

ETHICS IN OPERATIONS MANAGEMENT: A LITERATURE REVIEW FROM A MULTIDISCIPLINARY PERSPECTIVE

Yanita¹, T. Hasinta Melani², Neza Lestari Putri³, Nailah Salsabila⁴, Sabila Zuina⁵,
Masyithah⁶, Fauzan Jordi⁷

Management Study Program, Faculty of Economics & Business, Universitas Malikussaleh
Email: yanita@unimal.ac.id

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Abstract

This article presents a comprehensive literature review integrating six scholarly works related to ethics in operations management. The review encompasses various perspectives, including business ethics and corporate social responsibility (CSR), organizational culture, Islamic business ethics principles, case studies on ethical operational practices in small and medium enterprises (SMEs), and the influence of Artificial Intelligence (AI) on operational efficiency. The research employs a systematic literature review method by analyzing articles from reputable academic sources. The findings indicate that ethics plays a significant role in improving operational performance, strengthening public trust, enhancing organizational culture, supporting business sustainability, and minimizing operational risks. Additionally, the implementation of AI demonstrates substantial efficiency improvements but requires careful ethical governance related to privacy, data security, and social impact. Overall, ethics in operations management is a crucial component that influences organizational effectiveness and long-term sustainability.

Keywords: *Ethics, Operations Management, CSR, Organizational Culture, Islamic Ethics, AI, Literature Review*

INTRODUCTION

Ethics in operations management is a fundamental aspect that determines the quality of business management within an organization. In the context of increasingly fierce global competition, companies are not only required to produce efficient products or services but also to ensure that every operational process is carried out in accordance with moral principles, honesty, and social responsibility. The application of ethics to operations management serves as a guideline to avoid deviations, increase stakeholder trust, and ensure the company's long-term sustainability. Operations management encompasses a wide range of activities, from human resource management and quality control to process design and supply chain management. At each stage, ethical values are essential to ensure decisions are not solely focused on financial gain but also consider social and environmental impacts. Failure to implement ethics often results in reputational crises, internal conflicts, environmental damage, and a decline in public trust. In a multinational business environment, cultural and regulatory diversity makes implementing ethics even more challenging. Companies must adapt their operational policies to local contexts without compromising global ethical standards. This demonstrates that ethics is not universal in its application, but rather requires a deep understanding of the values, norms, and social conditions in the localities where a company operates. Furthermore, organizational culture plays a significant role in shaping employee work behavior. Companies with an ethical culture tend to have employees who are more disciplined, loyal, and committed to their duties. This culture creates a conducive work environment, reduces the potential for violations, and increases operational productivity. Thus, organizational culture and business ethics are two interrelated elements that are inseparable from the success of operations management. An Islamic ethical perspective also makes a significant contribution to operational management, particularly in companies or business communities that implement Sharia principles. Values such as justice, trustworthiness, honesty, and avoiding harmful practices are the primary foundations of business activities. Islamic ethics offers a comprehensive approach that combines moral, spiritual, and social aspects in operations

management. Beyond cultural and religious factors, the development of modern technologies such as Artificial Intelligence (AI) is bringing about significant changes in business operations. AI can increase efficiency, speed up processes, and minimize human error. However, this technology raises new ethical challenges, such as data privacy issues, algorithmic bias, and the potential replacement of human workers. Therefore, the use of AI must be accompanied by strict ethical policies to avoid unintended negative impacts. By reviewing six scholarly articles addressing ethics from various perspectives, this study aims to provide a comprehensive understanding of the relationship between ethics and operations management. This multidisciplinary approach is expected to provide a broad overview of how moral values can be effectively integrated into all company operational activities.

METHODOLOGY

The research method used in this study is a Systematic Literature Review (SLR), an approach aimed at collecting, evaluating, and synthesizing previous research relevant to the theme of ethics in operations management. This method was chosen because it can provide a comprehensive overview of the development of ethical concepts from various perspectives, including global ethics, organizational culture, Islamic ethics, and modern technologies such as Artificial Intelligence (AI).

SLR is carried out through the following stages:

1. Literature Identification

Article searches were conducted using various academic databases, such as Google Scholar, SINTA, ScienceDirect, and DOAJ. The keywords used included:

- a. ethics in operations management
- b. business ethics and CSR
- c. organizational culture and ethics
- d. Islamic business ethics
- e. AI in operations management
- f. ethical decision-making in operations

This search yielded a large number of articles which were then further screened.

2. Article Selection

Of the total articles found, only six articles were selected based on the following criteria:

- a. Relevant to the focus of ethical studies in operations management
- b. Published in the most recent year range (2021–2025)
- c. Have good methodological quality
- d. Making a significant contribution to the discussion of operational ethics

The six articles represent four major themes: CSR and multinational corporations, organizational culture, Islamic ethics, and operational technology (AI).

3. Data Extraction

Important data taken from each article includes:

- a. Research purposes
- b. Research methods used
- c. Research context (multinational companies, SMEs, public organizations, etc.)
- d. Key findings related to operational ethics
- e. Research contributions to operations management

Extraction was carried out systematically using summary tables.

4. Analysis and Synthesis

After the data was collected, analysis was conducted using a thematic analysis approach. Articles were grouped based on emerging themes, such as:

- a. Global ethics and CSR
- b. Organizational culture
- c. Islamic Ethics
- d. AI-based operational technology

Each theme is analyzed to see similarities, differences, and relationships between studies.

5. Compilation of Final Findings

A final synthesis was conducted to comprehensively combine all findings. The results indicate that ethics plays a significant role in improving operational effectiveness, building public trust, and determining long-term business sustainability.

Table 1. Summary of Reviewed Articles

| No | Article Title | Year | Method | Focus of Study |
|----|---------------------------------------|------|-------------|---------------------------|
| 1 | Multinational Business Ethics & CSR | 2025 | SLR | Global Ethics & CSR |
| 2 | Organizational Culture & Ethics | 2025 | Qualitative | Impact on performance |
| 3 | Islamic Business Ethics in Management | 2023 | Literature | Sharia principles |
| 4 | Islamic Operational Ethics in MSMEs | 2021 | Case study | Islamic ethical practices |
| 5 | AI & Operational Efficiency | 2023 | SLR | The role of technology |
| 6 | Ethics in Operations Management | 2022 | Qualitative | Operational moral values |

RESULTS AND DISCUSSION

RESULTS

The results of this study are compiled based on a systematic review of six articles examining ethics in operations management from various perspectives. Each article was analyzed using the literature identification format established in the group document, ensuring that all results are presented objectively and consistently.

1. Business Ethics & CSR in Multinational Operations

The first article shows that the implementation of Corporate Social Responsibility (CSR) in multinational companies has a direct impact on the effectiveness of operations management. The research results explain that:

- a. CSR can increase production efficiency through more responsible resource management.
- b. Implementing global ethics helps companies reduce social conflicts with communities in the countries where they operate.
- c. Companies with consistent ethical practices tend to have higher levels of regulatory compliance.
- d. CSR and ethics contribute positively to the company's image, which ultimately improves operational stability.

This article asserts that business ethics is a strategic component of multinational operations, not simply an add-on to social programs.

2. Organizational Culture & Ethics in Performance Development

The second article found that organizational culture has a significant influence on employee ethical behavior in operational activities. The main findings are:

- a. Strong organizational culture values shape employee behavior patterns that are consistent with the company's ethical standards.
- b. Organizational culture plays a role in increasing productivity by creating a positive work environment.
- c. Companies with an ethical culture have higher levels of operational discipline and fewer violations of work rules.
- d. A culture that supports transparency and open communication has been shown to help expedite the resolution of operational issues.

This article shows that organizational culture contributes directly to the success of operations management through the formation of inherent ethical behavior in employees.

3. Integration of Islamic Business Ethics in Corporate Management

The third article examines the application of Islamic ethical principles in operations management. The research results show that:

- a. Values such as trustworthiness, honesty, fairness, and responsibility are operational guidelines in sharia-based companies.
- b. Islamic ethics helps increase transparency in operational decision making.
- c. Sharia principles encourage companies to avoid manipulative practices, such as fraudulent reporting or product quality discrepancies.
- d. The application of Islamic ethics has a positive impact on working relationships between leaders and employees.

This article asserts that Islamic ethics are relevant and can be effectively applied in modern corporate operating systems.

4. Islamic Business Ethics in MSME Operations

The fourth article demonstrates that the application of Islamic ethics is not only applicable to large companies but is also effective in MSMEs. Key findings include:

- a. MSMEs that adhere to the principles of honesty and trustworthiness have a higher level of customer trust.
- b. The practice of Islamic ethics creates stability in the financial management of MSMEs.
- c. Implementing ethics helps MSMEs reduce internal conflict and increase employee loyalty.
- d. Operational ethics have been proven to improve service quality and increase the competitiveness of MSMEs.

The research results show that ethics is a factor that determines the long-term sustainability of MSMEs.

5. The Impact of Artificial Intelligence on Operational Efficiency

The fifth article examines how the use of Artificial Intelligence (AI) technology impacts company operations. Key findings include:

- a. AI is able to increase the speed and accuracy of operational processes through automation.
- b. The use of AI has been proven to reduce human error in the production chain and quality control.
- c. Companies using AI can optimize the use of data to accurately estimate operational needs.
- d. However, the use of AI raises new ethical issues, such as data privacy and workforce reduction.

These findings suggest that technology increases efficiency, but still requires ethical management.

6. Ethics in Operations Management, Challenges and Strategies

The sixth article examines ethical values, implementation challenges, and operational strategies. Findings include:

- a. Ethics has an important role in creating integrity in the operational process, from planning to evaluation.
- b. The application of ethics faces challenges such as conflicts of interest, production pressures, and minimal ethical oversight.
- c. The main strategies in strengthening ethics are the preparation of a code of ethics, ethics training, and strengthening internal supervision.
- d. Ethics in operations helps companies reduce operational risks and increase work effectiveness.

The results of this study provide an important basis for developing strategies for implementing ethics in modern companies.

DISCUSSION

This discussion synthesizes the findings of six peer-reviewed articles, focusing on how ethics plays a role in modern operations management. Overall, these six articles demonstrate that ethics is not merely a normative concept but has become part of the operational mechanism that influences process effectiveness, performance quality, customer satisfaction, and even organizational sustainability.

1. Ethics as a foundation in operational processes

Various articles emphasize that ethics serves as the basis for decision-making in operational activities. In multinational corporations, implementing CSR is not simply a moral obligation, but an operational strategy

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that influences resource use, risk management, and relationships with global stakeholders. Ethics enable companies to conduct operations that are not only efficient but also socially responsible. This demonstrates that ethical operations management can create competitive advantage while strengthening a company's image in the eyes of the international community. Ethical values are not limited to large corporations; they also have a significant impact in local contexts such as MSMEs. Small-scale business operations that implement honesty, trustworthiness, and fairness have been proven to maintain customer loyalty and improve service quality. This demonstrates that ethics is not about organizational size, but rather a commitment to conducting operational activities morally.

2. Organizational ethics and culture as drivers of operational behavior

A healthy organizational culture creates a work environment consistent with ethical values. Articles on organizational culture emphasize that without strong cultural values, ethics will be difficult to implement in daily operations. When the culture emphasizes integrity, professionalism, and discipline, employees have an internal guideline for executing operational tasks. In this context, ethics becomes part of work habits, not just rules. A culture that supports ethics can prevent manipulative actions, negligence, deviations from standard operating procedures (SOPs), and internal conflict. Thus, culture and ethics form a system that guides employee behavior toward achieving stable and high-quality operational goals.

3. Islamic ethics as a moral guideline in operations

Two articles on Islamic ethics emphasize the high relevance of Sharia principles to modern operational activities. Values such as trustworthiness, honesty, justice, and responsibility serve as guidelines for maintaining integrity in financial management, transactions, distribution, and production.

Islamic ethics also encourage harmonious relationships between business owners, employees, suppliers, and customers. This impacts:

- a. trust in transactions,
- b. product quality consistency,
- c. comfort of the work environment,
- d. and smooth operational flow.

Thus, ethics based on religious values can be an effective control instrument in the increasingly competitive business world.

4. Adaptation of technology and the emergence of new ethical challenges

Technological developments, particularly Artificial Intelligence (AI), have significantly improved operational efficiency. However, the fifth article points out that technology presents new ethical dilemmas that should not be ignored. Unsupervised use of AI can lead to issues such as:

- a. biased decision making,
- b. customer data privacy breach,
- c. gaps in human roles in operations,
- d. risky system dependencies.

Therefore, the integration of technology into operations management must be accompanied by strict ethical regulations. Ethics serve as a safeguard, ensuring that technology is used responsibly and does not harm any party. Without ethics, technological superiority can actually pose a threat to a company's survival.

5. Challenges in implementing operational ethics

While ethics is crucial, its implementation isn't always easy. The sixth article identifies several key challenges, such as the pressure of high production targets, market demands, conflicts of interest between divisions, and a lack of understanding of moral values. These challenges require companies to develop a more systematic strategy to ensure ethics is truly implemented in their operations. Implementing ethics requires education, consistency, role modeling, and oversight. Companies must internalize ethics into standard operating procedures (SOPs), provide ethics training, and ensure that any violations are handled professionally. This ensures that ethics is not merely understood as a concept but becomes an ingrained part of the work culture.

6. The role of ethics in creating sustainability and long-term operational performance

A synthesis of the six articles shows that ethics has a significant impact on corporate sustainability. Companies that consistently implement ethics tend to have strong long-term relationships with employees, customers, and business partners. This improves operational stability and performance. Conversely, companies that ignore ethics are more susceptible to conflict, customer dissatisfaction, and decreased productivity. Ethics, ultimately, is a long-term investment for a company. It serves as a reputation builder, a driver of operational efficiency, and a safeguard against internal and external risks. Ethics also serves as the foundation for responsible innovation and operational sustainability in the dynamic digital era.

CONCLUSION

Based on the results of a review of the six articles reviewed, it can be concluded that ethics plays a crucial role in operations management, in both large, medium, and small-scale companies. Ethics not only serves as a moral value, but has evolved into a strategic component that determines how operational processes are designed, executed, controlled, and evaluated. The application of ethics has been proven to have a positive impact on various operational aspects, from increasing efficiency, strengthening organizational culture, improving service quality, to building trust between the organization and its stakeholders. In multinational corporations, ethics is reflected in the implementation of CSR, which balances operational performance with social responsibility. In MSMEs and Islamic-based companies, ethics serves as a moral guideline that maintains transparency, honesty, and fairness in all operational activities.

The development of modern technologies such as Artificial Intelligence (AI) also emphasizes the critical need for ethics as a driver of technology use to prevent bias, privacy violations, and unfairness in business processes. Therefore, integrating technology and ethics is key to creating operations that are not only efficient but also responsible. However, implementing ethics is not without challenges such as target pressure, conflicts of interest, a lack of moral understanding, and weak oversight. Therefore, companies need to implement systematic strategies such as developing a code of ethics, ethics training, ethics audits, and a reward and punishment system to ensure ethical values are truly reflected in every operational activity. Overall, the six articles reviewed demonstrate that ethics is a key foundation for creating effective, stable, and sustainable operations management capable of meeting the challenges of the modern business world. Ethics is a factor that differentiates the quality of an organization's operations and influences the company's long-term success.

SUGGESTION

Based on the results of the research and discussions that have been carried out, there are several suggestions that can be used as a reference for organizations, researchers, and practitioners in developing the application of ethics in operations management:

1. Companies need to strengthen the integration of ethics in every standard operating procedure (SOP). Ethics should not only be considered a company value but also be implemented in daily work procedures. Each operational division needs clear ethical guidelines to ensure all activities are carried out consistently and responsibly.
2. The importance of regular ethics training for all employees. Ethics training should be conducted regularly to increase employee understanding and awareness of the importance of ethics in operational activities. This training can include case studies, discussions, and simulations of ethical dilemmas relevant to the job.
3. Companies are advised to build a work culture that supports moral values. Ethical values such as honesty, responsibility, and fairness must be integrated into the organizational culture. Company leaders need to be role models in implementing ethics so that these values can flow throughout the organization.
4. Internal oversight and ethics audits need to be strengthened. To ensure that ethics are truly implemented, companies need to conduct regular ethics audits. Good oversight can reduce the risk of violations, increase employee compliance, and maintain operational quality.
5. The use of technology must be controlled by clear ethical policies. The use of technologies such as Artificial Intelligence (AI) must be accompanied by moral guidelines to prevent data misuse, algorithmic bias, and unfairness in decision-making processes. Companies need to ensure that the innovations implemented remain aligned with ethical values.
6. MSMEs are advised to continue to prioritize ethical values in their operational practices.

Even small-scale MSMEs need to maintain the values of honesty, trustworthiness, and good service. Ethics can serve as social capital that strengthens customer loyalty and increases trust in the long term.

7. Further research could expand the focus to different industrial contexts.

To enrich the literature, research on ethics in operations management could be expanded to include the manufacturing, service, education, healthcare, or government sectors. This would provide a broader picture of the application of ethics in various fields.

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