THE MEDIATING EFFECT OF PERCEIVED ETHICAL CLIMATE ON ORGANIZATIONAL COMMITMENT, TRUST AND TURNOVER INTENTION INTERACTIONS: A RESEARCH ON INSURANCE SECTOR

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ABSTRACT

The purpose of this study is to analyze the effects of employees’ trust in leader, organizational commitment to turnover intention. The mediating effect of perceived ethical climate with regard to the relationship between the trust, commitment and turnover intention is also investigated. For this purpose, employees (N=717) were asked to complete a questionnaire, currently employed in insurance agents, located in Istanbul. The findings of the study reveal that employees that have confidence in their leader prefer to be less intentive on leaving their jobs. Furthermore, employees that are committed to their organizations either prefer to be less intentive on leaving their jobs. It is also found that, perceived ethical climate has a partial mediating effect on the interaction between the trust and turnover intention as well as the interaction between organizational commitment and turnover intention.

Keywords: Ethical Climate, Trust, Organizational Commitment, Turnover Intention, Insurance Sector.

I. Introduction

Nowadays, for organizations to reach their goals depends highly on the employee behaviors based on their commitment. In organizations, employees are constantly under the influence of factors that affects the current working conditions. Employee trust in their supervisors has been known as one of the critical factors that continue to affect even today the organization’s structure, working time of employees and
behaviors related to this. In this context, trust towards the employer is a highly important factor on the workplace activities. On the other hand, organizational commitment has been conceptualized in the literature and has become one of the most researched topics in organizational behavior (Steers, 1977, 46; Scholl, 1981, 589). A great deal of research reveals that organizational commitment is critical, as committed workforce is beneficial to organization in many aspects such as productivity, efficiency and performance (Meyer, 1989). More recent research has investigated organizational commitment as a critical attitudinal predictor of employee turnover (Mowday et al, 1982; Shore and Martin, 1989, 625).

Various antecedents and outcomes play major role in employees’ perceptions to their job place. It is assumed that turnover intention affects the organizational effectiveness. When the speed of turnover is fast, it directly and indirectly increases the costs (Bashir et al, 2012). Due to these negative effects of turnover intention on the organizations, researchers predict and explain the turnover behaviors and managers take precautions to prevent potential turnovers (Hwang et al, 2006). In literature, it is expressed that when support is high in the organization turnover intention is low (Cropanzano et al, 1997, 163). Organizations should focus and invest in human capital to increase their market shares as well as to survive in the industry. Including the managers all employees should adopt the ethical values of the organization. It is required that the ethical principles to be adopted by all employees and an ethical climate must be established to prevent the unethical behaviors in the organization (Gül, 2006). In an organization where there is trust, honesty and employees that adopt ethical principles, will let the job satisfaction and the both individual and organizational success increase. However, if the frequency of unethical behaviors increase, establishing an ethical climate would become rather hard (Şahin and Dündar, 2011, 130-134).

When previous scandals are taken into account, the ethical issues have been come fore in the financial sector (Karabay, 2015, 150). Today, many ethical codes exist in many insurance companies and these codes improve the ethic perception of the employees. This also increases the influence ethical climate on the ethical decisions, beliefs and the opinions (Ampofo et al, 2011). Insurance sector can be a very beneficial sector for improvement in terms of work ethics. The reasons are the growth potential of the market and competitions to be ethical between local and international companies (Nawawi, 1999, iii). Apart from banks, brokers and other financial institutions; insurance sector continues to be the most distinct employment field that have a great share in the financial markets in the country (Karabay, 2015, 152). However, despite the growing interest in the literature, there are very few researches on insurance sector (Obalola, 2010; Ampofo et al, 2011; Ogunrinde, 1985). Investigating the insurance sector employees’ perceptions of ethical climate of their companies could have a great importance to solve the ethical problems and improve the quality level of the insurance services.

In the study, first of all, general framework of trust, organizational commitment, turnover intention and ethical climate concepts have been explained. In the second chapter, relations between the variables are emphasized and the research hypothesis have been specified. In the other chapter, research methodology, analysis results and the research model that have been created according to these have been shown. In the last part, results and the restrictions have been explained and recommendations for future studies have been given.
2. Literature Review and Development of Hypotheses

2.1. Turnover Intention

In the literature, there is a very common idea of turnover intention affects the organizational activity. Mostly, even though it is known as a conscious attitude and behavior, it is defined in different ways in the literature. Porter et al (1974) defined turnover intent as “the wish of an employee not wanting to work for the company”; Hanisch and Hulin (1991) defined as “the level of an employee’s wish to change the current job with another one” and Barlett (1999) defined it as “a deliberate and conscious decision or an intention regarding leaving the organization”. Turnover intention can be generally accepted as a withdrawal behavior at work such as coming to work late or skipping work (Hanisch and Hulin, 1991). Withdrawal from job is an employee continuing the job but participating in it less. According to Egan et al (2004), turnover intention is an act that is done consciously and intentionally by an employee.

When the literature is examined, it can be seen that for the factors that cause the tendency of turnover intention to be determined, couple of subjects are focused one such as; demographic factors, job satisfaction (Coomber and Barriball, 2007, 297; Cohen, 1993, 1140; Clugston, 2000, 477; Lambert et al, 2001) and working conditions (Yin and Yang, 2002, 573).

2.2. Trust in Leader

Trust in general means “two sides being willing to be vulnerable towards each other based on the thought that there won’t be any ill will between these two sides” (Baier, 1986). However apart from this definition there have been many efforts to define trust differently in the literature (Hosmer, 1995; Mayer et al, 1995; Mishra, 1996; Robinson, 1996; Whitener et al, 1998). Trust takes shape both in an individual level and organizational level. Like the definition of trust, organizational trust also has couple of definitions. According to Matthai (1989) organizational trust expresses the employee belief that when there is an uncertain and risky situation the organization will be consistence on their commitments and behaviors. Taylor (1989) defines organizational trust as a phenomenon that is acquired slowly as a result of mutual respect and attitudes based on courtesy for the benefit of employees. Zaheer et al (1998) define trust as the employee tendency of trust towards the organization. Mishra and Morrissey (1990) define organizational trust as the perception of an employee regarding the support the organization provides and also the faith that the leader will be truthful and faithful to their promises. According to them, organizational trust can be developed depending on four base dimensions. First one is an open communication in the organization, second is the active role of the employees during decision making, third one is knowledge and information sharing and the fourth, the last one is a proper sharing of feelings and expectations. Noordehaven (1992) stated that organizational trust represents the trust in the identity or personality of the organization and that in small organizations, this might arise from the personality of the owner of the organization, centralized structure or organizational culture.

Organizational strategy and policies may also affect the establishment of organizational trust. It required for management to establish the confidence over the employees and manage carefully. Whitener et al (1998) associated trust towards management with the attitude of the management. In their study, the very first step of the start of an organizational trust is considered as the behaviors of the managers, in organizational context. This is why the individualistic personalities of the managers should be taken into
consideration during the establishment of an organizational trust. From this point of view, the perception of the employees on supervisory trust has been associated with five different behavior types; (1) consistency, (2) respectful behavior, (3) sharing and distributing the control, (4) effective communication, (5) to be able to show the care (Mishra, 1996), the supervisory care (Shockley-Zalabak et al., 2000) and depending on the trust in higher management’s vision, the trust in the management (Yuan Wang and Clegg, 2002). Nyhan and Marlowe (1997) state that the level of individual’s trust level differs based on the leader and the organizational but still both are related concepts. Similarly, Zaheer et al (1998) also defend that trust in an individual and trust in an organization unite and creates organizational trust altogether. Also, Tan and Tan (2000) identified that the results of employee trust in management and organization has some differences.

2.3. Organizational Commitment

Organizational commitment continues to be a research subject as a factor of organizational success. Commitment, as a word alone, means “love, respect and feeling and showing familiarity, loyalty towards someone” (Turkish Language Society, 2009). Organizational commitment is the desire and the goal of an employee to be a part of the organization (Robbins and Langton, 2003). The first study on organizational commitment has been done in 1956 by Whyte. In this study, Whyte defined the too organization addictive employee and studied on the possible harms on the organization (Atay, 2006, 47). After that, many researches have improved the concept evaluating it with different dimensions. Meyer and Allen (1991) define organizational commitment as the connection the employee feel towards the organization and divided in into three types like; normative commitment, affective commitment and continuous commitment. Affective commitment is the employee staying in the organization because of the willingness; normative commitment is the employee staying because of the obligation and continuous commitment is when the employee realizes the cost of leaving and is obligated to continue working there. Organizational commitment has a structure that shows differences depending on the person, time and place. There are various criteria to determine the employee commitment (İbicioğlu, 2000, 14-16). Mentioned criteria are; adopting the goals and the values of the organization, being able to make sacrifices for the organization, having a strong desire to be a member of the organization, identifying and internalizing the organization identity. Chow (1994) mentioned that employees with high organizational commitment are more effective and responsible.

2.4. Ethical Climate

Since business ethics are defined as the sum of principles and standards that guide the behaviors in the business world (Özkalp and Kirel, 2005, 576), to be able to mention business ethics, an ethical climate that is perceived positively by the managers and employees is required. With Sarbanes Oxley (2002) rules, corporate ethics have become critical in financial sector (Ampofo et al., 2011).

Ethical climate is the perceptions of the moral norms, values and activities by organization members (Victor and Cullen, 1987). From the point of view of this definition, ethical climate perception is defined as the general perception of the issues that can be problematic (Deshpande, 1996, 655). Kohlberg (1981) stated that when the individuals develop their moral sense, they define the moral values differently with different criteria. Kohlberg defines moral development as a natural process where the individuals think of
only themselves and then they start to think of others and lastly the whole society. This process also defines the basic three classes of ethic theory; egoism, pragmatism and deontology. Victor and Cullen (1987, 1988, 1993, 2006) have started the first researches on companies’ ethical climates. The layers of the ethical climate can be seen in the Figure 1. The two dimensions shown in the figure are the ethical measures used during decision making and the second one shows the analysis level of the ethical decisions. First dimension is based on three moral philosophy; egoism, benevolence and principle. Second layer is focus of analysis which is divided into three layers; individual, local and cosmopolitan. Uniting these 2 layers they defined 9 different climates.

This model gives chance to company managers to gain a point of view in terms of measuring and evaluating the ethical climate and change the climate if necessary. In the last 20 years, many researches have examined this classification of Victor and Cullen (Barnett and Vaicys, 2000; Forte, 2004; Parboteeah et al, 2010).

2.5. Interaction between Organizational Commitment, Trust in Leader, Ethical Climate and Turnover Intention

Trust towards the organization is considered as one of the factors that affect the turnover intention. Robinson and Rousseau (1994) used social change theory to explain the relationship between employee perception and behaviors. This theory considering that the two sides of a relationship are in the search of balance and justice states that employees’ positive perception will increase when treated positively and the perception will be negative when treated negatively (Kichul, 2001). Aryee et al (2002), again based on the social change theory, compared the effects of the mediating role on organizational commitment, organizational justice, turnover intention, organizational commitment variable and performance. Organizational trust increases the commitment and affects the turnover level; trust in leader affects the employee satisfaction and innovative behaviors.

One of the factors that affect the turnover intention is the trust towards the organization. Robinson and Rousseau (1994) benefited from the social change theory to explain the relationship between employee perception and behaviors. Regarding the researches mentioned above, the hypothesis can be developed as;

$H_1$: Trust in leader affects turnover intention negatively.

Organizational commitment is shown as another factor that affects the turnover intention. It is expected that employees with low organizational commitment will cause high turnover intention, high labor turnover while if the commitment is high, turnover intention and labor turnover will decrease. Related literature is supportive regarding this subject and points out that there is a negative relationship between organizational commitment and turnover intention. According to Mowday et al (1982, 38) the strongest and the most expected result of the organizational commitment is the low turnover intention and labor turnover. Bishop (1997) defended that strong organizational commitment increases teamwork and solidarity while it reduces the turnover intention. Similarly, Tett and Meyer (1993), Meyer et al (1993), Clugston (2000), Meyer et al (2002) also defended that strong organizational commitment reduces the turnover intention. Based on the various researches, the hypothesis can be developed as;
$H_2$: Organizational commitment affects turnover intention negatively.

Rousseau’s (1995) social change theory is used to explain the relationships between concepts such as ethical climate in the organization, organizational commitment, organizational trust and job satisfaction. Based on this theory, ethical climate concept has been associated many times with employees’ organizational trust, organizational commitment and turnover intention. The touchstones of these researches have been summarized in Table 1. As it can be seen from Table 1, in the chronological research of the relationship between organizational commitment, trust and turnover intention, primarily the relationship between these three has been included. For example; Trevino et al (1998), Oz (2001), Cullen et al (2003), Okpara and Wynn (2008), Akbaş (2010) have examined the direction of the relationship between sub units of ethical climates and organizational commitment and the differences between sectors and countries.

$H_3$: Organizational commitment affects the ethical climate positively.

Recent studies are consisting of trust in leader, organizational commitment, turnover intention and ethical climate variables based on the managers’ ethical climate perception the role of establishing organization trust environment. The studies of Mulki et al (2006), DeConnick (2011) and Ötken and Cenkçi (2012) are the main studies on the relation between trust in leader and ethical climate concepts. In the mentioned studies, the trust in leader and ethical climate are also associated. From this point of view, the hypothesis can be expressed as;

$H_4$: Trust in leader affects the ethical climate positively.

As it is shown in Table 1, many of the researchers (Sims and Kroeck, 1994; Valentine et al (2003); Lischchinsky and Rosenblatt, 2009) emphasized on the significant relationship between ethical climate and employee turnover intention. The perception of the employees that they belong to an organization with an ethical climate causes them to think that the organization will behave fairly towards them. Employees’ organizational commitment can be closely related to the existence of an ethical climate (Schwepker, 2001; Mulki et al 2008; Jaramililo et al, 2006). In the light of the related literature, the hypotheses are mentioned below:

$H_5$: The employee perception of the ethical climate affects turnover intention negatively.

There are very few studies on the existence of the mediating effect of ethical climate on the relationship between the concepts mentioned above. Stewart (2011), in the study examined how ethical climate affects the relationship between the diversity of environments and turnover intention. As a result, it is observed that it reduces the differences between the two. In another study, the moderator role of the perceived ethical climate in the insurance sector between the ethical leadership and turnover intention has been examined. According to this, when ethical climate is high, depending on how high the perceived ethical leadership is, the turnover intention reduces. When ethical climate is weak, however, even though the ethical leadership is high, it is seen that the turnover intention increases comparatively (Karabay, 2015). Regarding the findings above, the hypothesis can be expressed as the following:
H6a: Employees’ ethical climate perception has a mediating role on the relationship between the trust in leaders and turnover intention.

H6b: Employees’ ethical climate perception has a mediating role on the relationship between employees’ organizational commitment and turnover intention.

3. Research Methodology

3.1. Research Scope

The goal of this study is to examine the mediating role of ethical climate on the relationship between turnover intention and employee trust towards their managers and organizational commitment.

3.2. Research Sample and Scales

This study is conducted on 717 employees from insurance companies, located in Istanbul. Surveys have been used for data gathering. To measure the commitment level; the scale developed by Babin and Boles (1998), to measure the ethical climate perception; the scale developed by Qualls and Puto (1989), to measure the employee trust in leader; the scale developed by Rich (1997), and to measure the turnover intention the scale; developed by Mobley et al (1979) have been adopted and used.

3.3. Data Analysis and Findings

For the evaluation of the data, SPSS statistical package has been used. To test the hypotheses, various analyses like: frequency analysis, factor analysis, reliability, correlation and regression analyses were conducted.

As indicated in Table 2, from the 717 employees; 40,4% were female, %59,6 were male. When marital status is analyzed, %52, 2 are married, %47,8 are single. Among the respondents, %16,3 are postgraduate, %56 are undergraduate. When the employee positions are analyzed, %62,8 are staff, %25,1 are mid- level managers and %3,9 are business partners.

In the study, KMO and Bartlett test values are used to determine the relevance of scales with factor analysis, the sufficiency of the size of the sampling and if the distribution of data is normal or not. Findings showed that the sufficiency of the sampling size is (0.917>0.5). For the determination of the construct validity, factor analysis has been used.

Using Varimax rotation technique, as a result of factor analysis it is found that, when trust, turnover intention, commitment and ethical climate perception variables are examined under one dimension, they show consistency. The model created regarding this framework is shown in Figure 2.

Reliability is one of the most important features that need to be included in a measuring tool. As a result of the reliability analysis, it is found that the reliability value of commitment scale is (0,944), trust scale is (0,938), ethical climate is (0,959) and turnover intention is (0,924). In terms of social studies, it is thought that if the reliability scale is higher than “0,70”, items are sufficient. Thus it can be said that since the internal consistency of the measuring tool is high, its reliability is also high (Gürbüz and Yüksel, 2008, 182). In Table 4, average, standard deviation and Pearson correlations are shown.
With correlation technique, if the relationship between commitment, trust, ethical climate perception and turnover intention exit or not has been tested. In terms of social sciences when correlation coefficient is close to “1” it shows that the relationship is perfect while when it is close to “0” the relationship is weak (Gürbüz and Yüksel, 2008, 185). According to the findings, the strongest relationship is found between trust and commitment. According to this, there is a positively strong connection between commitment and trust while there is a negative relationship between trust, commitment and ethical climate with turnover intention. To be able to measure the level of employee trust towards their managers and the ethical climate perception in the relationship between organizational commitment and turnover intention, Baron and Kenny’s (1986) 3 stage hierarchical regression models were conducted (Wan et al 2014, 2173). The testing of the mediation depends on; (1) the relationship between the dependent and independent variable, (2) the relationship between the mediator and the independent variable, (3) the relationship between the mediator and the independent variable, (4) when mediator is included the degradation of the relationship between independent and dependent variables (full mediating effect) or the relative reducing of the level of meaningfulness (partial mediating effect) (Khalil and Abed, 2014, 116).

As it can be seen in the Table 5, the more the employee trust towards their manager increases, the more turnover intention reduces ($\beta=-.224; p=.000$). On the other hand, when commitment increases turnover intention reduces ($\beta=-.276; p=.000$). According to this, $H_1$ and $H_2$ have been accepted. Moreover, ethical climate has a significant relationship both with commitment ($\beta=.387; p=.000$) and trust ($\beta=.268; p=.000$). These findings support $H_3$ and $H_4$ research hypothesis. That is why these hypotheses are accepted. When the mediating effect of the ethical climate on the relationship between turnover intention and trust is analyzed, a significant relationship has been found. Therefore, $H_{6a}$ has been rejected. However, ethical climate perception has a partial mediator role on the relationship between turnover intention and commitment of the employees ($\beta=-.260; p=.065$). As a result, $H_{6b}$ has been accepted.

Mediation effect is question when appears each of the two variables are related significantly as well as a third variable take places as a mediator (Türkay et al, 2012, 214-217). Researchers often use Sobel test (Sobel, 1982) to ensure the mediating effect in addition to the main hypothesis testing. Sobel Test allows researchers to substantiate findings of full mediation (Jackson et al 2013, p. 158).

As illustrated in Table 6, the test statistics confirm the partial mediation effects of ethical climate. Therefore, $H_{6b}$ (ethical climate mediates the relationship between organizational commitment and turnover intention) hypothesis are confirmed by Sobel values.

4. Conclusion

One of the main goals in the organizations is often considered as maximizing the shareholders’ wealth. It also includes a wide range of responsibilities related to customers. Today, global companies have realized that for sustainability it is important to establish an ethical climate within the company considering the ethical dimensions of these responsibilities. A strong organizational culture where there is a dominant ethical climate is effective on employee values and behaviors related to commitment, performance, job satisfaction, motivation. This ensures that employees show correct behaviors and they are in harmony. In this context, unethical behaviors affect negatively the quality of organizational life, employee motivation, performance, organizational commitment and job satisfaction.
Ethical climate as a research subject is quite important for finance sector as much as in the other sectors. Insurance sector, which has an important active share in the sector, is an important dynamic for the economic growth. Due to it being a service industry and the fact that the human element is rather high in both management and employee, ethical climate in insurance companies has a significant value. Unethical behaviors in insurance sector causes the company loses its trustworthiness, damages the image, reduces the effectiveness of teamwork, damages the communication, destroys the commitment sense and increases the turnover intention. This causes the company lose its work power in the sector. Previous scandals cause researches on ethic and ethical climate in the companies to increase and this encourages the managers to improve themselves on work ethics. Unethical behaviors does not only affect the management and the company with a fine; it can also cause financial collapse, loss of reputation and even imprisonment. The ethical climate in insurance companies should consist of all dynamics related to company, employees, agencies and customers.

In the study, the mediating effect of the perception of ethical climate on the relationship between trust, organizational commitment and turnover intention has been tested in the agencies. As a result of the research, it has been seen that employees’ organizational commitment and trust towards their managers affect the turnover intention directly. When the employee trust in their manager increases, turnover intention reduces. Moreover, when commitment sense increases, turnover intention reduces. On the other hand, there is a significant relationship in the same direction between commitment, trust and ethical climate. While it can be observed that there is a mediating role of ethical climate perception between commitment and turnover intention, it has been seen that this role does not exist between trust and turnover intention. When regression results are examined; it is possible to mention a partial mediating effect of ethical climate. These findings support the recent findings of Mulki et al (2006, 2007), Karabay(2015), Jaramillo et al (2006) and Deconick (2011).

Apart from the contributions to the literature related to finance discipline, the study also includes some restrictions. Due to the sampling being limited to only on insurance agencies, it is hard to make a general evaluation in finance sector, especially in insurance sector. On the other hand, the largeness of the insurance sector in the country makes the findings hard to be evaluated. It is recommended that, to have a more wide range of sampling for future researches is required to provide preliminary evaluation feature for the future researches.

### TABLES

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Table 2

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<td>Female</td>
<td>290</td>
<td>40,4</td>
<td>Single</td>
<td>375</td>
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<td>Male</td>
<td>427</td>
<td>59,5</td>
<td>Married</td>
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<td>451</td>
<td>62,8</td>
<td>Primary</td>
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<td>25,1</td>
<td>High School</td>
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<td>High Level Manager</td>
<td>41</td>
<td>5,7</td>
<td>Associate Degree</td>
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<td>Business Partner/Boss</td>
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<td>Other</td>
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Table 2. Demographic

Table 3

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<th>Items</th>
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<th>Trust</th>
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<th>Turnover Intention</th>
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<td>The organization I work for strongly encourages behaviors appropriate related to business ethics.</td>
<td>884</td>
<td></td>
<td></td>
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<tr>
<td>The organization I work for strongly encourages the business ethics rules.</td>
<td>858</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization I work for does absolutely not tolerate inappropriate behaviors of senior management.</td>
<td>851</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization I work for have policies regarding appropriate business ethics.</td>
<td>841</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The organization I work for has official and written business ethics rules.</td>
<td>832</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the organization, if an employee shows inappropriate behaviors that benefit only themselves, they are immediately officially condemned.</td>
<td>831</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In the organization, if an employee shows inappropriate behaviors that benefit the company, they are immediately condemned officially.</td>
<td>790</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel strongly committed to my leader.</td>
<td></td>
<td>.868</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am sure that my leader will be fair all the time.</td>
<td></td>
<td>.842</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I have a strong commitment towards my leader.</td>
<td></td>
<td>.837</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I believe fully in my leader’s honesty.</td>
<td></td>
<td>.812</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel strong commitment to this organization.</td>
<td></td>
<td>.831</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel emotionally connected to this organization.</td>
<td></td>
<td>.827</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In this organization I feel like I am a part of a family.</td>
<td></td>
<td>.811</td>
<td></td>
<td></td>
</tr>
<tr>
<td>This organization has a personal meaning for me.</td>
<td></td>
<td>.769</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I will leave this organization at the first opportunity.</td>
<td></td>
<td>.904</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
I am searching for an alternative job actively.
I am considering leaving this organization.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy, 0.917
Bartlett's Test of Sphericity
Approx. Chi-Square: 3655.185
Df: 0.000
Total Variations: 84,201

Table 3. Factor Analysis

Table 4

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Alpha</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Commitment</td>
<td>3.70</td>
<td>1.019</td>
<td>0.944</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Ethical Climate Perception</td>
<td>4.11</td>
<td>0.781</td>
<td>0.959</td>
<td>0.583**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Turnover Intention</td>
<td>2.20</td>
<td>1.175</td>
<td>0.924</td>
<td>-0.502**</td>
<td>0.439**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>4 Trust</td>
<td>3.77</td>
<td>0.904</td>
<td>0.938</td>
<td>0.630**</td>
<td>0.499**</td>
<td>0.434**</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation, significant on level p<0.01 (two - way)

Table 4. Means, Deviations, Reliability Analysis and Correlation Results

Table 5

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variables</th>
<th>β values</th>
<th>Sig.</th>
<th>Corrected R²</th>
<th>F Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Regression</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>Turnover Intention</td>
<td>-0.224</td>
<td>0.000</td>
<td>0.186</td>
<td>81.665</td>
</tr>
<tr>
<td>Commitment</td>
<td></td>
<td>-0.276</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Regression</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>Ethical Climate</td>
<td>0.268</td>
<td>0.000</td>
<td>0.322</td>
<td>169,504</td>
</tr>
<tr>
<td>Commitment</td>
<td></td>
<td>0.387</td>
<td>0.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Regression</td>
<td>Ethical Climate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Perception</td>
<td>Turnover Intention</td>
<td>-0.132</td>
<td>0.000</td>
<td>0.014</td>
<td>8,965</td>
</tr>
<tr>
<td>4. Regression</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>Turnover</td>
<td>-0.212</td>
<td>0.000</td>
<td>0.187</td>
<td>54,811</td>
</tr>
</tbody>
</table>
Table 5. The Mediating Effect of Ethical Climate Perception on the Relationship Between Trust and Commitment

<table>
<thead>
<tr>
<th>Ethical Climate Perception</th>
<th>Commitment</th>
<th>Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>-.260</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.035</td>
</tr>
<tr>
<td></td>
<td>-.043</td>
<td>.001</td>
</tr>
</tbody>
</table>

Theoretical Layers in the Victor and Cullen Ethical Climate Model


Figure 2: Research Model

References


