ekibimin beklenmeyen sorunları da iyi şekilde çözeceğine güvenim tam.					
67. Ekibim yapması gereken işi yapmakta tamamen yetkindir.					

Bazen ekibimizle ilgili umutsuzluk da hissedebiliriz. Genelde sizin ekipte bu aralar hava nasıl?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
68. Bu kurumdaki geleceğimiz konusunda kötümseriz.					
69. Bu kurumun harika bir geleceği olacağını düşünmüyoruz.					
70. Üç yıl sonra hala bu kurumda çalışacağımızı tahmin etmiyoruz.					

Aşağıdaki hususlarda ekibinizin performansını değerlendirir misiniz?					
	Çok iyi	İyi	Ne iyi ne kötü	Kötü	Çok kötü
71. Ekibin ürettiği işin verimliliği					
72. Ekibin ürettiği işin kalitesi.					
73. Takımın genel başarısı.					

Diyelim ki bir iş arkadaşınızın ya da yöneticinizin kural dışı ya da yaşa dışı bir faaliyetine tanık oldunuz (zimmetine para geçirmek, rüşvet almak/vermek vb.) Ne yaptınız?					
	Kesinlikle katılıyorum	Katılıyorum	Ne katılıyorum ne katılmıyorum	Katılmıyorum	Kesinlikle katılmıyorum
74. Firmadaki uygun kişilere durumu bildirirdim.					
75. Firma bünyesinde bulunan raporlama kanallarını kullanırdım.					
76. Üst yönetimi konu hakkında bilgilendirirdim.					
77. Yöneticimi olay hakkında bilgilendirirdim					
78. Durumu firma dışındaki otoritelere bildiririm					
79. Firma dışındaki raporlama kanallarını kullanırım					
80. Dış kurumlara bilgi sağlarım.					
81. Kamuyu olay hakkında bilgilendiririm.					

82. Cinsiyetiniz

- Erkek
- Kadın

83. Yaşınız

- 20-24 yaş arası
- 25-29 yaş arası
- 30-34 yaş arası
- 35-39 yaş arası
- 40-45 yaş arası
- 45-49 yaş arası
- 50 yaş ve üzeri

84. Toplam iş deneyimi

- 1 yıldan az
- 1-5 yıl
- 6-10 yıl
- 11-15 yıl
- 16-20 yıl
- 20 yıl ve üstü

85. Mevcut Şirketteki İş Deneyimi

- 1 yıldan az
- 2-3 yıl
- 4-5 yıl
- 5 yıl ve üzeri

86. Eğitim Seviyesi

- Lise
- Lisans

- Yüksek Lisans
- Doktora

87. Sektör (Lütfen şu anki mesleğinize en uygun olanı seçiniz)

- Tarım
- Toptan ve Perakende
- Memur
- Otel ve Konaklama
- Danışmanlık
- Taşıma ve Depolama
- Sağlık ve Sosyal Hizmet
- Yönetim ve Destek
- Finans ve Sigorta
- Eğitim
- Emlak/İnşaat
- Bilgi Teknolojisi
- Endüstri Mühendisliği
- Madencilik ve Taş ocakçılığı
- Diğerleri (lütfen belirtin):

