Recieced: 20, 07, 2026 | Revised: 24, 07, 2026 | Accepted: 27, 07, 2026

ARTICLE

EduFuture: Journal of Future Education

Volume: 4, Number 01, 2026 pp. 97-113
E-ISSN : 3025-2741
Doi: https://doi.org/10.67025/journaloffutureeducation.v4i1.133

The Implementation of Employee Codes of Ethics in Human Resource Management at PT Kereta Api Indonesia (Persero): A Literature Review

Muhamad Ridho[1] | Yayang Elsa Meliyandari[2] | Muhammad Farel Abrar[3] | Eka Zahra Putri[4] | Suhendi[5]

Affiliation:
[1,5] Management, UIN Sunan Gunung Djati, Bandung, Indonesia

Correspondence:
Muhamad Ridho, Faculty of Islamic Economics and Business, Universitas Islam Negeri Sunan Gunung Djati Bandung, Jl. A.H. Nasution No. 105, Cibiru, Bandung 40614, West Java, Indonesia.
Email: mhmdridho927@gmail.com

Abstract
This study aims to analyze the implementation of employee codes of ethics in human resource management at PT Kereta Api Indonesia (Persero) (KAI) through a literature review. Employee codes of ethics serve as guidelines for establishing professional behavior, maintaining integrity, ensuring accountability, and supporting the effective management of human resources. In a company operating in the railway transportation sector, the implementation of ethical standards is particularly important for promoting employee discipline, responsibility, fairness, and compliance with organizational regulations. This study uses a literature review method by examining relevant academic publications and official company documents related to employee codes of ethics, human resource management, business ethics, ethical leadership, organizational ethical culture, corporate governance, and whistleblowing systems. The analysis focuses on the role of codes of ethics in supporting human resource management practices, including employee development, supervision, performance evaluation, and the prevention and handling of ethical violations. The literature reviewed indicates that effective implementation requires more than the formal establishment of ethical regulations. It also depends on consistent leadership, clear communication of ethical standards, continuous employee training, fair enforcement of rules, and accessible reporting mechanisms. In the context of KAI, corporate governance policies and the whistleblowing system provide institutional mechanisms that can support transparency, accountability, and the reporting of suspected violations. These mechanisms may contribute to the development of an ethical organizational culture when integrated with human resource management practices. However, because this study relies on a literature review, it does not directly establish the effectiveness of KAI's code of ethics in changing employee behavior or reducing ethical violations. The study concludes that integrating employee codes of ethics into human resource management is essential for promoting professional conduct, strengthening employee accountability, and supporting sustainable organizational performance.

Therefore, consistent implementation, evaluation, and internalization of ethical values are necessary to ensure that the code of ethics functions not merely as a formal regulation but also as an integral part of organizational culture.

Keywords: employee code of ethics, human resource management, business ethics, whistleblowing system, PT Kereta Api Indonesia (Persero).

1. INTRODUCTION

Business ethics is an essential aspect of corporate activities because it concerns the application of moral values, honesty, fairness, responsibility, and compliance with applicable regulations. Business ethics does not merely address a company's efforts to generate profits but also encompasses how the company treats its employees and conducts its operational activities responsibly. The appropriate implementation of ethical principles can help companies minimize misconduct while fostering a professional working environment. Chen et al. (2022) revealed that ethics-oriented human resource management practices can mitigate the relationship between illegitimate tasks and employees' unethical behavior. Similarly, Men et al. (2024) highlighted the role of socially responsible human resource management in reducing unethical behavior in the workplace. Therefore, business ethics needs to be incorporated into corporate policies and management practices and implemented consistently, rather than serving merely as a formal set of rules without practical enforcement.

Human resources play a strategic role in supporting the achievement of corporate objectives. Human resource management is not limited to recruitment, training, performance evaluation, and compensation but also involves efforts to shape employee behavior in accordance with the values and norms established within the organization. The implementation of business ethics in human resource management is necessary to foster a workplace culture that upholds discipline, fairness, transparency, and accountability. Pham et al. (2023) explained that human resource management practices oriented toward the common good are associated with employees' ethical behavior and positive organizational behavior. Meanwhile, Serang et al. (2024) emphasized the role of ethical leadership in influencing employee behavior and strengthening organizational commitment. These studies demonstrate that the development of ethical behavior depends on an effective human resource management system and the exemplary conduct of leaders. Accordingly, ethical values need to be integrated into corporate policies and applied in employees' daily work activities.

A code of conduct is one of the instruments that companies can use to implement business ethics principles in human resource management. A code of conduct serves as a guideline for employees in performing their duties, determining appropriate actions, making decisions, and establishing professional relationships with other parties. Furthermore, a code of conduct can help companies prevent conflicts of interest, abuse of authority, dishonesty, and violations of workplace regulations. Zhou et al. (2025) demonstrated that the implementation of ethics-oriented human resource management systems is relevant to reducing unethical employee behavior. In addition, Ahmed et al. (2024) explained the relationship between ethical leadership and employee behavior through individual psychological factors and moral values. These findings indicate that the implementation of a code of conduct needs to be supported by exemplary leadership, clear communication, effective supervision, and appropriate mechanisms for handling violations. Therefore, the effectiveness of a code of conduct depends not only on the provisions contained within it but also on the

company's commitment to implementing and enforcing those provisions consistently.

PT Kereta Api Indonesia (Persero) is a state-owned enterprise (SOE) operating in the railway transportation sector and plays an important role in providing transportation services to the public. In carrying out its business activities, KAI requires competent, professional, and ethical human resources, particularly because passenger safety, punctuality, and service quality are essential aspects of railway operations. According to the company's official information, the implementation of Good Corporate Governance (GCG) at KAI is associated with the AKHLAK core values, which consist of Amanah (Trustworthy), Kompeten (Competent), Harmonis (Harmonious), Loyal (Loyal), Adaptif (Adaptive), and Kolaboratif (Collaborative). In addition, the company has established corporate governance mechanisms, including a code of conduct and a Whistleblowing System (PT Kereta Api Indonesia [Persero], n.d.). From an academic perspective, Sun et al. (2024) examined the relationships among ethical leadership, close supervision by leaders, employee-perceived uncertainty, and positive organizational behavior. Meanwhile, Shahzad et al. (2024) investigated the relationship between ethics-oriented human resource management systems, moral attentiveness, and deviant workplace behavior. These studies provide a foundation for understanding that the implementation of the code of conduct at KAI needs to be examined from two perspectives: the company's formal policies and their actual implementation in employee management and behavior.

The existence of a code of conduct and corporate governance policies does not automatically demonstrate that all ethical principles have been effectively implemented in operational activities. Therefore, further investigation is needed into how the code of conduct is communicated to employees, how compliance is monitored, how violations are addressed, and how the company promotes ethical awareness in the workplace. Ren et al. (2026) explained the importance of ethics-oriented human resource management systems in reducing employees' tendencies to engage in unethical behavior. On the other hand, Al Halbusi et al. (2023) demonstrated that the relationship between ethical leadership and employees' ethical behavior is associated with moral identity and individuals' capacity for self-control.

These findings emphasize that the implementation of business ethics needs to be supported by appropriate organizational policies, exemplary leadership, and employees' moral awareness. Based on this discussion, this study aims to analyze the implementation of business ethics in human resource management at PT Kereta Api Indonesia (Persero), with particular emphasis on the implementation of the employee code of conduct. Furthermore, this study seeks to identify the forms of code-of-conduct implementation, the factors that support or hinder its application, and the measures taken by the company to foster ethical, professional, and responsible workplace behavior.

2. METHOD

This study employs a qualitative approach using the literature review method to examine the implementation of the employee code of conduct in human resource management at PT Kereta Api Indonesia (Persero). This method was selected because it enables researchers to identify, examine, and synthesize previous research findings to develop a deeper understanding of a particular issue (Snyder, 2019). The study focuses on the company's code of conduct policies, the application of ethical values in employee behavior, and their relationship with the principles of *Good Corporate Governance* (GCG). Through a review of various written sources, this study seeks to explain the role of the code of conduct in fostering a professional, ethical, and responsible working environment.

The data used in this study consist of secondary data obtained from various

written sources relevant to the research topic. These sources include scientific journal articles, academic books, previous research findings, and official documents and publications issued by PT Kereta Api Indonesia (Persero). Academic literature is used to establish the conceptual foundation for business ethics, human resource management, employee codes of conduct, and corporate governance. Meanwhile, official company documents are used to identify policies and guidelines related to employee behavior and the implementation of ethical principles within KAI.

Data collection was conducted by searching for and reviewing literature relevant to the research focus. Sources were selected based on the relevance of their content, the credibility of their publishers, the clarity of the information presented, and their connection to the research problem. Febrianto et al. (2024) explain that the literature review process should follow structured stages, including source identification, publication selection, and information synthesis, to establish a sound foundation for the review. The information obtained in this study was subsequently read, recorded, and categorized according to specific themes, including employee code of conduct provisions, the application of ethical values in human resource management, leadership responsibilities, employee behavior monitoring, and the relationship between the code of conduct and GCG principles.

The data were analyzed using qualitative descriptive analysis through the processes of data selection, categorization, interpretation, and conclusion drawing. Miles et al. (2019) emphasize the importance of qualitative data analysis through data condensation, data display, and conclusion drawing and verification. In this study, the first stage involved selecting information relevant to the research focus. The second stage involved presenting the information according to the research themes and comparing it with concepts and findings from academic literature. The final stage involved drawing conclusions to explain the forms of code of conduct implementation, the factors supporting its implementation, and the challenges that may affect the application of the code of conduct in human resource management at PT Kereta Api Indonesia (Persero).

To maintain the quality of the analysis, this study compares information from academic literature with official company documents while considering the credibility, relevance, and consistency of the sources used. This process aims to ensure that the conclusions are supported by adequate evidence and do not rely solely on a single source. However, this study has limitations because it relies exclusively on secondary data and does not involve interviews with employees or direct observations within PT Kereta Api Indonesia (Persero). Therefore, the findings are limited to the synthesis of existing literature and the analysis of available documents and cannot be used to directly measure employee compliance levels or the actual effectiveness of code of conduct implementation in everyday workplace practices.

3. RESULT AND DISCUSSION

Result

Code of Ethics Policy and Corporate Governance at PT KAI

Based on a review of the literature and official company documents, the implementation of an employee code of ethics is an important element of human resource management at PT Kereta Api Indonesia (Persero). KAI has established its code of ethics through Board of Directors Regulation No. PER.U/KC.202/II/1/KA-2022. In addition, the company implements the principles of *Good Corporate Governance* (GCG) as a foundation for conducting its business and operational activities responsibly. According to the company's official corporate governance website, GCG is part of KAI's efforts to support healthy and sustainable business growth while creating value for various stakeholders, including employees, customers, business partners, regulators, and the public. The documents also include a code of ethics, corporate

governance guidelines, and whistleblowing system guidelines as part of the company's internal policies. The existence of these policy instruments indicates that KAI has established a formal framework to guide employee conduct and responsibilities. This finding is consistent with Chen et al. (2022), who explain that ethics-based human resource management practices can help reduce the tendency toward unethical behavior. Men et al. (2024) also demonstrate that socially responsible human resource management practices are associated with efforts to reduce unethical behavior in the workplace. Therefore, the code of ethics and GCG policies serve as an important formal foundation for supporting integrity and compliance within KAI.

The implementation of corporate governance at KAI is also supported by assessment mechanisms designed to evaluate the quality of GCG implementation. According to information published on KAI's official corporate governance website, the GCG assessment for the performance period from January 1 to December 31, 2024, was conducted from April 15 to May 26, 2025, by an external auditor from the West Java Regional Office of the Financial and Development Supervisory Agency (*Badan Pengawasan Keuangan dan Pembangunan* or BPKP). In this assessment, KAI achieved a score of 93.590, receiving the rating "Very Good," an increase from its score of 93.017 in 2023. These data provide documentary evidence that KAI's corporate governance implementation has been evaluated through an external assessment mechanism. However, the GCG score should be understood as an assessment of corporate governance as a whole, rather than as a specific measure that directly proves the successful implementation of the employee code of ethics. In relation to human resource management, the assessment provides context for understanding the company's efforts to strengthen compliance, accountability, and internal oversight. Hameed et al. (2026) explain the importance of ethics-based HRM practices in limiting unethical behavior, while Pham et al. (2023) identify a positive relationship between human resource management practices oriented toward the common good and ethical employee behavior. Therefore, corporate governance assessments should be considered alongside employee management policies and practices to provide a more comprehensive understanding of ethical implementation.

In addition to establishing a code of ethics and GCG policies, KAI provides a *Whistleblowing System* (WBS) as a mechanism for reporting suspected irregularities or violations within the company. According to KAI's official WBS website, this reporting channel can be used by both internal and external parties who have knowledge of or information regarding alleged violations committed by individuals within KAI. The system is also designed to protect the confidentiality of whistleblowers' identities and provide a mechanism for monitoring the progress of submitted reports. Official company information explains that submitted reports undergo initial assessment and verification, followed by further examination when they meet the requirements for follow-up action. The types of suspected violations that may be reported include fraud, conflicts of interest, gratification, violations of the company's code of conduct or code of ethics, and employee disciplinary violations. This indicates that the WBS is not limited to financial oversight but can also support the enforcement of behavioral standards and employee discipline. Agarwal et al. (2025) emphasize the relevance of ethics-based HRM in reducing unethical behavior, while Men et al. (2024) highlight the importance of responsible HRM practices in shaping employee behavior. Accordingly, the WBS can be understood as one of the supporting instruments for implementing the code of ethics, although its effectiveness must still be assessed based on the follow-up actions taken and the outcomes of reported cases.

Support for ethical implementation is also reflected in KAI's WBS socialization activities conducted in 2025. According to official company documents, these activities

targeted KAI personnel and vendors across several operational units to improve their understanding of the reporting mechanism for suspected violations and unethical conduct. Throughout 2025, the reported socialization activities involved 676 KAI personnel and 194 vendors. These figures indicate that the company has made efforts to introduce reporting channels to its employees and business partners, meaning that oversight does not rely solely on the existence of written regulations. Socialization activities can help improve understanding of reportable violations, complaint submission procedures, and the importance of maintaining integrity in workplace relationships. Nevertheless, the number of participants cannot be considered direct evidence that all employees understand or consistently comply with the code of ethics. Pham et al. (2023) explain that HRM practices may be associated with the development of ethical behavior, while Yu et al. (2026) demonstrate that the relationship between HRM practices and unethical workplace behavior is complex. Therefore, socialization should be regarded as a supporting initiative whose outcomes need to be evaluated through employee understanding, the application of ethical values, and behavioral consistency in daily work activities.

Based on the overall review of the documents, the implementation of the code of ethics and corporate governance at KAI is supported by several complementary instruments, including the code of ethics regulation, GCG policies, corporate governance assessments, the whistleblowing system, and socialization activities. These instruments indicate that the company has established a formal framework to guide employee conduct, identify suspected violations, and promote organizational accountability. However, the existence of policies and socialization activities does not, by itself, prove that violations have been successfully prevented or that all employees behave in accordance with the code of ethics. Assessing the effectiveness of the code of ethics requires additional evidence, such as evaluations of employee understanding, data on report follow-up, internal investigation outcomes, and information regarding the consistent application of sanctions in accordance with company regulations. This conclusion is consistent with Chen et al. (2022), who highlight the role of ethics-based HRM in limiting unethical behavior, and Yu et al. (2026), who emphasize the complexity of the relationship between HRM practices and employee behavior. Thus, the findings indicate that KAI has established formal policies and supporting mechanisms for ethical implementation; however, their effectiveness in shaping employees' day-to-day behavior cannot yet be conclusively determined based solely on the available documents.

Internalization of Ethical Values in Human Resource Management

The literature review indicates that the internalization of ethical values is an important aspect of human resource management, as the implementation of a code of ethics cannot rely solely on written regulations. It must also be supported by employees' understanding of and consistent practice of ethical behavior in the workplace. Employees need to understand the company's values, their professional responsibilities, and the consequences of actions that violate ethical standards. Shahzad et al. (2024) found that ethics-oriented human resource management systems are associated with lower levels of deviant workplace behavior through employees' moral attentiveness. Meanwhile, Yu et al. (2026), through a review of academic literature, explained that the relationship between human resource management practices and unethical behavior in the workplace is complex. These findings indicate that company policies must be translated into consistent employee management practices to support the development of ethical behavior. Therefore, the internalization of ethical values can be understood as a process that connects formal company regulations with

employees' understanding, attitudes, and actions in carrying out their professional responsibilities.

In the context of PT Kereta Api Indonesia (Persero), efforts to develop ethical awareness can be examined through the company's official documents concerning corporate governance and the socialization of its Whistleblowing System (WBS). According to KAI Sustainability publications, the company conducted WBS socialization activities for KAI personnel and vendors across several operational units to improve their understanding of the reporting mechanism for suspected violations and unethical conduct. Throughout 2025, these activities involved 676 KAI personnel and 194 vendors. This information indicates that KAI has made efforts to disseminate information about reporting and oversight mechanisms to employees and business partners. Although WBS socialization cannot be equated entirely with code of ethics training, these activities are relevant as part of the company's efforts to raise awareness of integrity and compliance. Shahzad et al. (2024) highlight the relevance of ethics-oriented HRM systems in developing employees' moral attentiveness, while Yu et al. (2026) emphasize that the relationship between HRM policies and employee behavior depends on various factors. Accordingly, KAI's socialization activities can be regarded as one of the supporting instruments for developing ethical awareness, although their effectiveness in influencing employee behavior requires further evaluation.

The internalization of ethical values is also related to the role of leaders in demonstrating behavior that aligns with company standards. Leaders are not only responsible for communicating regulations but are also expected to demonstrate integrity, fairness, accountability, and consistency in decision-making. Such role modeling can help employees understand how company values should be applied in everyday work situations. Guo et al. (2023) found that ethical leadership positively influences employees' ethical work behavior, with organizational commitment playing a mediating role in this relationship. Meanwhile, Parboteeah et al. (2024) examined ethical climates across different national contexts through a meta-analysis, highlighting the importance of understanding organizational ethical climates within their broader cultural and institutional settings. These findings suggest that leadership role modeling and a supportive organizational ethical climate are relevant to fostering ethical behavior. In the context of KAI, these aspects highlight the importance of consistent communication, fair decision-making, and the application of organizational values in daily operations. However, because this study is based on a literature review and official documents, there is insufficient empirical evidence to conclude that all KAI leaders consistently demonstrate such behavior or that employee behavior has changed as a result.

In addition to socialization and leadership role modeling, the internalization of ethical values requires support from an oversight system and a trustworthy mechanism for handling violations. KAI's official documents explain that its WBS provides a channel for reporting suspected violations and unethical conduct, while supporting the verification and follow-up of submitted reports. The existence of this mechanism can help clarify that violations of ethical standards are subject to established procedures, ensuring that the code of ethics does not remain merely a formal document. However, the effectiveness of this mechanism depends not only on the availability of a reporting channel but also on clear procedures, protection of whistleblowers' confidentiality, objective investigations, and consistent follow-up actions. Chen et al. (2022) found that ethical human resource management can weaken the positive association between illegitimate tasks and employee unethical behavior. Similarly, Men et al. (2024) examined how socially responsible HRM practices relate to unethical behavior, highlighting the relevance of moral processes in this relationship. Therefore, oversight and violation-handling mechanisms can

complement other initiatives in creating a work environment that supports compliance and professional responsibility. Nevertheless, documents describing the existence of the WBS are insufficient to measure employees' level of trust in the system or its impact on ethical behavior.

Based on the overall findings, the internalization of ethical values in KAI's human resource management can be analyzed through the relationship between policy socialization, leadership role modeling, internal communication, and oversight mechanisms. These four aspects complement one another: socialization disseminates information, leadership role modeling demonstrates the application of values, internal communication supports employee understanding, and oversight mechanisms provide procedures for addressing suspected violations. Shahzad et al. (2024) highlight the relevance of ethics-oriented HRM systems to employees' moral attentiveness and workplace behavior, while Guo et al. (2023) emphasize the relationship between ethical leadership and employees' ethical work behavior. Yu et al. (2026) further explain that the relationship between HRM practices and unethical behavior is complex. Therefore, the implementation of a code of ethics should be understood as an ongoing process that requires consistent support from policies and management practices. In this study, KAI's official documents provide evidence of WBS socialization activities and governance mechanisms that support ethical awareness. However, these documents do not provide sufficient evidence to determine the level of understanding among all employees, the consistency of ethical practices, or the success of code of ethics internalization in daily work activities.

Implementation of the Monitoring System and Whistleblowing System

The next documentary finding concerns the monitoring mechanisms and handling of suspected violations in the implementation of the employee code of ethics at PT Kereta Api Indonesia (Persero). Based on the company's corporate governance publications, KAI has established a Whistleblowing System (WBS) as a mechanism for receiving reports of suspected irregularities or violations within the company. This system provides a dedicated reporting channel intended to maintain confidentiality and support the handling of complaints. The WBS forms part of KAI's broader corporate governance framework, which includes the implementation of Good Corporate Governance (GCG), a code of ethics, and internal monitoring mechanisms. Research by Cai et al. (2024) indicates that an organizational ethical climate can support whistleblowing behavior through organizational identification, while Nur et al. (2024) found that an ethical work climate positively influences employees' whistleblowing intentions. These findings highlight the relevance of establishing reporting mechanisms within an organizational environment that supports ethical conduct.

supporting document is KAI's official sustainability publication concerning governance and the management of ethical violations. According to this publication, the number of reports submitted through the WBS was 12 in 2022, 17 in 2023, 23 in 2024, and 54 in 2025. These figures indicate an increase in the number of recorded reports over the four-year period, with the largest increase occurring in 2025. However, the increase in reports cannot automatically be interpreted as evidence that ethical violations have become more frequent. The number of reports may also be influenced by increased socialization, employees' understanding of reporting procedures, easier access to the reporting channel, or a greater willingness to disclose suspected misconduct. El-Gazar et al. (2025) explain that the relationship between organizational ethical climate and whistleblowing behavior can operate through organizational identification, while Batolas et al. (2023), in a meta-analysis, show that the relationship between whistleblowers and the individuals being reported can influence reporting

intentions in different ways. Therefore, the number of reports is more appropriately interpreted alongside other information, such as report verification, case resolution, and follow-up actions.

In addition to providing a reporting channel, KAI describes procedures for handling complaints through its WBS. According to the official WBS website, submitted reports are processed through the company's complaint-handling mechanism, and whistleblowers can use the available system to follow up on their submissions. KAI's public information directory also lists Board of Directors Regulation No. PER.U/KL.104/I/1/KA-2024, dated January 12, 2024, concerning Guidelines for Handling Complaints through the WBS. The existence of this regulation provides evidence of a formal policy framework for complaint handling. These procedures are relevant because an effective reporting mechanism requires clear steps for receiving, reviewing, and following up on information concerning suspected misconduct. Nur et al. (2024) found that an ethical work climate positively influences whistleblowing intentions, while Cai et al. (2024) highlight the role of organizational identification in the relationship between ethical climate and whistleblowing behavior. Nevertheless, the existence of formal procedures does not automatically demonstrate that every report results in corrective action or sanctions. Further information on case resolution and actual follow-up is needed to assess implementation.

Another important aspect of the monitoring system is whistleblower protection. KAI's official WBS website describes the system as a confidential reporting mechanism for suspected irregularities or violations within the company. The reporting channel allows information concerning suspected misconduct to be submitted through a dedicated mechanism. Such arrangements are relevant because employees and other stakeholders may be reluctant to report violations if they fear that their identities will be disclosed or that their reports will not be handled appropriately. Research by Potipiroon and Wongpreedee (2021) found that the relationship between ethical climate and whistleblowing intentions among local government employees operated indirectly through factors including public service motivation and perceived psychological safety. Similarly, Cai et al. (2024) found that organizational identification helps explain the relationship between organizational ethical climate and whistleblowing behavior. These findings suggest that the availability of a reporting channel should be accompanied by an organizational environment in which individuals feel supported when reporting suspected misconduct. However, the existence of a confidential reporting mechanism alone does not establish the level of trust employees place in KAI's WBS; this requires additional evidence concerning its implementation and employee experiences.

From a formal policy perspective, KAI's corporate governance information identifies instruments supporting the implementation of ethical standards, including the company's code of ethics and guidelines for handling reports of suspected violations. The company's public information directory also lists the 2024 regulation concerning WBS complaint handling, which provides a formal reference for the reporting mechanism. These documents are relevant because monitoring activities require clear procedures for receiving, reviewing, and following up on reports. In relation to the employee code of ethics, the WBS has the potential to help the company identify suspected misconduct and support the enforcement of behavioral standards. Nur et al. (2024) found that an ethical work climate positively influences employees' intentions to report wrongdoing, while Batolas et al. (2023) showed that whistleblowing intentions can be affected by the nature of the relationship between the reporting individual and the person whose conduct is reported. Therefore, the formal existence of a reporting mechanism should be complemented by fair procedures,

appropriate confidentiality safeguards, and consistent follow-up. However, the available policy documents alone do not establish whether all these elements are consistently implemented in practice.

The implementation of the WBS is also relevant to the broader discussion of ethical behavior in organizations. Cai et al. (2024) found that organizational ethical climate can contribute to whistleblowing behavior through organizational identification, although their study did not find a direct effect of ethical climate on whistleblowing behavior. Meanwhile, Nur et al. (2024) reported a positive relationship between ethical work climate and whistleblowing intentions among employees of a state-owned bank in Indonesia. These studies provide supporting perspectives on how organizational conditions can be related to employees' willingness to report suspected misconduct. In KAI's context, the WBS can be understood as an instrument that complements the company's code of ethics by providing a channel for reporting suspected violations and a mechanism for handling complaints. Nevertheless, the findings from other organizations cannot be directly generalized to KAI without further empirical investigation. The contribution of the WBS to ethical governance therefore needs to be examined alongside the company's policies, socialization activities, protection measures, and responses to submitted reports.

Based on the overall documentary findings, the implementation of KAI's monitoring system and WBS can be analyzed through four main aspects: the availability of a reporting channel, the protection of whistleblower confidentiality, the existence of verification and review procedures, and follow-up actions on submitted reports. The number of reports recorded between 2022 and 2025 provides an overview of the system's utilization, while KAI's official WBS website and corporate governance publications describe its reporting mechanism and formal policy framework. Nevertheless, the number of reports and the existence of established procedures are insufficient to conclude that the system has successfully prevented violations or improved employees' ethical compliance. A more comprehensive assessment should consider the number of reports resolved, the types of follow-up actions taken, the time required to resolve cases, the protection provided to whistleblowers, and evaluations of corrective actions. Cai et al. (2024), Nur et al. (2024), and Batolas et al. (2023) provide relevant theoretical and empirical perspectives on whistleblowing behavior, but their findings should not be treated as direct evidence of the WBS's effectiveness at KAI. Therefore, within the limitations of this literature review, the WBS can be regarded as part of KAI's corporate governance and ethical monitoring infrastructure, while its effectiveness in changing employee behavior requires further empirical evidence.

The Relationship Between the Code of Ethics and Employee Behavior

Overall, the literature review indicates that the implementation of the employee code of ethics at PT Kereta Api Indonesia (Persero), or KAI, is associated with three main elements: formal policies, monitoring and reporting systems, and the development of ethical behavior through human resource management. These three elements complement one another in fostering a work environment that upholds integrity, responsibility, and compliance with organizational standards. Formal policies serve as behavioral guidelines, monitoring mechanisms help identify suspected violations, while human resource management supports employees' understanding and application of ethical values in their work. Luksyte et al. (2024) examined the relationship between employee conscientiousness and perceived ethicality in the context of organizational hierarchy. These findings suggest that ethical behavior is not determined solely by the existence of regulations but is also influenced by individual characteristics and organizational conditions that shape

employees' willingness to apply moral values in their work.

The relationship between the code of ethics and employee behavior can also be understood through human resource management systems that integrate ethical values into organizational practices. Tian (2025) discussed how ethics-oriented human resource management can help reduce unethical employee behavior by enhancing the moral meaningfulness employees experience in their work. This finding suggests that HRM practices can help shape employees' understanding of the importance of acting in accordance with ethical principles. Meanwhile, Sun et al. (2024) examined the relationship between ethical leadership, leaders' close monitoring, employees' uncertainty, and organizational citizenship behavior. These studies reinforce the understanding that ethical values need to be consistently incorporated into employee management practices rather than merely stated in policy documents. In the context of KAI, this principle may be reflected in the socialization of the code of ethics, employee development programs, fair enforcement of rules, and the integration of integrity into HRM processes.

In addition to human resource management, leadership and organizational culture are also related to employees' tendencies to act in accordance with or deviate from ethical standards. Antunez et al. (2024) found that ethical leadership can help reduce unethical behavior through its relationship with the organizational ethical climate and individuals' tendency to disengage from moral responsibility. This suggests that leaders are not only responsible for communicating regulations but must also demonstrate consistency between their decisions, actions, and the values upheld by the organization. Similarly, Resende et al. (2024) examined the relationship between ethical culture, moral identity, and unethical workplace behavior, highlighting the importance of considering organizational and individual factors simultaneously. Based on these findings, the implementation of the code of ethics at KAI needs to be supported by a work environment that encourages employees to report concerns responsibly, understand the boundaries of acceptable behavior, and avoid normalizing violations. Nevertheless, studies conducted in other organizations and national contexts serve as a conceptual foundation rather than direct evidence of employee behavior at KAI.

Therefore, the relationship between the code of ethics and employee behavior can be understood as an interaction among formal rules, HRM practices, leadership role modeling, and organizational culture. The existence of a code of ethics, together with monitoring and reporting systems, indicates that formal mechanisms are available to support integrity-based corporate governance. However, the existence of these mechanisms does not automatically demonstrate that all employees understand and consistently apply ethical values in their daily activities. A more comprehensive assessment of their effectiveness requires additional empirical evidence, such as compliance evaluation results, data on the follow-up of reported violations, records of code-of-ethics socialization activities, and direct research into employees' understanding and behavior. Therefore, based on the literature review approach, the code of ethics can be regarded as an important instrument for guiding employee behavior, while the effectiveness of its implementation at KAI still needs to be assessed using data that specifically reflects the company's actual conditions.

Discussion

The implementation of the employee code of ethics in human resource management at PT Kereta Api Indonesia (Persero) (KAI) can be understood through the relationship between formal ethical policies, monitoring and reporting mechanisms, and the internalization of ethical values through human resource management (HRM). These three elements complement one another in establishing behavioral standards, identifying potential violations, and encouraging employees to

act in accordance with organizational values. However, the existence of formal policies does not automatically guarantee ethical behavior. Mitchell et al. (2023), in their review of unethical leadership, emphasize the importance of understanding leadership influences and the individual, organizational, and contextual factors associated with unethical conduct. This perspective suggests that the implementation of KAI's code of ethics needs to be examined not only in terms of its formal provisions but also in relation to the organizational conditions that support or hinder ethical conduct.

The relationship between ethical policies and employee behavior can also be explained through ethics-oriented human resource management systems. Bogale and Birbirsa (2023), through their systematic review of HR systems and work ethics, discuss the connection between human resource practices and ethical conduct in organizations. This perspective suggests that ethical principles should be incorporated into employee recruitment, orientation, training, performance evaluation, and professional development rather than being limited to formal policy documents. In the context of KAI, these practices can help employees understand the behavioral standards expected by the organization and apply ethical values in their daily responsibilities. Nevertheless, the extent to which these practices contribute to ethical behavior at KAI requires company-specific evidence.

Leadership also plays an important role in shaping how employees interpret and apply ethical standards. Mehra and Narwal (2025) examined the impact of ethical leadership on employee ethical behavior, including the mediating role of the ethical climate. Their research supports the view that ethical leadership and the organizational environment are relevant to understanding employee conduct. This suggests that leaders should not only communicate the code of ethics but also demonstrate consistency between organizational rules and their own decisions and actions. For KAI, managers and supervisors should exemplify integrity, fairness, and accountability in their daily responsibilities. When leadership behavior is consistent with formal ethical policies, employees have a clearer basis for understanding the standards expected of them. However, the extent to which this relationship occurs within KAI requires empirical investigation.

Monitoring and reporting mechanisms constitute another important dimension of ethical governance. A code of ethics requires procedures that allow suspected violations to be reported, assessed, and followed up appropriately. Cabana and Kaptein (2024) examined team ethical culture as a mechanism connecting the implementation of organizational ethics programs with the prevention of unethical behavior in teams. Their work highlights the importance of translating formal ethics programs into shared workplace practices. In KAI's context, the existence of a whistleblowing system should therefore be accompanied by clear reporting procedures, appropriate confidentiality measures, credible follow-up, and fair treatment of individuals involved. The availability of a reporting channel represents an important formal mechanism, but its practical effectiveness must be evaluated using evidence about employee confidence in the system and the handling of reported cases.

The role of employee development and ethics training should also be considered when evaluating the implementation of a code of ethics. Ruiz-Palomino et al. (2026) examined organizational ethical culture through a longitudinal study of comprehensive ethics training. This perspective reinforces the importance of treating ethical development as an ongoing process rather than a one-time activity. In the context of KAI, employee training and socialization activities may help clarify ethical standards, strengthen awareness of potential conflicts of interest, and provide guidance for handling ethical dilemmas. However, the effectiveness of such activities should not be assumed solely from their existence. It should instead be

evaluated through evidence of employee understanding, changes in workplace practices, and the consistent application of ethical standards.

At a broader theoretical level, Roy et al. (2024) reviewed ethical culture in organizations and identified directions for further research in this field. Their work provides a conceptual basis for understanding organizational ethical culture as an important dimension of how ethical values are interpreted and practiced within a workplace. This perspective is relevant to KAI because ethical standards need to be reflected not only in formal codes but also in everyday interactions, managerial decisions, employee evaluations, and responses to suspected violations. Accordingly, the code of ethics can be understood as a normative foundation that should guide HRM decisions and support a workplace culture characterized by integrity, fairness, and accountability. Nevertheless, whether these conditions have been achieved consistently across KAI's organizational units requires direct evidence.

The discussion contributes to existing knowledge by connecting the formal dimension of corporate ethics with the behavioral dimension of human resource management. Formal policies establish the standards expected by the organization, while HRM practices, ethical leadership, employee development, and monitoring mechanisms help translate these standards into organizational behavior. This relationship can be understood as an integrated framework in which the code of ethics provides the normative foundation, human resource management facilitates the internalization of ethical values, and monitoring and reporting mechanisms support accountability. This framework synthesizes ideas from previous research rather than presenting a newly validated theory. Future empirical research could examine whether employee awareness, perceived fairness, leadership behavior, participation in ethics training, and confidence in reporting mechanisms are associated with employees' actual ethical behavior.

Despite these contributions, this study has limitations. As a literature-based study, its conclusions depend on the availability and relevance of published research and corporate documents. Studies conducted in other industries and countries may not fully reflect KAI's organizational characteristics, employment practices, or operational challenges. In addition, the existence of ethical policies and reporting mechanisms cannot independently establish that employees consistently comply with the code of ethics. Further research should therefore combine the analysis of KAI's corporate documents with interviews, employee surveys, or other appropriate empirical methods. Such research would provide a more comprehensive assessment of how the code of ethics is understood, implemented, and experienced by employees across different organizational units.

Overall, the discussion suggests that the implementation of the employee code of ethics at KAI involves the interaction of formal policies, ethics-oriented HRM, leadership, employee development, monitoring and reporting mechanisms, and organizational culture. These elements provide a conceptual framework for understanding how ethical standards may be translated into employee behavior. Nevertheless, determining the actual effectiveness of the code of ethics requires company-specific empirical evidence. This distinction is important because the presence of formal ethical mechanisms indicates an organizational commitment to ethical governance, whereas their practical effectiveness must be assessed through evidence of implementation and employee behavior.

4. CONCLUSION

Based on the literature review, the implementation of employee codes of ethics is an important component of human resource management at PT Kereta Api Indonesia (Persero). A code of ethics serves

as a guideline for employees in carrying out their responsibilities professionally, honestly, fairly, and accountably. However, the existence of formal ethical regulations alone is not sufficient to ensure ethical behavior throughout the organization. Their implementation needs to be supported by ethical leadership, continuous employee training, consistent supervision, transparent performance evaluation, and accessible mechanisms for reporting violations.

In the context of KAI, corporate governance policies and the whistleblowing system provide important foundations for promoting accountability and handling reports of suspected violations. These mechanisms can support the integration of ethical principles into human resource management, particularly in employee supervision and the development of an ethical organizational culture. Nevertheless, because this study relies on a literature review, it does not directly measure the effectiveness of KAI's code of ethics in influencing employee behavior.

Therefore, KAI should continue strengthening the socialization and internalization of ethical values, ensuring consistent enforcement of ethical standards, protecting whistleblowers, and evaluating the implementation of its ethics policies regularly. Integrating the code of ethics into all stages of human resource management can help foster a professional, responsible, and integrity-oriented workforce while supporting the company's long-term sustainability.

5. REFERENCES

Agarwal, P., & Varma, A. (2025). Limits of ethical leadership and the role of ethics-oriented HRM system in managing Machiavellians. Personnel Review, 54(2), 595–612. https://doi.org/10.1108/PR-05-2024-0481

Ahmed, M., & Ishfaq Khan, M. (2024). Unpacking the paradoxical impact of ethical leadership on employees' pro-social rule-breaking behavior: The interplay of employees' psychological capital and moral identity. PLOS ONE, 19(8), e0306912. https://doi.org/10.1371/journal.pone.0306912

Al Halbusi, H., Ruiz-Palomino, P., & Williams, K. A. (2023). Ethical leadership, subordinates' moral identity and self-control: Two- and three-way interaction effect on subordinates' ethical behavior. Journal of Business Research, 165, 114044. https://doi.org/10.1016/j.jbusres.2023.114044

Antunez, M., Ramalho, N., & Marques, T. M. G. (2024). Context matters less than leadership in preventing unethical behaviour in international business. Journal of Business Ethics, 192, 307–322. https://doi.org/10.1007/s10551-023-05520-y

Batolas, D., Perkovic, S., & Mitkidis, P. (2023). Psychological and hierarchical closeness as opposing factors in whistleblowing: A meta-analysis. Journal of Business and Psychology, 38, 369–383. https://doi.org/10.1007/s10869-022-09849-5

Bogale, A. T., & Birbirsa, Z. A. (2023). HR system and work ethics: A systematic review. Cogent Business & Management, 10(3), Article 2278848. https://doi.org/10.1080/23311975.2023.2278848

Cabana, G. C., & Kaptein, M. (2024). Team ethical culture as a coupling mechanism between a well-implemented organizational ethics program and the prevention of unethical behavior in teams. Business Ethics, the Environment & Responsibility, 34(2), 409–422. https://doi.org/10.1111/beer.12661

Cabana, G. C., & Kaptein, M. (2026). Understanding the effectiveness of ethics programs in preventing unethical behavior by unravelling the dimensions of team ethical culture. Journal of Business Ethics, 206, 133–156. https://doi.org/10.1007/s10551-025-06115-5

Cai, H., Zhu, L., & Jin, X. (2024). Construed organizational ethical climate and whistleblowing behavior: The moderated mediation effect of person–organization value congruence and ethical leader behavior. Behavioral Sciences, 14(4), Article 293. https://doi.org/10.3390/bs14040293

Chen, S., Liu, W., Zhang, G., & Wang, H.-J. (2022). Ethical human resource management mitigates the positive association between illegitimate tasks and employee unethical behaviour. Business Ethics, the Environment & Responsibility, 31(2), 524–535. https://doi.org/10.1111/beer.12411

Chen, S., Zhang, G., Liu, W., & Tian, Y. (2025). Ethical human resource management to decrease employees' unethical behaviour in China: The role of moral meaningfulness and ethical predisposition. Asia Pacific Business Review, 31(4), 778–798. https://doi.org/10.1080/13602381.2023.2293091

El-Gazar, H. E., & Zoromba, M. A. (2025). How decent work influences internal whistleblowing intentions in nurses: The parallel mediating roles of felt obligation and organisational identification A cross-sectional survey. Journal of Advanced Nursing, 81(5), 2454–2464. https://doi.org/10.1111/jan.16429

Guo, F., Xue, Z., He, J., & Yasmin, F. (2023). Ethical leadership and workplace behavior in the education sector: The implications of employees' ethical work behavior. Frontiers in Psychology, 13, Article 1040000. https://doi.org/10.3389/fpsyg.2022.1040000

Hameed, Z., Kaur, P., Naeem, R. M., Malik, A., & Dhir, A. (2026). Ethics-centered HRM systems and knowledge hiding: The role of psychological contract fulfillment and mindfulness. Journal of Managerial Psychology, 41(2), 434–449. https://doi.org/10.1108/JMP-11-2023-0646

Luksyte, A., Carpini, J. A., Parker, S. K., & Griffin, M. A. (2024). Conscientiousness and perceived ethicality: Examining why hierarchy of authority diminishes this positive relationship. Human Resource Management, 63(4), 601–617. https://doi.org/10.1002/hrm.22217

Mehra, H., & Narwal, M. (2025). Impact of ethical leadership on employees' ethical behavior: Mediation of ethical climate using PLS-SEM. International Journal of Ethics and Systems, 41(3), 761–779. https://doi.org/10.1108/IJOES-08-2024-0267

Men, C., Yan, M., & Lv, B. (2024). When morality matters: Impact of socially responsible human resource management on unethical behavior. Asia Pacific Journal of Human Resources, 62(3), e12415. https://doi.org/10.1111/1748-7941.12415

Mitchell, M. S., Rivera, G., & Treviño, L. K. (2023). Unethical leadership: A review, analysis, and research agenda. Personnel Psychology, 76, 547–583. https://doi.org/10.1111/peps.12574

Nur, A. L., Sulistyaningsih, E., & Nilawati, L. (2024). Ethical work climate and whistleblowing intention. Jurnal Manajemen Maranatha, 23(2), 123–138. https://doi.org/10.28932/jmm.v23i2.7817

Parboteeah, K. P., Weiss, M., & Hoegl, M. (2024). Ethical climates across national contexts: A meta-analytical investigation. Journal of Business Ethics, 189, 573–590. https://doi.org/10.1007/s10551-023-05387-z

Pham, N. T., Jabbour, C. J. C., Pereira, V., Usman, M., Ali, M., & Vo-Thanh, T. (2023). Common good human resource management, ethical employee behaviors, and organizational citizenship behaviors toward the individual. Human Resource Management Journal, 33(4), 977–1000. https://doi.org/10.1111/1748-8583.12493

Potipiroon, W., & Wongpreedee, A. (2021). Ethical climate and whistleblowing intentions: Testing the mediating roles of public service motivation and psychological safety among local government employees. Public Personnel Management, 50(3), 327–355. https://doi.org/10.1177/0091026020944547

PT Kereta Api Indonesia (Persero). (n.d.). Tata kelola perusahaan. Situs resmi KAI.

PT Kereta Api Indonesia (Persero). (n.d.-a). *GCG implementation*. KAI Sustainability. https://sustainability.kai.id/good-governance/gcg-implementation

PT Kereta Api Indonesia (Persero). (n.d.-b). *Tata kelola perusahaan*. https://www.kai.id/tata-kelola-perusahaan

PT Kereta Api Indonesia (Persero). (n.d.-c). *Whistleblowing system*. https://wbs.kai.id/

Ren, L., Liu, Y., Siyal, A. W., Zhang, X., & Pu, T. (2026). Color outside the lines: How does amoral management influence employees' creative unethicality? PLOS ONE, 21(4), Article e0347530. https://doi.org/10.1371/journal.pone.0347530

Resende, M. M., Porto, J. B., Gracia, F. J., & Tomás, I. (2024). Unethical behavior at work: The effects of ethical culture and implicit and explicit moral identity. Ethics & Behavior, 34(6), 438–457. https://doi.org/10.1080/10508422.2023.2243632

Roy, A., Newman, A., Round, H., & Bhattacharya, S. (2024). Ethical culture in organizations: A review and agenda for future research. Business Ethics Quarterly, 34(1), 97–138. https://doi.org/10.1017/beq.2022.44

Ruiz-Palomino, P., Toro-Arias, J., Rodríguez-Córdoba, M. del P., & Linuesa-Langreo, J. (2026). Enhancing the ethical culture of organizations: A longitudinal study using a comprehensive ethics training. Business Ethics, the Environment & Responsibility, 35(3), 1536–1560. https://doi.org/10.1111/beer.70000

Serang, S., Ramlawati, R., Suriyanti, S., Junaidi, J., & Nurimansjah, R. A. (2024). The role of ethical leadership on employees' behaviours and commitment to the organisation. SA Journal of Human Resource Management, 22, a2373. https://doi.org/10.4102/sajhrm.v22i0.2373

Shahzad, K., Hong, Y., Muller, A., DeSisto, M., & Rizvi, F. (2024). An investigation of the relationship between ethics-oriented HRM systems, moral attentiveness, and deviant workplace behavior. Journal of Business Ethics, 192(3), 591–608. https://doi.org/10.1007/s10551-023-05513-x

Sun, U. Y., Park, H., & Yun, S. (2024). Ethically treated yet closely monitored: Ethical leadership, leaders' close monitoring, employees' uncertainty, and employees' organizational citizenship behavior. Journal of Organizational Behavior, 45(5), 702–719. https://doi.org/10.1002/job.2760

Yu, W., Jiang, K., Mo, S., & Su, Y. (2026). The moral implications of human resource management (HRM): A review of the relationship between HRM practices and unethical behavior at work. Journal of Business Ethics, 206, 1–30. https://doi.org/10.1007/s10551-025-06129-z