PAPER NAME

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WORD COUNT	CHARACTER COUNT
8070 Words	**47429 Characters**
PAGE COUNT	FILE SIZE
21 Pages	**232.5KB**
SUBMISSION DATE	REPORT DATE
Aug 29, 2022 12:28 PM GMT+7	**Aug 29, 2022 12:28 PM GMT+7**

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ETHICAL WORK CLIMATE IN ORGANIZATION: EFFECT ON ROLE AMBIGUITY, JOB SATISFACTION, ORGANIZATIONAL CITIZENSHIP BEHAVIOR, AND TURNOVER INTENTION

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Abstract 1

This study aimed to analyze the impact of Ethical Working Climate and factors affecting overall employee's performance such as role ambiguity, job satisfaction, organizational citizenship behavior, emotional exhaustion and turnover intention. Ethical work climate in a company is essential in building behavior. The importance of institutionalized ethical working climate for the employee is inevitable, and it is assumed that the higher the ethical climate in a company, the better the worker's performance. The research conducted in Indonesian financial industry with individual employee as theunit analysis. There are 114 cases collected using a self-administered questionnaire. All instruments prepared for this research are reliable. Findings from this study reveal that most of the variable affect ethical working climate significantly, except organizational citizenship behavior.

Key words: ethical working climate, role ambiguity, job satisfaction, organizational citizenship behavior, emotional exhaustion, turnover intention.

Abstract 2
Purpose: The primary objective of this study is to examine the relationship between Ethical Working Climate on factors affecting employees affective state and organizational commitment. The aim is to replicate recent findings in the literature of EWC with variables of Role Ambiguity, Emotional Exhaustion, Job Satisfaction, Turnover Intention and Organizational Citizenship Behavior. The research questions of this research are Does ethical work climate influence role ambiguity? Does ethical work climate influence job satisfaction? Does ethical work climate influence organizational citizenship behavior negatively? Does role ambiguity influence emotional exhaustion? Does emotional exhaustion influence job satisfaction? Does job satisfaction influence organizational citizenship behavior? Does job satisfaction influence turnover intention? Does organizational citizenship behavior influence turnover intention?
Design/methodology/approach– The authors surveyed all professional employees within financial industry in Depok and Jakarta, Indonesia with self-administered questionnaire.

Findings: Significant associations were found between Ethical Working Climate and Role Ambiguity; Job Satisfaction and Organizational Citizenship Behavior. Emotional Exhaustion is significantly influenced by Role Ambiguity, and both Job Satisfaction and Emotional Exhaustion are significantly affecting Turnover Intention.

Originality/value: No prior study has documented the implication of ethical working climate and its relationship with OCB in Indonesia. The finding from this paper suggest that formally designed ethical working climate could enhance the professional commitment and satisfaction in the job, as well as reducing turnover intention due to ambiguity of ethical expectation within the company.

Keywords: Ethical working climate, ethical working climate, role ambiguity, job satisfaction, organizational citizenship behavior, emotional exhaustion, turnover intention.

Paper type: Research paper

Introduction

There is a lot of evidence that ethical working climate is beneficial in creating ethical behavior among employees and ethical decision making as the overall output of an organization. In contrary, an absence of ethical conduct in a company has been linked to unethical behavior (Bansal and Kandola, 200, Campbell, 2006) and lack of individual responsibility by employees (Bansal and Kandola, 2004). Studies in business ethics shows that corporate ethical culture may not only resulted in more ethical decision making, but also in worker's performance, such as organizational commitment, job satisfaction and turnover intentions (Martin and Cullen, 2006; Trevin˜o et al., 1998; Victor and Cullen, 1987, 1988).

Nowadays, stakeholder's trust toward corporation is declining rapidly, as a result of the increase of consumer's autonomy and general disbelief on ethical conduct of big corporation. Cases of big corporation with ethical lapses such as Enron and WorldCom emphasize the importance of ethical culture to be created and regulated by top management. Consumer will evaluate products and services not only based on the content of the product, but also on the company's ethical image. Perception on company's ethical behavior can positively impact customer purchase behavior (Sen and Bhattacharya, 2001). Trust from stakeholders could only be earned when an organization is perceived as being ethical. Therefore, ethics in corporate decision making has emerged as one of the most important organization management principles (Clegg, Kornberger and Rhodes, 2007; Denton, 2008; Fitch, 1976; Parker, 1998; Wartick and Cochran, 1985; Zwetsloot, 2003). Formal regulation could ensure that ethical culture is practiced within the company. Supervisor or top management could change worker's attitudes by circulating a code of ethics and clarifying ethical expectation. Top management can create a positive ethical climate by incorporating such expectations into the reward system. The output of such ethical decision will likely to foster trust and socially responsible ideas, which is expected to promote greater sense of community and stakeholder's engagement. Organizations can further enhance positive ethical climate by including the following: mission statement, code of ethics, compliance manual, whistle-blowing system, ethical training, top management role modeling, and ethic as topics of employee conversations.

Several previous studies analyze business ethics and its relationship with financial and non financial performance, mainly assumes that corporate ethics ranged from ethical

policy to corporate social responsibility. Those studies shows a significantly positive relationship between perceived ethical organizations and valuable business outcomes such as enhanced reputation, customer loyalty and sustainable profitability (Bhattacharya & Sen, 2004; Fombrun, 2005; Fulmer, 2004; Gardberg and Fombrun, 2006; Porter& Kramer, 2002). However, there are only few studies that address the relationship between ethical working climate to worker's performance, such as role ambiguity and turnover intention. Shafer (2008) stated that ethical climate is highly associated with auditor's intention to engage in unethical behavior, but less associated with their ethical judgment. Managers often feel constrained and have to make unethical adjustments for a variety of reasons, such as stiff competition, current state of organizational ethical climate and their ethical perception. In addition the lack of effective guiding mechanism in facing complex ethical problems has become another important point in blurring attitude toward ethical situation (Gupta & Sulaiman, 1996). In study of four small sized municipal governments conducted by Daly (2002), strong relationship between positive organizational climate and successful process is shown; but this research also revealed that there is less evidence to support the impact of ethical leadership on organizational performance (Daly, 2002).

Current organizations are facing increased globalization, which will leads to the increasing variation of human resource personnel. Each of that worker will provide a unique EWC data, because of their cultural background. Ethical practice is different among each culture, and it is assumed that cultural inclination affects one's ethical decision making (Bailey and Spicer 2007; Beekun et al. 2008; Davison et al. 2009; Husted and Allen 2008; Husted et al. 1996; Patel and Schaefe 2009; Ralston et al. 2008; Robertson and Crittenden 2002; Schlegelmilch and Robertson 1995). Empirical research found that collectivist and individualist culture on national level have shown considerable differences in ethical decision making. Comparison in national level also support traditional view of culture and are widely used in research of typical area Such research has been conducted in comparing US as the individualist culture and China as the collectivist societies (Zhang et al. 2008). Previous study in Malaysia, a nation that are also strongly collectivist, found that to sustain as high performer company, organizations in both nonprofit and public sectors in that country often opt for shortcut such as doing EWC infringement and corporate irregularities, instead of doing continuous improvement. Emerging countries like Malaysia are also expected to have lower ethical perception rather than their counterparts in developed nations (Burns and Brady, 1996; Pettijohn, Pettijohn, and Taylor, 2008). Shigematsu, Mizoue, Kajisa & Yoshida (2011) stated that Malaysia does not put integrity as a concern, while another study in Malaysian companies shows a positive relation between ethical leadership and firm performance (Khademfar & Arabamiry, 2013). Indonesia is the perfect representative of collectivist culture. As Indonesia ranked 14 in individualist score, Indonesia is in the category of as one of the most collectivist countries in the world (Hosfstede, 1988). It is interesting to find out how much the country differ in ethical working climate with previous studies in Europe where the individualist score higher than most Asian, including Indonesia, and how each EWC affect worker's performance and satisfaction.

Aim of the study
Theoretically, this study will contribute theoretical explanation in a wider scope of ethical work climate. The research of ethical work climate will give us a vivid understanding that the concept has a multiplier effect on other concepts namely role

ambiguity, job satisfaction, organizational citizenship behavior, emotional exhaustion and job satisfaction. Moreover, this research also seeks whether job satisfaction influence organizational citizenship behavior and turnover intention. A key objective is to examine how employee responses to the perceived ethical climate in their organization influencing individual differences in professional commitment. Affective professional commitment such as role ambiguity and organizational citizenship behavior appears to have particular relevance as a potential moderator of the relations between ethical climate and outcomes such as organizational-professional conflict and organizational commitment. Individuals with stronger emotional attachments to their profession should be more likely to internalize the values and ideals of that profession, and consequently more sensitive to the congruence between those values and ideals and the perceived ethical climate in their organization. Thus, professionally committed employees should be more likely to respond negatively to an organizational climate that is inconsistent with professional values and ideals, experiencing increased conflict and reduced organizational commitment. In contrast, employees with little commitment to their profession and its values may be relatively indifferent to a climate that conflicts with those values. Despite the apparent influence of affective professional commitment on the relations among ethical climate, organizational-professional conflict and organizational commitment, no prior study has examined this influence.

Literature Review

Ethical work climate (EWC) construct is firstly introduced by Victor and Cullen in 1987 and defined as the shared perceptions of what ethically correct behavior is and how ethical issues should be handled within organization. EWC is also known as the dominant perceptions that resulted in ethical practices and procedures from typical organization. There are no exact same measures of EWC for everyone, even those from within the same companies. Differences in individuals, work groups, employment history, and individual's position may affect EWC's perception. One should understand that EWC is not a normative construct for measuring how ethical a given organization is; rather it is developed as a descriptive indicator of the prevailing mode of ethical thought within an organization.

Victor and Cullen (1988) stated that the ethical dimension of organizational climate is a multi-dimensional construct, which they term the ethical work climate. They developed 36 moral climate types that are based on two criteria-the ethical criterion and three locus of analysis. The ethical criteria are 1) egoism-maximization of self-interest, 2) benevolence-maximization of joint interest, 3) principle-adherence to duties, rules, laws or standards. The locus of analysis dimension encompasses the impact of referent groups on individual decisions and behavior. The individual locus of analysis identifies sources of ethical reasoning from one's perspective. The locus of analysis identifies sources of ethical reasoning at the group/company level. The cosmopolitan locus concerns the larger economic or social system as a whole. The intersection of these two dimensions-ethical criterion and locus of analysis-results in a nine cell typology of ethical climates in Table 1 below:

Table 1. Theoretical Ethical Climate Types

Ethical Criterion	Locus of Analysis		
	Individual	Local	Cosmopolitan
Egoism	Self-interest	Company profit	Efficiency
Benevolence	Friendship	Team interest	Social responsibility
Principle	Personal Morality	Company rules and procedure	Laws and professional codes

Source: VanSandt, Shepard, Zappe (2006).

The table above set as the conceptual framework in referencing the ethical behavior within an organization. The locus of analysis of an individual ranged from the tradeoff between self-interest to more ethical personalities based on benevolence and principle. Often people are doing good deeds because of caring and compassion to someone they knew and doing good deeds due to principles qualify as the personal morality. The local locus of analysis of local and cosmopolitan started from the trade-off between realizing company profit and applying efficiency but both has similar ethical criterion, which is implementing rules and regulation to adequately support the ethical principles. Based on the conceptual framework, the ethical climate of the organization is designed as the following: caring, law and code, rule, instrumentality, and independence. This classification of ethical climates has been validated against various measures of organizational effectiveness. The descriptions that follow are derived from Victor and Cullen (1988). Caring is the climate type focuses on the benevolence ethical criterion and is based on concern for others well-being, friend as well as that of the stakeholder's organization who might be affected by their ethical decisions. Independent entails the principle ethical criterion, that one person should follow their own personal moral belief. Law and Code dimension is associated with the principle ethical criterion where an individual or an employee needs adhere to the codes and regulations of their profession or another authority based on the mandate of some external systems such as the law, or professional codes of conduct. Similar principle ethical criterion set within the company is the company rules. The last, instrumental climate involves the egoistic criterion and is primarily based on the maximization of self-interest or organizational interest. Ethical climate dimensions are in different and hierarchical level of analysis, from the individual interest climate to the law and code. Table 2 below shows the ordering of ethical climate.

Table 2. Ordering of Ethical Climates

Higher level of ethical climate ↑	Principled cosmopolitan climate (Law and Code)
	Principled local climate (Rule)
	Benevolent local climate (Caring)
	Principled individual climate (Independence)
Lower level of ethical climate	Egoistic individual climate (Instrumentality)

Source: VanSandt et al. (2006).

When employees perceive a caring climate, they believe that the organization's ethical policies and practices are based on an overarching concern for organizational members as well as society at large. Independent climate perceptions are based on deeply held personal moral convictions, whereas an instrumental climate prompts behaviors based on self-interest even at the expense of others (Martin & Cullen, 2006). Law and code climates are based on the belief that external codes which guide ethical behavior. Finally, the rule dimension relates to a principled climate governed by rules and regulation that guide ethical behavior. When employees perceive a rules climate and internalize company rules and procedures, their ethical decision making is likely to be guided by these rules. When employees know that their actions are guided by rules and procedures, they perceive an absence of conflict within them, find more work meaningful, and display positive attitudes and behavior in the organization.

This paper aims to analyze the relationship between EWC and several variables that signify employee's performance and commitment toward the company. Previous study conducted by Mulki, Jaramilo, and Locander (2008) focuses on the relationship among ethical work climate, job role, leadership, stress, and job attitude and turnover intention in health care companies in metropolitan country. The output from that study reveals three distinct explanations for the ethical climate, turnover intention, and job satisfaction. *First*, attitudinal theory suggests that individual evaluations of an object lead to attitudes which subsequently explain behavioral intention (Schiffman & Kanuk, 2004). Hence, positive evaluation of a firm's ethical climate results in higher job satisfaction as job attitude and consequently lower turnover intention. *Second*, researchers have noted that leadership plays a critical role in the ethical work climate and turnover intention relationship (Grojean, Resick, Dickson, Smith, 2004). It is reported that employees who operate in ethical work situation are more likely to trust their supervisor or manager; are happier with their jobs and are less likely to quit. *Third*, an ethical climate provides employees with cues about behaviors that are appropriate in the organization, thus reducing role stress (Schwepker, 2005). A fundamental premise of role stress theory is that lower role stress leads to higher job satisfaction and lower turnover. This paper takes several variables from the previous model that is perceived useful in defining the relationship between EWC and employee's performance, such as turnover intention and job satisfaction, emotional exhaustion and variable that measures organizational commitment, which is organizational corporate citizenship.
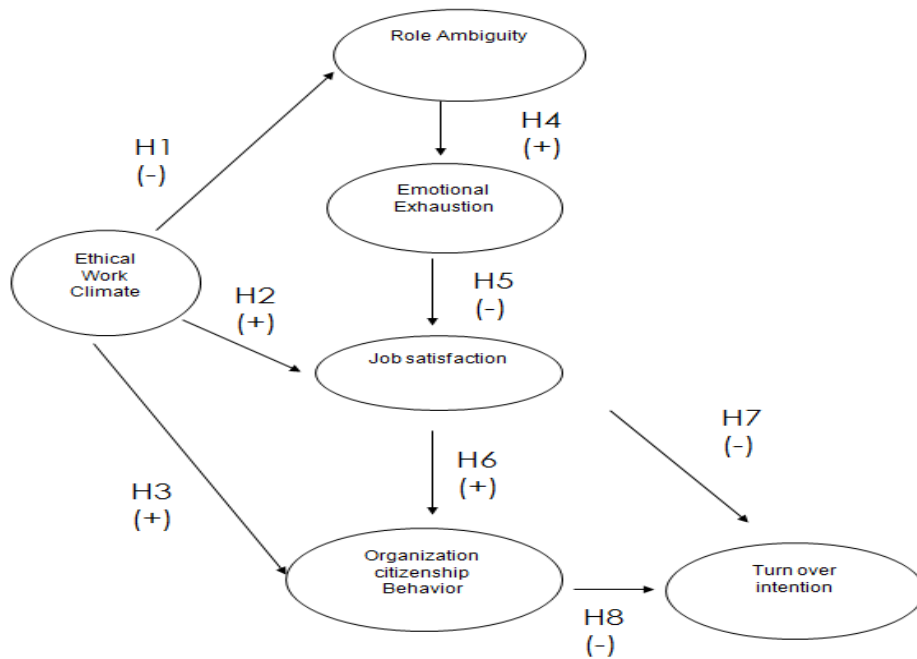
Figure1.1. The Research Model

Table 3.Hypothesis

Hypotheses
H1: Ethical Working Climate influence Role Ambiguity negatively
H2: Ethical Working Climate influence Job Satisfaction positively
H3: Ethical Working Climate influence Organizational Citizenship Behavior positively.
H4: Role ambiguity influence emotional exhaustion positively.
H5: Emotional exhaustion influence job satisfaction negatively.
H6: Job Satisfaction influence organizational citizenship behavior positively.
H7: Job Satisfaction influence turnover intention negatively.
H8: Organizational citizenship behavior influence turnover intention negatively.

Ethical working climate is hypothesized to influence role ambiguity and emotional exhaustion negatively. In contrary, EWC is hypothesized to influence positively factors such as job satisfaction, turnover intention and OCB.

Role Ambiguity
The level of ethical inclination within a person is most likely could be observed from is their role ambiguity. Role ambiguity is viewed as the situation where an individual does not have a clear direction about the expectations of his/her role in the job or

organization (Rizzo et al, 1970). It occurs when a person's tasks or authority are not clearly defined and the person becomes afraid to act on or take responsibility for anything (Jones, 2007). When the organization is lack of guidelines that help them deal with ethical dilemmas, they are likely to develop role ambiguity. Role ambiguity occurs when employees are confused about job expectations and responsibilities (Low, Cravens, Grant, Moncrief, 2001). Hence, the situation will leads to ambiguity in understanding job requirement, norms and regulation within a company.

Job stress, decreasing job satisfaction for temporary employees are the effect of role ambiguity, as one does not understand his or her role, knowing that role might leads to unexpected tension or disappointment (Slatterya et al, 2008). Job description and job specification in companies nowadays already has a clear task requirement, but very rare or almost none of it includes guidelines on ethical conduct. After all, communicating ethical expectation is not often conducted in companies and the matter of ethical decision making often viewed as conflicting matter with company's overall profit seeking motives. Individuals play multiple roles, they are adjusting they roles to the group to which they belong at the time, and the differences between one's ethical standard with the other coworker are potential in developing role ambiguity especially when one's ethical standard are different with the expected conformity with the rest of the coworkers.

In organizational psychology literature, role ambiguity links to performance and information deficits (Kahn et al., 1964; Jackson and Schuler, 1985; Tubre and Collins, 2000; Yun et al., 2007), decreasing individual and organizational performance (Burney and Widener, 2007; Chenhall and Brownell, 1988; Hamner and Tosi, 1974). From a motivational perspective, role ambiguity decrease performance by weakening the links between effort to-performance and performance-to-reward expectancies (Jackson and Schuler, 1985; Tubre and Collins, 2000). Schwepker and Hartline (2005) found that ethical work climate is negatively related to role ambiguity, therefore it served as the hypothesis in this paper.

H1: Ethical working climate influences role ambiguity negatively.
H4: Role ambiguity influences emotional exhaustion negatively.

Job Satisfaction

Job satisfaction (JS) is an attitude reflecting how well people like or dislike their job. Professional standards, a caring environment, and collective good have a significant influence on the overall job satisfaction measure. This suggests that individuals who believe that employees are expected to follow the laws and ethical codes of their profession and company rules and regulations are more satisfied with their jobs. The importance of ethical implication affects customer satisfaction (Barnes & Powers, 2006), employees behavior (Weber, Kurke, & Pentico, 2003), organizational commitment (Schwepker & Hartline, 2005), goals achievement (Davis, 2006), total quality management (Svensson & Wood, 2005), and turnover (Pettijohn, et al., 2008). When related to ethical work climate, a lot of finding shows mixed result in linking ethical working climate to job satisfaction and organizational commitment. Koh and Boo (2001) and Okpara & Wynn (2008) found that a significant and positive link between organizational ethics and job satisfaction, Ali & Al-Kazemi, (2007); Mohamed, Karim & Hussein (2010). However, Elkins (2007), Arifuddin (2002) and Uygur, (2009) found a contrasting result, that either the effect of work ethics on job satisfaction is weakly significant, or negative and significant.

In addition, work ethics may not have any influence on organizational commitment. Indeed there are a lot of factors influencing job satisfaction, including social, financial and self-related motivation. It is assumed that ethical conduct has positive effect on job satisfaction, in religious and spiritual context, and this phenomenon has been studied by many researchers and may be the underlying factors that causes mixed result (Mohamed et al., 2010; Yousef, 2000, Rokhman, 2010). Findings in Confucian work ethics among managers in Singapore, as well as the and Protestant work ethics among managers in the USA concerning job satisfaction (Williams & Sandler, 1995; Cullen et al., 2003) also shows that work ethics influencing job satisfaction. Therefore, in Indonesia, where most of the employees are practicing religious affair, ethical working climate that is affected by religious motives may likely to influences job satisfaction positively.

H2: Ethical work climate influences Job Satisfaction positively.
H6: Job Satisfaction influence Organizational Citizenship Behavior positively.
H7: Job Satisfaction influence turnover intention negatively.

Emotional Exhaustion
As role ambiguity increases due to unmet ethical expectation, Emotional exhaustion (EE) is described as a feeling of depleted energy resulted from excessive psychological and emotional demands on people working in helping professions (Jackson, Turner, Brief, 1987). Role conflict and role ambiguity are two of the most widely recognized sources of psychological strain (Netemeyer, Alejandro, Boles, 2004). Employees face role conflict when they are subjected to multiple sources of incompatible demands. Incompatible demands result in employees spending high levels of effort to satisfactorily meet them. Role ambiguity results from confusion about job responsibilities which can make the employees feel that they are not in control of their job situation and feel overwhelmed by demands. Individuals experienced exhaustion when faced with high job demands and lower decision latitude thus creating a minimum control situation. In boundary spanning situations, employees are found to experience emotional exhaustion (Jaramilo, et al. 2006). Emotionally exhausted workers often feel helpless, lose self-esteem, and feel a lack of accomplishment (Moore, 2000). This can make them anxious about going to work and create a sense of frustration about their inability to display enthusiasm for their work. In someone who strives to follow ethical principles, repeated exposure in conflicting situation may leads to emotional exhaustion. In contrary, those who are not having a conflicting situation may not feel emotionally exhausted during work; even if he conforms to unethical behavior surround him. Therefore emotional exhaustion along with role ambiguity, serves as an indicator of gap between one's ethical perception and his expectation on ethical conduct. Emotionally exhausted employees develop negative attitudes about customers, the organization, their job and even themselves, hence employee who is experiencing emotional exhaustion may likely to experience job dissatisfaction as well.

H5: Emotional Exhaustion influence job satisfaction negatively.

Organizational Citizenship Behavior
Ethical behavior ranged from individual executing his or her moral principles into decision making, complying with organizational rules and regulation, as well as conforming to society's standard. In an organization, an individual learn to behave ethically or unethically by associating themselves with the social environment where they exist Fraedrich (1993) and Hunt (1990). By utilizing this perspective, ethical

behavior in a company is defined as the conformity of one's action with prescribed policies, values and norms. OCB is voluntary behaviors that contribute to organizational effectiveness (Organ, 1988), examples of OCB are helping coworkers in needs, voluntarily promoting the organization outside of work, working more task for the good cause in maintaining company's reputation (Organ and Ryan, 1995). Turnipseed (2002) found that individuals who are more ethical also exhibited more OCB, thus OCB could be the result of ethical behavior in the workplace. It is expected that individual who are more ethical would exhibit greater OCB.

According to Organ (1988) organizational citizenship behavior (OCB) is discretionary behavior on the part of individual that is believed to promote directly the effective functioning of an organization. OCB is believed to promote organizational goals and effectiveness. MacKenzie, Podsakoff, Ahearne (1998) argue that there are various forms of OCB including sportsmanship, civic virtue, and helping behavior, while this three traits is relatable to personal ethics. Sportmanship is willingness on the part of an individual to tolerate less than ideal circumstances without complaining. Civic virtue is behavior that indicates the individual responsibly participate in and is concerned about the life of the company such as attending meetings or functions that are not required but that help the company, keeping up with changes in the organization, taking the initiative to recommend how company operations or procedures can be improved). Helping behavior is another form of OCB. It is a composite of several types of OCB-altruism, courtesy, peacekeeping, and cheerleading (Organ, 1988). Altruism consists of those voluntary actions that help another person with a work-related problem (sharing work strategies, voluntary helping to orient new workers); courtesy consists of actions that help prevent work related problems with other; peacekeeping consists of actions that help prevent, resolve or mitigate unconstructive interpersonal conflict; and cheerleading is defined as encouraging and reinforcing coworkers' accomplishment and professional development which can be considered helping behavior when individual encourages a co-worker who is discouraged about his or her accomplishment or professional development.

Organizational citizenship behavior includes discretionary pro-social ethical behavior such as helping newcomers to the organizations, assisting co-workers on the job, not taking unnecessary breaks, and volunteering to do things not required by a job description. Ahmed and Machold (2004) proved that a strong corporate ethical climate is essential to support the relation contract between employee and organization. Members who feel bound to the organization and perceive that they personally benefit from the organization are more likely to do organizational citizenship behavior.

H3: Ethical work climate influences OCB positively.

H8: Organizational Citizenship Behavior influences Turnover Intention negatively.

Turnover Intention

Research in attitudinal psychology stated that high performing individual is less likely to leave the organization because their high performing levels lead to high levels of satisfaction and it should be related negatively to turnover intention. Job satisfaction and organizational commitment are strong predictors of turnover (e.g., Griffeth et al., 2000; Lee et al., 1996; Luchak and Gellatly,2007; Tett and Meyer, 1993; Yang, 2008).

Typology of ethical working climate consists of instrumental, caring, independence, rules, and law and code ethics climates (Martin and Cullen, 2006) but in terms of individual employee perception, ethical working climate is a construct that assess worker's perceptions through communication and policy (Jaramillo et al., 2006; Mulki et al., 2008; Schwepker, 20051; Weeks et al., 2006). Ethical climate sometimes practiced discretionary above the law, but it is linked with various positive job attitudes such as organizational commitment and job satisfaction (Martin and Cullen, 2006). Empirical studies supports the positive relationship between ethical working climate employee outcomes (Mulki et al., 2008; Schwepker, 2005; Tsai and Huang, 2008). Mulki et al. (2008) stated that perception in ethics climate promote ethical behavior among coworkers, reduces role conflict, role ambiguity, and subsequent emotional exhaustion, thus resulted in fewer turnover intentions. Additional research also supports the negative relationship between ethical climate perceptions and turnover intentions (Coldwell et al.,2008; Martin and Cullen, 2006; Mulki et al., 2008; Pettijohn et al., 2008; Tsai and Huang,2008).

H5: Ethical working climate influences turnover intention negatively.
H6 : Job satisfaction influences turnover intention negatively.

Research Methods
Sampling and Data Collection
The unit analysis of this study is employees in financial industry that has been working for more than one year. Using purposive sampling, the data is collected in Jakarta and Depok, Indonesia. Both cities were selected for convenience purpose. There are 150 questionnaire distributed, but only 144 qualify for the next procedure. The rest cannot be used due to incomplete filling. After gaining approval from the human resources department, questionnaires will be sent to potential participants through the company's internal mail system. A cover letter consists of ethical consideration and anonymity assurance is attached on the questionnaire.

Questionnaire used in this sample has been validated in previous studies. For ethical climate item, we use Victor and Cullen's ethical working climate (1988), consists of 36 questions asking respondents about the actual climate of their organization rather than the climate they desired. The Job Satisfaction Questionnaire consists of 16 questions. Developed by Cellucci and Devries (1978), this questionnaire use a 5 points five-point Likert scale ranging from (1) strongly disagree to (5) strongly agree is uses, therefore a low score indicates high dissatisfaction and a high score indicates high satisfaction. Role Ambiguity Questionnaires are measured using 3-item scale (Sing, Verbeke, Rhoads, 1996). A five-point Likert scale ranging from (1) strongly disagree to (5) strongly agree is used. Turnover Intention Questionnaires uses a single-item scale developed by Spector (1985). Originally, we would like to use the 32-item scale developed by Organ (1990) for assessing OCB, however the shorter version (Spector et al., 2010) uses only 10-item and are more convenient to use, therefore we use the 10-item questionnaire on 5 likert scale. Emotional Exhaustion Questionnaires is assessed with a 9-item scale (Maslach & Jackson, 1981) with 5 point Likert scale so a low score indicates low emotional exhaustion a high score indicates high emotional exhaustion.

Data Analysis

No.	Category	Number	
		Person	**%**
1	**Sex**		
	a. Female	81	71%
	b. Male	31	27%
	c. No Response	2	2%
		114	**100%**
2	**Age**		
	a. < 25 year old	38	33%
	b. 26 - 35 year old	54	47%
	c. 36 - 45 year old	19	17%
	d. 46 - 55 year old	0	0%
	e. > 56 year old	1	1%
	No response	2	2%
		114	100%
3	**Job Field**		
	a. Finance and service	19	**17%**
	b. Marketing	18	**16%**
	c. Other service	55	**48%**
	d. Food Processing	3	**3%**
	e. Transportation and Communication	2	**2%**
	f. Construction	4	**4%**
	g. Electric, Gas, Water	10	**9%**
	j. No Response	3	**3%**
		114	**100%**

Table 4. shows that female has a slightly higher number than male, and there are also slight variation of sample between cities, but it is maintained to be around 114 respondent per city. Another variable that is controlled is the job field. We collect data other services (48.6%), and the variation on job field category as shown in Table are the respondent's answer regarding they work field. Therefore if there are 4.73% respondent answered in marketing, it is the marketing job under a financial institution.

Most of the respondent are young adults, with the highest proportion is the age range between 26 to 35 years old (54%) and the second highest category is the 36 to 45 years old category (17%) and followed by the under 25 years old (33%). Age usually correspond to the level of position in the company, where it is known that the entry level is around 23 years old (bachelor degree).

Ethical climate consisted of 12 indicators, however, after reviewing thoroughly, the indicators distributed were only 10. The indicators were considered to be redundant

so it would be better if it was dropped. The analysis of pilot study showed that all ethical climate indicators were valid, so it would be used for further analysis. All indicators for the measurement of emotional exhaustion were valid. Related to the validity test, the indicators of organizational citizenship behavior were only valid 6 from 10 existing indicators. They were ocb1,ocb2, ocb3,ocb4, ocb5, and ocb6. The rest of valid indicators were used for further analysis. The interesting result showed that there were overlapping indicators between turn over intention and ethical work climate. All indicators were reformulated by using all indicator for further research. It was assumed that for different respondent would create a different result. The indicators for role ambiguity were only 5 valid indicators namely *tfm7, tfm8, tfm9, tfm10,* and *tfm11*. The interesting result was job satisfaction. The analysis showed that only *js2* and *js5* were valid. After reviewing deeper, these indicators had the same meaning and the same words. Further more, the indicator of *js1* and *js4*, also have the same meaning and words. It was decided in the further research, only *js1,js2,* and *js3* were used in the primary questionnaires. Meanwhile, Table 5 shows the reliability measurement. Each variable has the reliability scale as follows: ethical work climate-0.855; role ambiguity-0.696; emotional exhaustion-0.868; job satisfaction-0.623; organizational citizenship behavior-0.866; turn over intention-0.855.

Table 5. Reliability Measurement

No	Variable	Cronbach Alpha	Number of Indicators
1	Ethical Work Climate	0.855	9
2	Emotional Exhaustion	0.868	5
3	Job Satisfaction	0.623	3
4	Role Ambiguity	0.696	8
5	Organizational Citizenship Behavior	0.866	6
6	Turnover Intention	0.855	3

Table 6 explains the index of goodness of fit of the research model. The analysis is run with the program *AMOS-4*. The low chi-square value with the level of significance less than 0.05 or 0.001shows that the true input matrix is different from the predicted input matrix (Hair, Anderson, Tatham, Black, 1998). The value of chi square in this study is too high, 29.1 and the level of significance 0.00. The value of goodness of fit shows that the model ability to extract empirical data is relatively good. This index is not the only one to determine the model whether it has goodness of fit or not.

Table 6. The Value of *Goodness of Fit* of Empirical Model

Type *goodness of fit* model	Index *goodness of fit* model	Recommended Value	Result	Notes
Absolute fit measures	Chi-Square Statistic	0.000	29.1	Bad

	GFI	≥ 0.90	0.929	Good
	RMSEA	≤0.08	0.167	Bad
Incremental fit measures	AGFI	≥ 0.90	0.728	Relative
	CFI	≥ 0.90	0.885	Relative
Parsimonious fit measures	Normed χ^2 (CMIN/DF)	1≤ Normed χ^2≤ 5	4.16	Good

The Findings

Variables are abbreviated by the first letter of each word; the top number signifies the mean and the standard deviation is bracketed. This is the table of means response by each city and by category of job. The differences position categories will give us an insight of how the respondent generally perceived about their ethical working climate and their working environment. Table 7 shows that individuals perceive that ethical work climate is perceived good. The role ambiguity is perceived to be high because they do not have clear job delegations. The feeling of emotional exhaustion is relatively perceived. They tend to be satisfied working in their existence position even though they have feel relatively exhausted. They also have good feeling of having of organization citizen behavior and less having tendency to turn over from the existing job.

Tabe 7. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Ethical Work Climate	114	2.10	5.00	3.5430	.59138
Role Ambiguity	114	1.20	4.60	3.0754	.75323
Emotional Exhaustion	114	1.00	4.13	2.4386	.72090
Job Satisfaction	114	1.50	5.00	3.8728	.94263
Organization Citizen Behavior	114	1.17	5.00	3.5760	.85507
Turnover Intention	114	1.00	5.00	2.7982	1.21416

Correlation Analysis

Table 8 shows that the correlation analysis between variables shows that none of the variables have a strong correlation as the highest correlation is between ethical work climate and organization citizenship behavior (0.645). The sign are all as expected to be; Role Ambiguity, Emotional Exhaustion and Turnover Intention are variables that hypothesized to have negative relationship with ethical working climate. This is consistent with previous study as organizational commitment variables such as job satisfaction and OCB shows a positive relationship with EWC.

Table 8. Correlation Analysis

Correlation	EWC	RA	EH	JS	TI	OCB
EWC	1.000	-0.258	-0.270	0.348	-0.406	0.044
RA	-0.258	1.000	0.280	-0.188	0.383	0.146
EH	-0.270	0.481	1.000	-0.417	0.535	-.0.08
JS	0.348	-0.188	-0.417	1.000	-0.162	-0.023
TI	-0.406	0.383	0.535	-0.162	1.000	0.176
OCB	0.645	0.122	0.399	0.811	0.060	1.000

Regression Analysis

The raw AMOS result displays the unstandardized and standardized regression coefficients. Each unstandardized regression coefficient shows the amount of change in the dependent variable and the mediating variable for each one unit change in the variable predicting it. Standardized estimates show the relative contributions of each predictor variable to each outcome variable. In this paper, the standardized and unstandardized coefficient is identical because the units are derived from survey measurement items and all are measured using 5 Likert scale. Huge discrepancies between the unstandardized and the standardized model often occur when the variables are measured differently. Critical Ratio (abbreviated as C.R) in the table above is the result of estimates (*β)* divided with Standard Error. The endogenous variable are role ambiguity, job satisfaction, turnover intention and organizational citizenship behavior, and the exogenous variables are ethical working climate. AMOS result shows total variables as below. The regression result is summarized in Table 9 below.

Table 9. Regression Analysis

	Estimate	Standar Error	Critical Ratio
H1: Ethical work climate influences role ambiguity negatively.	-0.769	0.156	-4.942
H2: Ethical work climate influences job satisfaction positively.	0.113	0.104	1.088
H3: Ethical work climate influences organizational citizenship behavior positively.	0.033	0.156	0.212
H4: Role ambiguity influences emotional exhaustion positively.	-0.690	0.120	-5.746
H5: Emotional exhaustion influences job satisfaction negatively.	-0.807	0.112	-7.214
H6: Job satisfaction influences organizational citizenship behavior positively.	-0.062	0.168	-0.371
H7: Job satisfaction influences turnover intention negatively.	-0.743	0.117	-6.324
H8: Organizational citizenship behavior influences turnover intention negatively.	0.199	0.094	2.137

Discussion

Findings in this research support all of the hypotheses, except for the relationship between Job Satisfaction and OCB. All of presumed sign of negative and positive relationship is supported by the result. Variables of organizational concepts such as OCB and JS show weakly positive relationship with ethical working climate.

Table 10. Summary of Hypotheses Results

Hypotheses	Result
H1: Ethical work climate to role ambiguity negatively.	Negative, significant
H2: Ethical work climate influence job satisfaction positively.	Positive, insignificant
H3: Ethical work climate influence organizational citizenship behavior positively.	Positive, insignificant
H4: Role ambiguity influence emotional exhaustion positively.	Negative, Significant
H5: Emotional exhaustion influence job satisfaction negatively.	Negative, Strongly Significant
H6: Job satisfaction influence organizational	Negative,

citizenship behavior positively.	Weakly insignificant
H7: Job satisfaction influence turnover intention negatively.	Negative, strongly significant
H8: Organizational citizenship behavior influence turnover intention negatively.	Positive, weakly significant

The relationship of EWC to RA concludes that better perception of ethical working climate influence role ambiguity in employee's perception negatively. It is assumed that the higher the score in ethical working climate item, the lower also the score in role ambiguity. In role ambiguity item, respondent were given statement as such: "*I feel secure about how much authority I have*" and "*Clear, planned goals and objectives exist for my job*", therefore the higher the score means that less ambiguous their job. Since none of the questionnaire item is reversed, prior treatment must be conducted to present the variable RA. For example, in the statement of "*I feel secure about how much authority I have*", the higher the score (5) indicates lower ambiguity, hence it is converted to score 1, and the contrary. The result shows that the higher the EWC, the lower the RA. It defines that the better the perception of their company's ethical working climate, the less ambiguous they feel about their role and responsibility in the workplace. This result support previous studies, especially by Schwepker and Hartline (2005). Moreover, when individuals perceived the working climate is ethical, they have less role ambiguity. They feel there is supporting guidance and they understand what they are going to do in accomplishing the task.

Role ambiguity shows a positive and significant relationship with emotional exhaustion. Statement such as "*I feel emotionally drained by my work*", "*I feel used up at the end of the day*" and "*I feel fatigued when I have to get up in the morning to face another day on the job*" is measured using 5 Likert scale, and respondents who score high are those who are emotionally exhausted by the job. After reversing the scale meaning for role ambiguity, it is expected that more ambiguous they feel about their job, the higher they score in emotional exhaustion. The role ambiguity makes individual in a high tense, they are upset in accomplishing their task, consequently, they will have emotional instability.

The more someone is emotionally exhausted, the more they will be dissatisfied with their job. The hypothesis in this paper stated that emotional exhaustion influence job satisfaction negatively, hence the result strongly support the hypothesis. When individuals have emotional instability, it means they are not happy with their jobs. They feel uneasy to accomplish the job and they are reluctant to perform better.

"*I would rather be doing another job*", "*My job is interesting*" and "*I get little sense of accomplishment from doing my job*" is three item used in this paper to measure Job Satisfaction. This construct has been reduced from 6 items to 3 items due to reliability problem. Both item 1 and 3 are reversed item.

Finding from this paper suggests that the more they perceived their workplace as an ethical institution, the more they will feel satisfied with their job. This statement contributed to previous study about the relationship between ethical conduct or ethical image of a company, and how the worker perceived about their satisfaction. Mixed results were often found in previous literature, and religion or spirituality contributes

as the mediating factor for the relationship between EWC and Job Satisfaction (Koh and Boo, 2001 and Okpara & Wynn, 2008). It is more likely that those who are aware and involved in an ethical conduct and they are religious, are more satisfied with their job. Those are more satisfied because they are working in an ethical company, are those who are religious or spiritually awakened. Most of Indonesian are practicing religious affair, but not using religion as their base of decision making activities, therefore it could be the rationale for the weak relationship between EWC and job satisfaction. But in this study, ethical work climate influences job satisfaction, but it is not significant. There are other variables or factors influencing individuals to be happy with their jobs. They might be human resources practices such as providing an opportunity to grow their career in the future, remuneration, other benefits or leadership and co-worker.

Findings about job satisfaction and OCB are not supporting the hypothesis previously written in this paper. It is assumed that the higher the score in job satisfaction, the higher the discreet organizational commitment. However, the finding shows a contradictory result. It implies that the more satisfied the respondent, the lower the score for OCB, hence not everyone who is satisfied with the job is more committed to the company. The explanation for this phenomenon is may come from bias in social desirability. While we may reduce the effect of this bias in presenting other variables, but the small item of Job Satisfaction may reflect it. Efforts has been done in reducing this bias by presenting OCB as another indicator for ethical working climate, but the negative relationship between job satisfaction and OCB shows that job satisfaction variable may not be enough in capturing the tendency to bias responses to ethically sensitive issues. Furthermore, the data in this study show that most of respondent were 26-35 years old. These data show that many of them prefer moving to another company. They love their jobs but do not love their company. They tend to show their professionalism for their own career without having a devotion to their company.

This study's output stated that job satisfaction influences turnover intention negatively. Items in turnover intention such as "*I often think about quitting this organization*", "*I would likely search for a position with another employer*" and "*It is likely that I will leave the organization in the next year*" shows that the higher the score of turnover intention, the higher their tendency to leave the company. Naturally those who are satisfied with the company will not think of leaving, hence the relationship between job satisfaction and turnover intention is negative and significant.

Limitation and Future Research

The data in this paper are collected from financial industry, as ethical dilemma often faced by employees in this field. In the future, it will be interesting to see ethical working climate is analyzed across industry category, in order to see the impact of industry design to worker's perception of Ethical workplace and how it will influence the affective organizational responses of each employee. To compare ethical climate perception across multiple firm would give an interesting variation on industry level, and one could also presumed that each of company's culture will contribute to the variety of worker's score in EWC.

Future research should be done in national level as it is assumed that national culture often influences worker's perception on ethical behavior. Parboteeahet al.(2005) conducted cross country analysis using US based firms and Japanese based firms in order to analyze the impact of different national culture in order to find the suitable ethical criterion (benevolent/local, benevolent/cosmopolitan, and principled/cosmopolitan climates).

Findings in this study should be interpreted with caution, due to some limitation. The empirical results are not causal, and the findings is only limited for 114 respondent of young worker in Jakarta and Depok, with relatively young position in the company. Future research should account for larger sample size.

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