Ethical Culture Survey

Ethical Orientation

Trust & Fairness

Empathy

Ethical Culture

Leadership

Speak-up Culture

ETHICAL SYSTEMS   **2021**

Ethical Systems

Items & Subscales

The Ethical Culture Assessment is a survey of perceived ethical culture inside an organization that measures 5 ethical domains: Trust & Fairness, Empathy, Leadership, Ethical Orientation, Speak-up Culture. The assessment is useful for measuring perceptions of organizational ethics overall, as well as within each of the 5 domains. These ratings provide depth of understanding by assessing different levels of ethical culture. Trust & Fairness and Empathy assess foundational ethical prerequisites, while Leadership and Ethical Orientation assess ethical expectations or conduct. Speak-up culture assesses the organization's capacity for feedback and correction. Negatively worded items are reverse scored.

Trust & Fairness

- This company treats its employees fairly.
- I trust this company.
- I believe this company has high integrity.
- I believe this company is honest and truthful.

Empathy

- People at this company identify with and understand each others' feelings.
- People at this company sympathize with someone who is having difficulties in their job.
- When people around here see that someone is treated unfairly, they feel sympathy for that person.
- People at this company feel bad for someone who is being taken advantage of.

Leadership

- My manager makes fair and balanced decisions.
- My manager can be trusted.
- My manager sets an example of how to do things the right way.
- My manager has the best interests of employees in mind.

Ethical Orientation

- People at this company are aware of the importance of doing the right thing.
- Employees at this company are good at recognizing ethical issues.
- People at this company are mostly out for themselves. (-)
- People around here have a strong sense of responsibility to society and humanity.

Speak-Up Culture

- If someone at this company knew that a co-worker was doing something unethical, he or she would feel comfortable reporting it.
- If someone at this company witnessed a manager acting unethically, they would feel comfortable reporting it.
- Employees feel comfortable reporting potential ethics violations.
- I would not feel comfortable reporting ethics Violations to my manager. (-)

Ethical Systems' Ethical Culture assessment is a synthesis of multiple lines of academic research. The 5-factor, 20-item Ethical Culture scale was distilled from 9 ethical culture constructs (Fairness, Leadership, Awareness, Ethical Climate, Decision Making, Efficacy, Empathy, Trust, Speak-up Culture) and 36 questions from prominent theories in academic literature. Six constructs were combined via factor analytic techniques into 2 latent factors: Trust & Fairness (Trust, Fairness) and Ethical Orientation (Awareness, Climate, Decision Making, Efficacy).

This resulted in 5 total factors in the scale. Some items within subscales can be analyzed further for more specific interpretations. The item "This company treats its employees fairly" measures fairness, while the remaining three Trust & Fairness items measure aspects of trust. Similarly, 2 items in the Ethical Orientation subscale measure Awareness (People at this company are aware of the importance of doing the right thing, Employees at this company are good at recognizing ethical issues), and the measure Ethical Climate (People at this company are mostly out for themselves, People around here have a strong sense of responsibility to society and humanity). Decision Making and Efficacy items were dropped as a result of either poor fit or excessive redundancy to the Ethical Orientation latent construct.

Inter-item reliability. Reliability (Cronbach's alpha) is strong for all five ethical culture domains: (>.80): .833 (Speak-Up Culture), .886 (Empathy), .928 (Leadership), .928 (Ethical Orientation) .956 (Trust & Fairness).

Background information on ethical culture constructs and theory.

Trust in the company
Willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other part (e.g., Mayer, Davis, & Schoorman, 1995)

Fairness
Whether resources are allocated fairly, decisions are made in fair ways, and employees are treated fairly in the organization (e.g, Folger & Konovsky, 1989)

Empathy
Being able to understand what others feel, be it an emotion or a sensory state (Singer et al., 2010)

Ethical leadership (Supervisor & Executive)
The demonstration of normatively appropriate conduct through personal actions and interpersonal relationships, and the promotion of such conduct to followers through two-way communication, reinforcement, and decision-making (e.g., Brown, Treviño, & Harrison, 2005)

Ethical awareness
The willingness and ability to identify ethical contexts and dilemmas; critically examine, assess, and/or change one's own ethical values; and examine the implications of one's own behavior for the lives of others (Williams Institute for Ethics & Management, 2008)

Benevolent Ethical climate
The reasoning process by which ethical decisions are made and the focus of the ethical reasoning that identifies the scope of ethical issues under consideration (Victor & Cullen, 1988)

Ethical decision making
The process of evaluating and choosing among alternatives in a manner consistent with ethical principles (e.g., Bazerman & Moore, 2012)

Efficacy
The capacity for producing a desired result or effect (e.g., Schwartz, 1973)

Speak-up Culture
The reasoning process by which ethical decisions are made and the focus of the ethical reasoning that identifies the scope of ethical issues under consideration (Victor & Cullen, 1988)

The Ethical Culture assessment can be used to identify areas of strength or weakness and track changes in ethical culture over time.

Sample Ethical Culture Scores

Construct	Score
Trust & Fairness	3.37
Empathy	3.55
Leadership	3.62
Ethical Orientation	3.37
Speak-Up	3.30

The assessment constructs are also strongly correlated with various types of actual misconduct, such as discriminatory behavior, misuse of time or resources, lying, kickbacks, and violations of safety regulations. For example, the Leadership construct is strongly related to concealing wrongdoing, while Trust & Fairness is related to discriminatory behavior, and Empathy is related to misuse of company time.

Ethical Systems is committed to the ongoing improvement and scientific rigor of the Ethical Culture assessment. More modules are currently under development, and additional normative and comparative information will be made available as adequate data is aggregated.