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RESEARCH **ON ETHICS AND SOCIAL RESPONSIBILITY** Eduardo Simões • José Neves

RESEARCH On Ethics and Social Responsibility

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Contents

Perception of Ethical Environment Among Middle Managers

Evidence from a Survey

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This study investigates whether and how the perception of the 'organizational ethical environment' varies across groups of individuals at different hierarchical levels. We drew on research on organizational identity and social identity to investigate whether different opinions on ethical context are held by different subgroups of managers and non-managerial personnel. Extant research suggests that senior managers are likely to express significantly more positive perceptions of organizational ethics when compared with employees in non-managerial positions. However it remains silent on how middle and lower managers portray the internal ethical environment, even though these managers act as 'linking pins' across levels, possibly influencing other organizational members, both upwards and downwards. Data from over 1,500 respondents were collected in a large corporation operating in the utility sector. Our findings suggest that perception of the ethical environment varies significantly across groups of organizational members. Consistent with our predictions, senior managers are likely to hold a rosier perspective of the ethical environment, while a more cynical approach is held by middle- and lower-level managers.

Keywords: ETHICAL ENVIRONMENT, MIDDLE-LEVEL MANAGERS, ORGANIZATIONAL LEVEL

INTRODUCTION

Extant business ethics research has extensively debated which factors may influence ethical decision-making and behaviour within organizations (Loe, Ferrell, & Mansfield, 2000; O'Fallon & Butterfield, 2005). Ethical conduct appears to be affected both by individual traits and contextual characteristics. Among the latter group, efforts have been devoted to understanding the holistic role of organizational context, including climate, culture and rewards (e.g., Treviño, Butterfield & McCabe, 1998; Victor & Cullen, 1988; Kaptein, 2008).

Research along these lines suggests that there are differences in the perception of organizational ethics based upon individuals' level in the organization. Specifically, Treviño, Weaver and Brown (2008) demonstrated that senior managers are more likely to perceive an internal organizational environment as supportive of ethics, compared to employees in non-managerial positions. On the one hand, senior managers are personally involved in tailoring management and reward systems, they play a role in defining and enforcing ethical standards and politics, and they are more likely to identify closely with executive leadership. For these reasons, senior managers tend to hold a rosier and more confident opinion of the ethical environment to which they contribute in the organization. On the other hand, non-managers do not usually contribute to generate those organizational policies relevant to ethics and they may have distorted perceptions of punishment/reward practices connected with (un) ethical conducts. In addition, lower-level personnel are more likely to be cynical about executive leadership in the company (Treviño, Brown, & Hartman., 2003), thus holding a less favourable opinion of the internal ethical environment.

This prior work provides a foundation for discerning differences in the perception of organizational ethics across groups of employees. However, it failed to investigate the perception of the ethical environment held by managers at middle and lower organizational levels. In particular, it did not explore whether and how these perceptions significantly differ from those reported by other organizational members.

Middle- and lower-level managers are seen as performing a coordinating role where they mediate and interpret connections between top and operating levels (Likert, 1961). As 'linking pins', middle and lower managers' actions and behaviours have both upward and downward influence in the organization (e.g., Floyd & Wooldridge, 1992). As such, managers in the middle may direct top management's attention to certain ethical issues connected with the internal environment and provide or conceal information about such issues (Dutton & Ashford, 1993). At the same time they

may serve as role models for their lower-level counterparts, especially in decentralized companies, conveying information on ethical policies and practices, contributing to identify desirable behaviours and steering them away from unethical conducts (Sparks & Hunt, 1998). It follows that middle and lower managers' picture of the internal ethical environment may influence the perception other organizational members have of the ethical environment, thus contributing to shape it (Alam, 2006).

This perception-based research aims to add to this stream of literature by providing insights from a multinational company operating in the utility sector. It explores the perception of ethical environment reported by 1,508 members of a single organization and it examines whether and how these perceptions vary across groups of individuals at different levels in the hierarchy.

The reminder of the article is organized as follows. In this section, we discuss our theoretical background, review prior research and present our predictions. Section 2 describes our research setting and sample and it explains the method we use to test the hypotheses. Section 3 presents our findings and concludes with a summary and discussion of the results.

THEORETICAL FRAMEWORK

Research on organizational identity and social identity provides the main theoretical support for the study reported here.

Organizational identity is seen as cognitive self-representation embraced by organizational members that is "generally embedded in deeply ingrained and hidden assumptions" (Fiol & Huff, 1992, p. 278) and includes those features that are perceived "as ostensibly central, enduring and distinctive in character [and] that contribute to how they define the organization and their identification with it" (Gioia & Thomas, 1996, p. 372). The pivotal work by Treviño et al. (2008) theoretically demonstrates that the internal ethical environment is counted among the dimensions that define the identity of an organization.

Organizational identity is related in meaningful ways to the perception organizational members hold of themselves, via the process of identification, which reflects the specific ways in which individuals define themselves in terms of their membership to a particular organization (Dutton, Dukerich, & Harquail, 1994; Mael & Ashforth, 1995; 1992). To this extent, identification provides "a cognitive linking between the definition of the organization and the definition of self" (Dutton et al., 1994, p. 242).

In addition, according to social identity theory, individuals within organizations are likely to categorize themselves and others in terms of a group membership (Hogg & Terry, 2000; Nkomo & Cox, 1996). Membership is

internalized by the individuals so that it contributes to a person's sense of self (Turner, 1982). Having defined themselves in terms of that social categorization, individuals seek to achieve or maintain positive self-esteem by meaningfully differentiating their in-group from a comparison out-group on some valued dimensions (Cornelissen, Haslam, & Balmer, 2007). Thus, different perceptions of some relevant organizational features may be retained by different collectives coexisting within an organization (Pratt & Foreman, 2000). Research shows that multiple identities may be associated, for instance, with distinct organizational units (e.g., Cole & Bruch, 2006) or demographic categories (e.g., Tsui, Egan, & O'Reilly, 1992; Riketta, 2005; Mael & Ashford, 2006).

The organizational level can generate differences in identity perceptions (Corley, 2004). For instance, Cole and Bruch (2006) demonstrate that employees may perceive their level within the organization's hierarchy as a salient social category that is shared with other members of an in-group but not shared with members of an out-group.

Consistent with prior work on ethical environment, identity theories provide the theoretical underpinnings for ascertaining differences across groups of individuals at different organizational echelons on some relevant features related to the ethical context. Yet, the underlying identity structure is not addressed in this research which focuses on the perception of the ethical environment reported by the organizational personnel (Treviño et al., 2008, p. 247).

OBJECTIVE AND HYPOTHESES

This study explores the perception of the internal ethical environment reported by individuals at different echelons in the organizational hierarchy.

According to prior research in this area, the perception of ethical environment may differ between social groups at different levels, particularly between senior managers and non-managers. However, Treviño et al. (2008) speculate that middle- and lower-level managers' perceptions of organizational ethics are not significantly different from those of senior managers and non-managers possibly because they are in a position "to influence and be influenced by those above and below them in the organizational hierarchy" (Treviño et al., 2008, p. 247), thus impeding the construction of idiosyncratic opinions on this organizational feature.

Research on social identity documented however how managers in the middle "attempt to secure an identity" (Thomas & Linstead, 2002, p. 79) and how they actively draw on various organizational discourses as resources "in creating a sense of self" which differentiates them from other managerial groups (Sveningsson & Alvesson, 2003). It is possible therefore that

managers in the middle affirm an idiosyncratic perspective on ethical environment which differentiates the group from others within the organization. The above discussion leads us to propose the following hypothesis:

> H1: The internal ethical environment is perceived differently by employees at different organizational levels.

Although one research on organizational climate reported no difference in the perception of the construct among three levels of management (Forte, 2004), most of the existing evidence indicates that differences in the perception of ethical context may be meaningfully associated with organizational level. Treviño et al. (2008, p. 243) substantiate that senior managers have significantly more positive perceptions of organizational ethics when compared to lower-level employees. In large organizations, attention to ethics appears to be a top-down phenomenon (Treviño et al., 2003; Sims, 1990), therefore as one descends the company's ladder, organizational members tend to develop a more cynical perspective on the ethical environment. In fact, both Carrol (1975) and Posner and Schmidt (1984) found evidence to support that unethical pressures to achieve results were felt more strongly by middle- and lower-level managers compared with senior managers. Similarly, these groups of managers experienced greater pressure than their higher-level counterparts to compromise their personal values in order to satisfy organizational expectations (Dean et al., 2010).

In addition, research suggests that lower-level managers are more likely than senior managers to indicate that their organizations are not guided by high ethical standards (Posner & Schmidt, 1984). In the US, the National Business Ethics Survey emphasized that lower-level managers are more likely to have observed misconduct in their organizations than their higher-level counterparts or non-management personnel (Ethics Resource Center, 2005). This might generate a more cynical view of their ethical environment compared with other organizational members. Thus, the foregoing dialectic leads to the following hypotheses:

> H2a: Senior managers are more likely to report positive perceptions of the internal ethical environment compared to all other groups.

> H2b: Middle managers are more likely to report positive perceptions of the internal ethical environment compared to lower-level managers and non-managers.

> H2c: Lower-level managers are more likely to report positive perceptions of the internal ethical environment compared to non-managers.

METHOD

Sample

The research setting was an overseas subsidiary of a US-based, FTSE-for-good corporation operating in the utility sector. Since its establishment in Italy (where legalization of the industry occurred in 1997), the organization experienced stable profit and revenue growth in all years and did not incur in major restructurings. Furthermore it steadily grew in employment by an average 15,5% since 2000. At the time of the research the turnover rate was 14,4%, in line with past trends. In 2006 the company changed from a functional to a divisional structure that comprised five strategic business units. We explored the perceptions of 1,508 individuals from the pool of employees of two strategic business units of the firm.

Data were gathered during the first quarter of 2009. The survey was completed in work time and it was administrated only to those employees (either managers or non-managers) with at least three months of tenure in their current occupation: 1,696 individuals at the time the research was conducted. Subjects responded anonymously, in order to guarantee confidentiality. Respondents were asked to provide some demographic information such as gender, age, salary level, tenure, and to identify which division and geographic area they came from, but they were informed that individuals would not be able to be identified from the feedback given to the organization. Respondents returned their completed survey through the organization's internal mail service.

Completed surveys were returned by 1,508 employees, representing a return rate of about 88,9%. 77% of the sample was female, and 23% male. The majority of those who responded were aged 35 or less (71%), while 29% were more than 35 years old.

In the demographics section of the survey respondents stated their level in the hierarchy. The levels identified by the organization according to job-title included senior management, regional/area management, branch management and non-managers. Table 1 provides detailed information on the sample. Admittedly, there is no generally accepted differentiation between 'lower-level', 'middle-level' and 'top-level' management. For the purpose of this research, level in the hierarchy provided by respondents was categorized on the basis of the classification provided by Staehle and Schirmer (1992). Accordingly, regional/area managers were classified as middle-level managers while branch managers were classified as lower-level managers.

TABLE 1. Overview of the sample (*N* = 1508)

Occupational group	*n*	% of total
Senior management	19	1,25
Regional/area management	116	3,98
Branch management	304	18,89
Non-managerial staff	1069	62,86

Preliminary information gathered for this research suggests that regional/area man-agers had frequent contacts and opportunities to interact with top managers and organizational executives. Interaction involved sharing a number of organizational tasks and socialization events. In contrast, branch managers tended to cultivate strong relationships with non-management personnel, since they were 'physically' distant from their higher-level counterparts and they had widely different organizational roles. Branch and regional/area managers, however, were subject to the same performance measurement, evaluation and reward system, and to a similar program of 'ethical training' undertaken by the organization. Further, they were involved in regular operational meetings, which offered some opportunities for (in)formal interaction. This preliminary picture suggests that middle- and lower-level managers in this company have stable contacts and interactions both downwards and upwards.
The analysis reported here was conducted at the group level.

Instrument

The organization's ethical environment was measured using an eleven-item instrument adapted from Treviño et al. (2008). These eleven items tackle three areas of enquiry[1]: "the reward system's support for ethical conduct, executive concern for ethics and ethics in everyday life and decision-making" (Treviño et al., 2008, p. 242). The questionnaire addressed managers' perceptions using a five-point Likert response format (ranging from "strongly agree = 5" to "strongly disagree = 1"). The items were included in the manager opinion survey 2009. Inclusion has been agreed with the company's executives, since it was in line with the dual goal of the survey: to monitor management control and human resource management strategies, and to investigate workplace issues impacting on the workforce, such as performance management and rewards, leadership and communication. The organization intended to use this information to lead to organizational improvement efforts.

Procedure

Non-parametric tests of independence were performed to find out whether differences in the perception of various dimensions of the organizational ethical environment were related to the organizational level of respondents (H1). The independent variable in the analysis is level within the organization. Specifically, H1 was tested using Pearson's chi-square test. The chi-square statistic calculated in each case was evaluated with the chi-square distribution for $(L-1)(S-1)$ degrees of freedom. Results of the hypothesis tests were analyzed by comparing the calculated probability (p) values with the significance level of .05 for 95% confidence interval.
Hypotheses 2a, 2b and 2c investigate whether the 'ethical environment' is perceived more/less favourably as one moves across the organizational ladder. In order to statistically determine whether the mean level of perception differed pair-wise across organizational levels, a test of means was required. Comparisons between two groups were made using either the Mann-Whitney U test for independent random samples (H2a) or the unpaired T-test (H2b, H2c). Differences were considered significant at a value of $p < .05$ (two-sided).

RESULTS

Descriptive statistics for the data employed in this study are provided in Table 2.

TABLE 2. Descriptive statistics

	Senior managers		Regional/area managers		Branch managers		Non managers	
Item	*M*	*SD*	*M*	*SD*	*M*	*SD*	*M*	*SD*
1	4.00	1.15	3.13	1.20	3.53	0.98	3.75	1.02
2	4.16	1.01	3.44	1.11	3.47	0.98	3.65	1.01
3	3.79	1.03	2.96	1.23	3.45	1.05	3.64	1.06
4	4.26	1.10	3.91	0.92	3.91	0.78	3.94	0.90
5	4.11	1.10	3.22	1.32	3.53	1.09	3.43	1.22
6	4.11	0.94	3.58	1.14	372	0.95	3.73	1.09
7	4.37	0.83	3.65	1.07	3.84	0.94	3.87	1.04
8	4.42	0.96	3.94	0.88	4.05	0.92	3.89	1.08
9	4.32	1.11	3.65	1.21	3.99	0.98	3.94	1.04
10	4.58	0.96	4.06	1.08	4.24	0.89	4.10	1.04
11	3.42	1.54	2.49	1.32	2.51	1.20	2.95	1.30

H1 investigates whether individuals at different levels report dissimilar perceptions of the internal ethical environment of the organization. Table 3 illustrates that statistically significant differences ($p < .05$) across groups of organizational members were associated with the perception of all the items included in the ethical environment questionnaire, thus fully supporting H1.

TABLE 3. Chi-square test : full sample results

Item	² test	Significance	Degrees of freedom
1	59.71	$p < .001$	12
2	37.25	$p < .001$	12
3	60.31	$p < .001$	12
4	27.36	$p < .01$	12
5	25.81	$p < .025$	12
6	30.48	$p < .01$	12
7	21.84	$p < .05$	12
8	24.60	$p < .025$	12
9	22.65	$p < .05$	12
10	22.13	$p < .05$	12
11	55.53	$p < .001$	12

Further, X^2 tests were applied to group pairings in terms of the eleven-item distributions. Based on our preliminary information, we compared the perceptions of groups of employees who were likely to have frequent formal and informal interactions and were subject to similar human resource policies and management control and reward systems. Results show that middle-and lower-level managers are likely to hold peculiar views of the internal ethical environment, which are substantially different from those reported by senior managers and non-management personnel (Table 4).

TABLE 4. Chi-square test results: management groups' comparison

	Senior managers/Regional area managers		Regional area managers/Branch managers		Branch managers/Non managers	
Item	X^2	Significance	X^2	Significance	X^2	Significance
1	12.27	$p < .025$	16.14	$p < .01$	18.05	$p < .01$
2	12.42	$p < .025$	14.22	$p < .01$	13.12	$p < .025$
3	8.46	ns	2.03	$p < .001$	12.40	$p < .025$
4	10.71	$p < .05$	4.43	ns	13.50	$p < .01$
5	9.38	ns	13.15	$p < .025$	10.12	$p < .05$
6	7.83	ns	10.84	$p < .05$	20.29	$p < .001$
7	12.02	$p < .025$	5.75	ns	8.42	ns
8	12.28	$p < .025$	6.08	ns	10.40	$p < .05$
9	9.70	$p < .05$	13.93	$p < .01$	3.6	ns
10	7.40	ns	11.83	$p < .025$	7.55	ns
11	16.04	$p < .01$	5.10	ns	30.68	$p < .001$

NOTE: ns - Not significant

Table 4 (column 1) shows the comparison between the responses provided by top managers and those by regional/area managers. Results suggest that the two groups portray the internal ethical environment differently. Seven statistically significant differences were detected while convergent perceptions were expressed only for four items ($p < .05$). In general, top and middle managers appear to share common views on executive concern for ethics (item 5 and 6) as well as on ethical decision-making items. When the response patterns of regional/area and branch managers are compared, seven statistically significant differences emerge (Table 4, column 2). Convergent perceptions ($p < .05$) were expressed for items related to ethics in everyday life and decision-making. Finally, Table 4 (column 3) illustrates eight statistically significant differences between lower managers and non-managerial personnel. Comparable perceptions were reported for three items (i.e., item 7, 9 and 10) related to the reward- and career-system's support for ethical conduct. H2a investigates whether senior managers reported more favourable perceptions of the internal ethical environment, compared with all other groups. Pair-wise comparison of the personnel groups was carried out using the Mann-Whitney U test (Table 5). The Mann-Whitney Test results indicate that the largest statistical differences between the group means occur when top and middle managers are compared (Table 5 column 1) with fewer statistical differences found between the means for top and lower managers and for top and non-managers (Table 5 column 2 and 3). In general, however, when statistical differences were detected, the top management group reported significantly higher mean scores compared with all other groups, thus providing some support for H2a.

TABLE 5. Mann-Whitney U test results: management groups' comparison

	Senior managers/Regional area managers		Senior managers/Branch managers		Branch managers/Non managers	
Item	*Z*- test	*p*- value	*Z*- test	*p*- value	*Z*- test	*p*- value
1	- 3.00	$p < .01$	- 2.29	$p < .025$	- 1.36	ns
2	- 2.94	$p < .01$	- 3.24	$p < .01$	- 2.48	$p < .025$
3	- 2 81	$p < .01$	- 1,572	ns	- 0.719	ns
4	- 2.18	$p < .05$	- 2.61	$p < .01$	- 2.11	$p < .05$
5	- 2.87	$p < .01$	- 2.65	$p < .01$	- 2.66	$p < .01$
6	- 1.89	ns	- 1.75	ns	- 1.45	ns
7	- 3.10	$p < .01$	- 2.64	$p < .01$	- 2.30	$p < .025$
8	- 2.74	$p < .01$	- 2.27	$p < .025$	- 2.58	$p < .025$
9	- 2.73	$p < .01$	- 1.92	ns	- 2.12	$p < .05$
10	- 2.44	$p < .025$	- 2.19	$p < .05$	- 2.60	$p < .01$
11	- 2.55	$p < .025$	- 2.73	$p < .01$	- 1.59	ns

NOTE: ns - Not significant

H2b investigates whether middle managers reported more positive perceptions of the internal ethical environment, compared with lower-level managers and non-managerial personnel. Table 6 lists the significant results of the T-Test used to compare the means between the middle and lower managers (column 1) and between middle managers and non-managers (column 2).

TABLE 6. T-test results: management groups' comparison

	Regional area managers/Branch managers		Regional area managers/Non managers	
Item	*t*- test	*p*- value	*t*- test	*p*- value
1	- 3.47	*p* < .001	- 3.41	*p* < .001
2	- 0.245	ns	- 2.79	*p* < .01
3	- 4.07	*p* < .001	- 2.79	*p* < .01
4	- 0.07	ns	- 0.54	ns
5	- 2.46	*p* < .025	1.25	ns
6	- 1.33	ns	- 0.10	ns
7	- 1.83	ns	- 0.41	ns
8	- 1.11	ns	2.37	*p* < .025
9	- 2.99	*p* < .01	0.75	ns
10	- 1.75	ns	3.12	*p* < .01
11	- 0.14	ns	- 5.30	*p* < .001

NOTE: ns - Not significant

When regional/area and branch managers are compared, only four statistically significant differences emerge ($p < .05$). Middle managers reported significantly lower mean scores for all these items compared with lower-level managers, suggesting a less favourable perspective on some features connected with the internal ethical environment (i.e., ethics in everyday life and executive concern for ethics). Similarly regional/area managers reported significantly lower mean scores for six items included in the ethical environment questionnaire, compared with non-managerial staff. Contrary to our predictions, we observe that middle managers portray the internal ethical environment in a less favourable way compared with other groups of employees, thus H2b could not be supported.

H2c explores whether non-managerial staff report less favourable opinions on the internal ethical environment compared with lower-level managers. Evidence emerging from the T-test results is mixed (Table 7). Statistically significant differences were associated with six items in the ethical environment questionnaire. Among the significant items, non-managerial personnel reported higher mean scores for four items related to ethics in everyday life and executive concern for ethics while lower-level managers reported higher mean scores for two items related to the reward- and career-system's support for ethical conduct. Our findings provide only limited support for H2c.

TABLE 7. Results of t-test group pairings: branch managers and non-managers

Item	*t*-test	*p*-value
1	-3.41	*p* < .001
2	-2.79	*p* < .01
3	-2.79	*p* < .01
4	-0.54	ns
5	1.2	ns
6	-.10	ns
7	-0.41	ns
8	2.37	*p* < .02
9	0.75	ns
10	3.12	*p* < .01
11	-5.30	*p* < .001

NOTE: ns - Not significant

DISCUSSION AND CONCLUSIONS

The primary aim of this study was to investigate the perception of the internal ethical environment provided by different groups of managers and non-managers in a single-company setting.

Consistent with prior research in this domain, our findings suggest that significant differences in the perception of the ethical environment exist across subgroups of organizational members, possibly reflecting shared group-related views on some features constituting the identity of the organization (Treviño et al., 2008). We found that statistically significant differences existed between senior- and non-management personnel, and that middle- and lower-level managers held a distinctive view of the construct, which differentiates them from other groups.

When mean scores were compared, top managers' view of the ethical environment appears to be "rosier" compared with all other groups. The personal involvement of top managers in defining and implementing ethics-related policies and practices as well as their closer identification with executive leadership appear to play a role in shaping their perception of the ethical environment.

When lower managerial levels are considered, results appear to be mixed. In general, managers at middle and lower levels reported less favourable perspectives on the ethical environment when compared with sen-

ior managers and non-managers, with possible implications for ethical decision-making and conduct. In fact, surveys on managers (e.g., Dean et al., 2010) and research on ethical misconduct (Harris, 1990) assert that ethical conflict is felt more strongly by middle- and lower-level managers as a consequence of greater exposure to operational decisions that have ethical implications and of higher pressure to achieve results. This may contribute to generate an idiosyncratic view of the ethical context, which in turn may influence other organizational members both upwards and downwards. In particular, pair-wise comparison of group responses reveals that middle-level managers share unfavourable attitudes towards items on ethics in everyday life and decision-making and on reward-related support for ethics. Middle and lower-level managers tend to recognize some discrepancy between espoused ethical values and day-to-day activities and they are likely to perceive ethics-related policies as mere 'window dressing'. At the same time it seems that managers at middle-level echelons are sceptical as to the way in which unethical conduct is disciplined in the organization. The latter appears to be a major distinctive trait of managers in middle echelons as compared with non-managers, in terms of their perception of the support for ethics provided by reward/punishment systems. While our data provide evidence to suggest that middle, lower managers and non-managers share comparable views of the reward system support for ethics, possibly because these groups are subjected to comparable reward practices, formal means of applying punishment are regarded in more 'cynical' terms by managers at middle echelons compared with their lower-level counterparts.

Finally, when mean scores of lower-level managers and non-managerial staff were compared, our research provided inconclusive results, since response patterns provided by the subgroups partially overlap. Our findings are consistent with those by Andreoli and Lefkowitz (2009), who found no differences between lower managers and those without managerial responsibility with respect to observed misconduct. Since in this organization branch managers work close to the operational level, this appears to be a consequence of frequent formal and informal interactions in the work setting.

Certain limitations of this study should be noted. These weaknesses indicate possible avenues for future research on the perception of elements of the ethical environment in organizational contexts. First, our research instrument was included in a survey questionnaire, which was not originally designed for research purposes. This choice appears to be beneficial in that it allowed us to 'situate' employees' perception of the elements of ethical policies and practices that effectively informed their work context; however it suggests being cautious about the potential sources of common method biases associated with the presentation of the questionnaire (Podsakoff et al., 2003).

Second, the sample was limited to one company and one industry. Even though this choice allows us to univocally classify different subgroups of organizational members, the findings may pertain solely to the firm and industry sampled, implying the need for validation of the results in different settings.

Third, the present study is cross-sectional; therefore it is unsure whether the findings will hold over time. Future research could adopt a longitudinal approach in order to verify whether (and how) employees' perceptions of certain elements of the ethical context are stable over time.

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Notes

[1] The measure of the ethical environment employed by Treviño et al. (2008, p. 244) encompasses the following items: (1) this organization practices what it preaches when it comes to ethics and compliance; (2) executives here take ethics and values concerns seriously; (3) ethical policies serve only as 'window dressing' in this organization (rev.); (4) ethics and values concerns are integrated into everyday decision-making in this organization; (5) executives here care as much about ethics and values as they do about the bottom line; (6) executives of this organization regularly show that they care about ethics and values; (7) employees of the company who violate ethical standards still get rewarded; (8) you can be unethical here and still get ahead; (9) being consistently ethical helps an employee to advance in this firm; (10) people of integrity get the rewards in the firm; (11) if employees are caught breaking the company's ethics or compliance rules, they are disciplined.

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