UNIVERSITÀ DEGLI STUDI DELLA CAMPANIA
LUIGI VANVITELLI
DIPARTIMENTO DI PSICOLOGIA

18th European Association of Work and Organizational Psychology Congress—Dublin
Enabling Change through Work and Organizational Psychology: Opportunities and Challenges for Research and Practice

e-CAMPUS UNIVERSITÀ

EXAMINING THE BEHAVIORAL EFFECTS OF ETHICAL CLIMATE. THE ROLE OF ORGANIZATIONAL IDENTIFICATION AND MORAL DISENGAGEMENT

Alessandro Lo Presti—Università della Campania "Luigi Vanvitelli", Caserta—alessandro.lopresti@unicampania.it

Stefano Pagliaro—Università "G. D'Annunzio" di Chieti-Pescara, Chieti—s.pagliaro@unich.it

Massimiliano Barattucci—Università E-Campus di Roma, Roma—massimiliano.barattucci@uniecampus.it

Davide Marcato—Torino

Corporate events such as scandals, frauds, bankruptcies, conflicts of interest, violation of workers' rights, employment situations bordering on exploitation, etc. often lead to easy underlying cynicism regarding organizations, disaffection and widespread criticism of the behaviour of financial institutions and companies in general (De Cuyper, 2006). As a result, in the last decades, workers became increasingly sensitive to the perceived morality and fairness of organizations and their managers, while the topic of business ethics and morality has attracted greater scholarly interest (van Prooijen & Ellemers, 2015). Research in social and organizational psychology, behavioral economics, and behavioral ethics has uncovered the multitude according to which people can be morally blind and engage in unsavory acts without being aware of the unethical nature of their actions. Several studies have shown that ethical climates and cultures influence ethical behavior as reported by organizational members (e.g., Schaubroeck, Hannah, Avolio, Kozlowski, & Lord, 2012; Sweeney, Arnold, & Pierce, 2010). Moral disengagement plays a role in reinforcing members' perceptions that the ethical infrastructure of their organization is strong, influencing members' ethical behaviors and counterproductive work behaviors (DeConinck, 2011)

Martin et al. (2014) provided a theoretical model of the interplay between ethical infrastructure and moral disengagement. The model proposes that the perceptions of ethical infrastructure influence organizational commitment, organizational identification and trust. These variables influence the motivation to preserve positive self-image and reduce cognitive load, which affect moral disengagement and, consequently, positive and negative organizational behaviors such as organizational citizenship behaviors and counterproductive work behaviors.

The aim of this study was to examine empirically the main assumptions of Martin et al. (2014) empirical model in a sample of Italian employees. In particular, we hypothesized that stronger ethical climate would lead to greater organizational identification and, in turn, higher moral moral disengagement. Finally, we examined how such predictors associated with ethical-sensitive behaviors, such as counterproductive work behaviors and organizational citizenship behaviors. From a practical point of view, companies are called to pay more attention in developing adequate ethical infrastructures, in order to reduce the potential effects on moral disengagement processes and subsequent unethical behaviors.

Figure 1. Martin et al. (2014) model of the interplay between ethical infrastructure and moral disengagement.

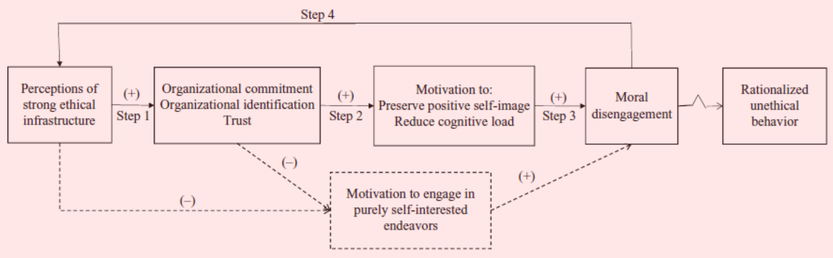
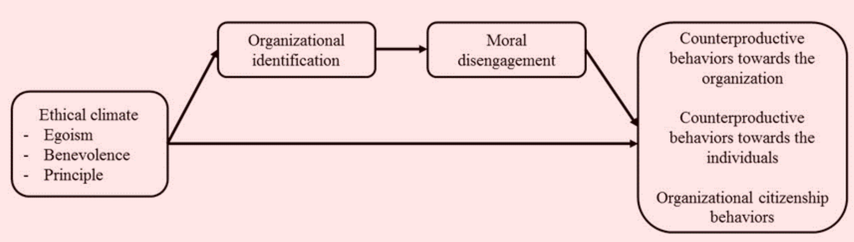


Figure 2. Tested empirical model

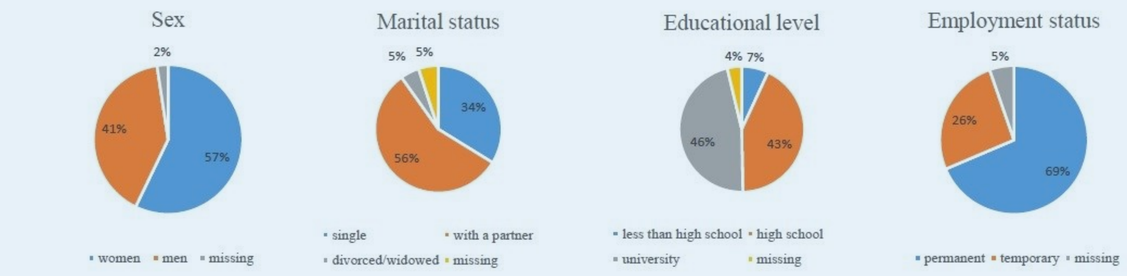


METHOD

Participants and procedure

The sample consisted of 376 workers from 11 Italian small and medium enterprises. Mean age was 40.35 years (*sd* = 10.95), while average organizational tenure was 10.98 years (*sd* = 10.69).

Respondents received a copy of the questionnaire, along with a letter of research presentation and a sealable envelope in order to protect privacy. Questionnaires were distributed within organisations by trained researchers and participation was voluntary.



Measures

The Ethical Climate Questionnaire (Cullen, Victor & Bronson, 1993) was used to assess three main dimensions of *organizational ethical climate*: egoism, benevolence and principle. Egoism, which pertains to the prevalence of self-interest, company profit and search for efficiency in organizational climate, was assessed through 12 items (e.g., "In this company, people are mostly out for themselves"). Benevolence, which emphasizes those components of organizational climate regarding care for other colleagues and clients, as well as the organization as a whole, was assessed through 11 items (e.g., "In this company, people look out for each other's good"). Finally, Principle, that refers to the importance of individual principles, company rules, laws and professional codes within organizational climates, was assessed through 11 items (e.g., "In this company, people are expected to strictly follow legal of professional standards"). Cronbach's alphas for the three scales were .83, .91, .86, respectively.

Organizational identification was assessed through the Italian adaptation by Manuti and Bosco (2012) of the original 6-item scale by Mael and Ashforth (1992), adapted for organizational contexts (e.g., "When someone criticizes my organization, it feels like a personal insult"). Cronbach's alpha was .92.

Moral disengagement was evaluated through the Work Moral Disengagement Scale (Fida, Paciello, Tramontano, Griffith Fontaine, Barbaranelli & Farnese, 2014). The scale comprised 24 items (e.g. "Being absent from work frequently is acceptable since many people at work are not productive anyway") Cronbach's alpha was .93.

Counterproductive work behaviors (CWB) were assessed through the Italian version (Barbaranelli, Fida & Gualandri, 2013) of the original checklist by Spector, Fox, Penney, Bruursema, Goh and Kessler (2006). 13 items (e.g., "stole something belonging to my employer") assessed CWB-O, that is behaviors targeting the organization as a whole. 14 items (e.g., did something to make a person at work look bad") assessed CWB-I, that is behaviors targeting individuals as, for instance, colleagues. Cronbach's alphas for the two scales were .92 and .95, respectively.

Organizational citizenship behaviors (OCB). The Italian version (Argentero, Cortese & Ferretti, 2008) of the original questionnaire by Podsakoff, MacKenzie, Moorman and Fetter (1990) was used. The scale includes 15 items (e.g. 'Help others who have heavy workloads'), while Cronbach's α was .97.

Gender, educational level and organizational tenure were included as control variables.

CONCLUSIONS

Consistently with Martin et al. (2014) dimensions of ethical climate were positively associated with organizational identification.

Contrary to Martin et al. (2014) assumptions, organizational identification showed only a weak negative association with moral disengagement. This latter variable was also negatively associated with Egoism and Benevolence dimensions of ethical climate.

Consistently with Martin et al. (2014) moral disengagement was negatively associated with OCB and positively with CWB-O and CWB-I.

We did not find any full mediational model, that is ethical dimensions predicting organizational identification, that in turn predicted moral disengagement, that ultimately predicted behaviors. Instead, we found that organizational identification and moral disengagement acted as single mediators between ethical climate dimensions on one side, and behaviors on the other side.

Moreover, we found that egoism and benevolence dimensions of ethical climate positively predicted OCB as well as organizational identification. Finally Moral disengagement showed to be the strongest predictor in our research model, positively predicting CWB-O and CWB-I, and negatively OCB.

IMPLICATIONS

Organizations should pay attention in promoting adequate ethical climates given that they increase organizational identification and citizenship behaviors, and reduce moral disengagement.

Moral disengagement should be also carefully targeted given its association with OCB and CWBs.

Appropriate training programs could be aimed at promoting positive attitudes towards self-interest, company profit and processes efficiency, as well as care for other colleagues, clients, and the organization as a whole. Other interventions could be target at teaching individuals how to recognize and manage moral disengagement in organizational life.

RESULTS

Table 1: Descriptive statistics and zero-order correlations.

	M (*sd*)	1	2	3	4	5	6	7	8
1) Egoism	3.06 (.89)	-							
2) Benevolence	3.03 (1.13)	.82***	-						
3) Principle	3.43 (.94)	.75***	.81***	-					
4) Organizational identification	2.88 (1.38)	.40***	.37***	.33***	-				
5) Moral disengagement	.84 (.80)	-.22***	-.15**	-.08	-.10*	-			
6) CWB-O	.49 (.77)	-.17**	-.10	-.09	-.31***	.41***	-		
7) CWB-I	.33 (.73)	-.16**	-.04	-.06	-.22***	.36***	.87***	-	
8) OCB	5.65 (.98)	.30***	.31***	.19***	.30***	-.39***	-.39***	-.25***	-

Note. *** $p < .001$; ** $p < .01$, * $p < .05$.

Table 2: Regression of CWB-O

	CWB-O		
	Egoism	Benevolence	Principle
Gender [a]	.01	.01	.02
Educational level	.05	.05	.04
tenure	.01*	.01*	.01*
Ethical climate dimension	.03	.05	.03
Organizational identification	-.16***	-.17***	-.16***
Moral disengagement	.41***	.41***	.40***
R^2	.26***	.26***	.26***

Note. [a] 1 = man, 2 = woman; *** $p < .001$; ** $p < .01$, * $p < .05$.

Table 3: Regression of CWB-I

	CWB-I		
	Egoism	Benevolence	Principle
Gender [a]	.01	.01	.01
Educational level	.07	.07	.07
tenure	.01**	.01**	.01**
Ethical climate dimension	.01	.06	.02
Organizational identification	-.10***	-.12***	-.10***
Moral disengagement	.34***	.35***	.34***
R^2	.19***	.19***	.19***

Note. [a] 1 = man, 2 = woman; *** $p < .001$; ** $p < .01$, * $p < .05$.

Table 4: Regression of OCB

	OCB		
	Egoism	Benevolence	Principle
Gender [a]	.24*	.25**	.25**
Educational level	-.02	-.02	-.03
tenure	.01	.01	.01
Ethical climate dimension	.15**	.16***	.09
Organizational identification	.14***	.13***	.16***
Moral disengagement	-.41***	-.41***	-.43***
R^2	.23***	.25***	.22***

Note. [a] 1 = man, 2 = woman; *** $p < .001$; ** $p < .01$, * $p < .05$.

Table 5: Summary of indirect effects

	B [LLCI, ULCI]		
	Egoism	Benevolence	Principle
Predictor -> organizational identification -> CWB-O	-.09 [-.15, -.05]	-.07 [-.12, -.04]	-.07 [-.13, -.04]
Predictor -> moral disengagement -> CWB-O	-.08 [-.14, -.04]	-.05 [-.09, -.02]	-.03 [-.07, .01]
Predictor -> organizational identification -> moral disengagement -> CWB-O	.01 [-.01, .02]	-.01 [-.01, .01]	-.01 [-.02, .01]
Predictor -> organizational identification -> CWB-I	-.06 [-.11, -.02]	-.05 [-.09, -.02]	-.05 [-.09, -.02]
Predictor -> moral disengagement -> CWB-I	-.06 [-.12, -.03]	-.04 [-.08, -.01]	-.02 [-.07, .01]
Predictor -> organizational identification -> moral disengagement -> CWB-I	.01 [-.01, .02]	-.01 [-.01, .01]	-.01 [-.01, .01]
Predictor -> organizational identification -> OCB	.08 [.04, .14]	.06 [.02, .10]	.07 [.03, .13]
Predictor -> moral disengagement -> OCB	.08 [.04, .14]	.05 [.02, .09]	.03 [-.01, .08]
Predictor -> organizational identification -> moral disengagement -> OCB	-.01 [-.02, .02]	.01 [-.01, .01]	.01 [-.01, .02]

REFERENCES

Argentero, P., Cortese, C. G., & Ferretti, M. S. (2008). An Evaluation of Organizational Citizenship Behavior: Psychometric Characteristics of the Italian Version of Podsakoff et al.'s Scale. *TPM-Testing Psicometria Metodologia*, *15*(2), 61-75.

Barbaranelli, C., Fida, R., & Gualandri, M. (2013). Assessing counterproductive work behavior: A study on the dimensionality of Cwb-Checklist. *Testing, Psychometrics, Methodology in Applied Psychology*, *20*(3), 1-15.

Cullen, J. B., Victor, B., & Bronson, J. W. (1993). The ethical climate questionnaire: An assessment of its development and validity. *Psychological reports*, *73*(2), 667-674.

DeConinck, J. B. (2011). The effects of ethical climate on organizational identification, supervisory trust, and turnover among salespeople. *Journal of Business Research*, 64, 617–624.

De Cuyper, N. (2006). The impact of job insecurity and contract type on attitudes, well-being and behavioural reports: A psychological contract perspective. *Journal of Occupational and Organizational Psychology*, 79, 3, 395-409.

Fida, R., Paciello, M., Tramontano, C., Fontaine, R. G., Barbaranelli, C., & Farnese, M. L. (2015). An integrative approach to understanding counterproductive work behavior: The roles of stressors, negative emotions, and moral disengagement. *Journal of Business Ethics*, *130*(1), 131-144.

Mael, F., & Ashforth, B. E. (1992). Alumni and their alma mater: A partial test of the reformulated model of organizational identification. *Journal of organizational Behavior*, *13*(2), 103-123.

Manuti, A., & Bosco, A. (2012). Organizational identification: A contribution to the validation of the psychometric features of two measures. *Giornale italiano di psicologia*, *39*(4), 881-902.

Martin, S. R., Kish-Gephart, J. J., & Detert, J. R. (2014) Blind forces: Ethical infrastructures and moral disengagement in organizations. *Organizational Psychology Review*, 1–31

Podsakoff, P. M., MacKenzie, S. B., Moorman, R. H., & Fetter, R. (1990). Transformational leader behaviors and their effects on followers' trust in leader, satisfaction, and organizational citizenship behaviors. *The leadership quarterly*, *1*(2), 107-142.

Schaubroeck, J. M., Hannah, S. T., Avolio, B. J., Kozlowski, S. W. J., & Lord, R. G. (2012). Embedding ethical leadership within and across organization levels. *Academy of Management Journal*, 55, 1053–1078.

Spector, P. E., Fox, S., Penney, L. M., Bruursema, K., Goh, A., & Kessler, S. (2006). The dimensionality of counterproductivity: Are all counterproductive behaviors created equal?. *Journal of vocational behavior*, *68*(3), 446-460.

Sweeney, B., Arnold, D., & Pierce, B. (2010). The impact of perceived ethical culture of the firm and demographic variables on auditors' ethical evaluation and intention to act decisions. *Journal of Business Ethics*, 93, 531–551.