



# Ethical Climate Configurations and Negative Work Outcomes

Dr. Musabyimana Ruzima William & Mukabalisa Aurelie

Adventist University of Central Africa, Rwanda

Corresponding Author: [mruzimawilliam@gmail.com](mailto:mruzimawilliam@gmail.com)

**Abstract:** *The relationship between ethical climate and negative work outcomes such as employee turnover remains largely understudied and mostly unexplained. In addition, the question on whether ethical climate configurations can explain variance in turnover intentions has been poorly understood. In order to address this gap, a model of ethical climate configurations-employee turnover intentions was developed. Using a positivistic research paradigm, the study adopted a quantitative cross-sectional design and a survey data collection strategy to test hypotheses. Structural equation modelling was utilized to determine the nature of hypothesized relationships. Structured model was specified with 6 fit indices: chi-square value = 1.958, GFI = 0.920, incremental fit index = 0.940, Tucker-Lewis Index = 0.924, comparative fit index = 0.939, and root mean square error of approximation = 0.057. This model explained 33% of the variance in employee turnover intentions. This study contribute to the literature of consequences of ethical climate in three ways: (a) the understanding the mediating role of organizational commitment—between ethical climate configurations and employee turnover intentions and between organizational trust and employee turnover intention, (b) the identification of a direct positive significant influence of principled climate on employee turnover intentions reveals that utilizing the promotion of independence climate for enhancing employee retention should be used with caution, and (c) the understanding of the key role of organizational trust in employee turnover intention models as it represents the strongest influence ( $\beta = -0.369$ ). Implications for further research and some implications for practice were discussed in this study as well.*

**Keywords:** *Organizational commitment, Organizational trust, Turnover intentions, Egoistic climate, Benevolent climate, Principled climate, Configuration.*

## How to cite this work (APA):

Musabyimana, W. R. & Mukabalisa, A. (2021). Ethical climate configurations and negative work outcomes. *Journal of Research Innovation and Implications in Education*, 5(4), 152 – 163.

## 1. Introduction

The problem of turnover intentions among scarce skilled workers is gaining the unprecedented attention of overall industries globally. Scholarly works in turnover field have been extensively published since the 1990s (Holtom et al., 2008); nevertheless, the rate of voluntary turnover

continues to escalate. Many scholars (e.g. Mbah & Ikemefuna, 2012; Mitchell, Holtom et al., 2008; Holtom, & Lee, 2001) indicate that voluntary turnover has become one of the hottest issues of human resource management that have garnered the interests and concerns of the corporate world in both the public and private sectors since the beginning of the 21st century.

The researchers' interest in turnover research is justified by its several consequences on the organization's operational processes such as the rhythm of innovation, effectiveness of service delivery, and introduction of new programs (Abbasi & Hollman, 2000). Moreover, voluntary turnover has significant negative effects on financial outcomes of the organization (Jiang et al., 2012). As suggested by Abbasi and Hollman (2000), organizations, which are able to decrease their turnover rate, can achieve several advantages including the accelerated rate of innovation, quick service delivery, and creativity that enhance the introduction of new programs.

In the similar vein, several scholars (Hancock et al., 2011; Ongori, 2007) link employee turnover consistently with the key organizational outcomes such as efficiency, productivity, and financial performance. Moreover, Carmeli and Weisberg (2007) argued that very little is known about employee turnover intentions across different professions. Consequently, top managers often base their retention strategies on erroneous perspectives.

To provide explanation to the main causes of the problem of employee turnover, various models and theories such as the content model of turnover (Mobley et al., 1979), the unfolding model of voluntary turnover (Lee & Mitchell, 1994), the theory of reasoned action (TRA) [Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975], the theory of planned behavior (TPB) [Ajzen, 1991], and the ethical climate theory (ECT) [Victor & Cullen, 1988] have been used. However, it seems that the phenomenon of employee turnover has not yet been fully explained because the turnover rate is still increasing in all industries. Hence, the purpose of this study was to contribute to the body of knowledge of the determinants of employee turnover intention by proposing a new model based on ECT and on which the variable (organizational trust) is introduced.

Specifically, this research pursued the following three objectives:

1. To identify the causal relationships between ethical climate configurations (benevolent climate, egoistic climate, and principled climate) and employee turnover intentions;
2. To assess the mediating roles of job satisfaction, organizational commitment, and organizational trust in the relationships between ethical climate configurations and employee turnover intentions;
3. To identify the best model that predicts employee turnover intention in the studied variables.

The search for a model that has foundations from ethical climate components appears to be the best because ethical

climate has an important role to play in "shaping intra-organizational relationships and employee attitudes" (Elçi & Alpkan, 2009, p. 297). In this perspective, some scholars other scholars (Holtom et al., 2008; Ongori, 2007) suggest that a more effective model explaining employee turnover intentions is still needed. In the similar vein, Ongori (2007) suggests that "there is [a] need to develop a fuller understanding of the employee turnover, more especially, the sources—what determines employee turnover, effects and strategies that managers can put in place [to] minimize turnover" (p. 49).

In addition, some scholars (Flint et al., 2013) suggest that there is still a poor understanding of the determinants of turnover intentions. Others scholars such as Holtom et al. (2008) even recommend that more studies of employee turnover intentions be conducted in order to find a model that increases the amount of variance explained.—A more specific recommendation regarding further studies of employee turnover intentions was given by Sjöberg and Sverke (2000) as they stated, "A more rigorous test of how the work-related attitudes are related with turnover would require a measure that separates the intention to leave the occupation from the propensity to leave the organization" (p. 250).

Consistent with the above discussion, this study was undertaken in order to establish a model of employee turnover intention from ethical climate perspectives. In this model, organizational trust is added to two more variables (job satisfaction and organizational commitment) that play the mediating role between ethical climate configurations and employee turnover intention. The relationships among the variables of this study are discussed in the light of the existing literature, and a new model is tested and confirmed.

## 2. Literature Review

During the late 1960s, a new trend emerged in the organizational work climates literature. This new trend was focused on one aspect of organizational work climate—the ethical work climate (EWC). According to Elçi and Alpkan (2009), "Ethical climate is one of the prime factors shaping intra-organizational relationships and employee attitudes, thereby also having a considerable impact on the organizational (e.g., financial performance) outcomes" (p. 297). Even though the attention to ethics in the organization has been increasing for more than three decades, very few theories—discussing the relationship of the organization's ethical context to the other main organizational variables—have emerged so far. At present, only three important EWC theories have emerged:

the moral climate continuum (Vidaver-cohen & Vidaver-Cohen, 1998), the psychological process model (PPM) [Arnaud, 2006, 2010], and the ethical climate theory--ECT (Victor & Cullen, 1988).

### ***Ethical Climate***

Ethical climate is considered as one of the components of organizational culture (Cullen et al., 1989). It is one aspect of EWCs, which are linked to interdisciplinary level with a noteworthy contribution to the overall field of management; it is believed that different dimensions of EWC may provide organizational members with important guidelines regarding what is perceived as a right or wrong behavior (Cullen & Victor, 1988; Wimbush & Shepard, 1994). As such, ethical climate may be conceptually understood differently, but the central idea is that it rests in the organizational members' perceptions of what is happening in their work setting.

ECT originated from two studies conducted by Victor and Cullen (1988, 1989). This theory focuses on a typology grounded on the three ethical philosophies (egoism, utilitarianism, and deontology) [Martin & Cullen, 2006] along "with the sociological theory of reference groups" (Victor & Cullen, 1988, p. 106). ECT is considered to be an extension of work climate theory (Fritzsche, 2000). As such, ethical climates can be understood as subsets of work climates (Elçi & Alpkan, 2009). Thus, ethical climates refer to how people collectively perceive the organizational practices relative to how people in that organization integrate their specific skills to moral reasoning whenever they face a decision-making issue (Victor & Cullen, 1988).

According to Denison (1996), ethical climate lies beneath the organization's value system. Shin (2012) states, "In terms of ethics, employees are likely to be more strongly affected by organizational climate than their work group climate" (p. 300).

Ethical climates help "determine (1) which issues organization members consider to be ethically pertinent, and (2) what criteria they use to understand, weigh, and resolve these issues" (Cullen et al., 1989, p. 51). Mulki et al. (2008) also suggest that ethical climate has three important roles to play in the organization: (a) it helps determine important issues for a particular organization; (b) it identifies criteria considered by the organization in the process of evaluating ethical issues; and (c) it clarifies the organization's ethical expectations and the extent to which it is committed to those ethics.

Studies show that top management has a critical role to play both in the generation and continuation of ethical climate in a specific organization (Deal & Kennedy, 1982; Schein, 1985). According to Caldwell, Hayes, and Long (2010), "When leadership behaviors are perceived as trustworthy through the observer's mediating lens, trust increases and leaders are more likely to be viewed as ethical stewards who honor a higher level of duties" (p. 497). According to Wimbush et al. (1997), a manager who knows "what types of ethical climates more likely to exist in certain types of organizations will be able to devise policies and practices to promote ethical conduct from employees" (p. 75). In this process, the manager initiates plans of fostering positive ethical behaviors that generate a culture of ethics (Appelbaum et al., 2005).

ECT puts forward that various kinds of ethical climate emanate from two-dimensional theoretical perspectives: "ethical criterion and locus of analysis" (Victor & Cullen, 1988, p. 104). The ethical criterion dimension comes from moral theories, and it suggests that one's decision is derived from the three "basic criteria used in moral reasoning, i.e. maximizing self-interest [egoism], maximizing joint interests [benevolence], or adherence to principle [principled]" (Victor & Cullen, 1988, p. 104). The locus of analysis dimension, on the other hand, comes from the sociological theory of reference groups. It considers whether the concern of the decision-maker is primarily self-interests (individual), company interests (local), or societal interest (cosmopolitan). As shown in Table 1, a cross-tabulation of the ethical climate dimensions generated nine hypothesized types of ethical climate (Cullen et al., 1993; Victor & Cullen, 1988).

Consistently, previous empirical studies (Bulutlar & Oz, 2009; Martin & Cullen, 2006; Simha & Cullen, 2012; Wang & Hsieh, 2012) validated only the following five out of nine hypothesized ethical climates: (a) instrumental climate (which conceptualizes self-interest combined with company profit), (b) caring climate (which conceptualizes friendship and team interest), (c) independence climate (which conceptualizes personal morality), (d) rules climate (which conceptualizes organizational rules and procedures), and (e) law and code" climate (which conceptualizes laws and professional codes). They have been the most frequently validated; hence, they have been considered as the foundation of Victor and Cullen's (1988) ethical climate model. The hypothesized climates of efficiency and social responsibility did not emerge in several empirical studies.

**Table 1: Ethical Climate Types Framework**

Ethical criterion	Individual	Locus of analysis	
		Local	Cosmopolitan
Egoism	Self-interest	Company profit	Efficiency
Benevolence	Friendship	Team interest	Social responsibility
Principle	Personal morality Independence	Company rules and procedures	Laws & professional code

Note. From “The Organizational Bases of Ethical Work Climates,” by B. Victor and J. B. Cullen, 1988, *Administrative Science Quarterly*, 33(1), pp. 101-125, 104. doi:10.2307/2392857

### **Ethical Climate Configurations**

Across the literature on ethical climate, an agreement exists that Victor and Cullen’s (1988) nine typologies of ethical climates can be classified into the following two managerial orientation categories—desirable ethical climates and undesirable ethical climates—based on how important they are to the organization. For managerial purposes, three basic ethical climate configurations: (a) benevolent climate (BC), (b) egoistic climate (EC), and (c) principled climate (PC) have been proposed in ethical climate literature (Barnett & Vaicys, 2000; Cullen et al., 2003; Elçi & Alpan, 2009; Shafer, 2015). The following subsections discuss each ethical climate configuration.

In BC configuration, the tendency of decision-making is the maximization of common interests between the decision-maker and the opposite side, regardless of the level of satisfying one’s needs (Weber, 1995). In addition, there is a greater tendency for supervisors in benevolent climate to display behaviors which promote employees’ well-being (Simha & Stachowicz-Stanusch, 2015). Furthermore, Cullen et al. (2003) suggest that positive feelings about tasks are among typical characteristics of benevolent climate. Hence, leaders expect that these positive feelings about tasks that result from a benevolent climate will rise to the highest level the worker’s consideration for efficiency. Similarly, it increases employees’ willingness to uphold the organizational goodwill above anything else (Cullen et al., 2003)—which refers to organizational commitment.

Regarding the EC configuration, it refers to the behavior that is chiefly concerned with self-interest. It indicates employees’ perceptions of whether their “organization generally promotes self-interested decisions at the expense of other constituents” (Cullen et al., 2003, p. 130). EC configuration may occur at different levels—(a) at an individual level (EC-individual) where the decision-maker does not care about anybody else but himself or herself, (b) at a local level (egoistic climate-local) where employees perceive that decision making in the company

is more concerned with company’s interests even at the expense of employees’ well-being (Simha & Stachowicz-Stanusch, 2015), or (c) at a cosmopolitan level (egoistic climate-cosmopolitan).

Lastly, for PC configuration, the focus of decision makers is no more on the best outcomes for individuals or the organization; instead, they “resort to decisions that are based on adherence to rules and codes” (Cullen et al., 2003, p. 131). PC configuration is divided into three distinguishable climates depending on the referent. They are termed as PC-individual, PC-local or PC-cosmopolitan as they relate to the individual level, company level, or cosmopolitan level, respectively.

### **Consequences of Ethical Climate Configurations**

In general, the literature on ethical climate suggests a wide range of the consequences brought by ethical climate configurations to the organization. Some of these consequences are positive (desirable), and others are negative (undesirable). According to Martin and Cullen (2006), these outcomes may take the affective, behavioral, or cognitive aspects of organizational actors. Specifically, many scholars (Elçi & Alpan, 2009; Filipova, 2011; Fu & Deshpande, 2012; Rothwell & Baldwin, 2007; Parboteeah & Kapp, 2008) concur that the most cited desirable consequences of ethical climate configurations include job satisfaction, organizational commitment, job performance, whistle-blowing behaviors, organizational trust, perceived organizational support, and workplace safety behavior.

On the other hand, the frequently cited undesirable outcomes of ethical climate configuration include employee turnover intention, actual turnover, workplace bullying behavior, counterproductive behaviors, questionable sales tactics, bribery, and organizational corruption (Barnett & Vaicys, 2000; Bulutlar & Oz, 2009;

DeConinck et al., 2013; Simha & Stachowicz-Stanusch, 2015; Wang & Hsieh, 2012). Although any type of ethical climate can be expected to be associated with organizational ethical or unethical behavior, it was found that among the most common ethically derived climates, instrumental climate was the most related to unethical behavior.

Another important consequence of ethical climate, although not very much cited in literature, is the organizational trust. According to Lilly et al. (2016), “Trust is very important in ongoing relationships between individuals and organizations. Without trust, the transaction costs of maintaining the relationship increase tremendously for both parties (p. 35).” Several studies have established that a high level of trust is beneficial on local level (Cook & Schilke, 2010), organizational level (Brashear et al., 2003; DeConinck, 2010; Lai et al., 2009), and societal level (Cook & Schilke, 2010).

The importance of trust has been recognized across several disciplines including communication, “organizational psychology, management, public administration, organizational communication, and education, among others” (Dirks & Ferrin, 2002, p. 611). Likewise, the finding of Dirks and Ferrin (2002) revealed that trust in direct leader could greatly influence employee work outcomes. For Dirks and Ferrin (2002), these work outcomes included “[job] performance, altruism, intent to quit, [organizational commitment], and job satisfaction” (p. 623). Consistent with this discussion, the variable of organizational trust was added in the new ECT-turnover intentions model proposed in this study.

### 3. Methodology

This study addresses this general question: “How does each of the three ethical climate configurations (BC configuration, EC configuration, and PC configuration) influence employee turnover intention through the mediation of job satisfaction, organizational commitment, and organizational trust?” Given the nature of relationships among variables of this study as found in the existing literature, a positivist worldview was adopted and it led to the adoption of a mono-method quantitative research design.

To accomplish the objective of this research, the concepts of the study were operationalized, and an instrument of 51 structured questionnaires (see appendix) was used to collect sufficient related quantitative data. Initially, 62 questionnaires were adapted from several previous publications and tested for reliability, using a sample of 50

teachers from two private universities that did not take part in the final phase of data collection. Ultimately, data were collected using 51 questionnaires distributed to a sample of 470 teachers and professors from both public and private higher education institutions of Rwanda.

Data were collected from eight higher education institutions located in all the regions of Rwanda, selected using convenience sampling. This might be considered as a limitation to the generalizability of the findings; however, in order to overcome this shortcoming, relevant inclusion criteria (such as size of the organization, ranking in the industry, location, and number of years in operation) for selecting organizations were used, while stratified sampling was also used to assign the number of participants by each represented organization. In addition, a simple random sampling was used to select individuals who participated in this study.

At the end of data collection exercise, only a sample of 331 out of 470 distributed questionnaires was returned, which makes 66.2% return rate. Potential multivariate and univariate outliers were detected and removed by viewing from the normal Q-Q plot and conducting Mahalanobis test. The remaining data set after the removal of all outliers contained only 291 respondents, and these are the only ones used for further analyses. The data were analysed using both descriptive and inferential statistics to confirm or delineate the needed modifications of the theory based on the findings.

More specifically, multiple correlation and structured equation modelling (SEM) techniques were adopted; the multiple correlations were used to evaluate how strong or weak one variable is correlated with the other variables in the model, whereas SEM was used for determining the cause and effect relationships among the variables by accounting for all possible measurement errors in the determination of the best model that fits the data. In addition, regarding fit indices, a combination of seven indices ( $\chi^2$ , CMIN/df, GFI, IFI, TLI, CFI, and RMSEA) was chosen for this study in order to produce a more informed model. Using SEM, data screening was carried on through several stages (Blunch, 2008; Shah & Goldestein, 2006; Tabachnick & Fidell, 2013).

### 4. Results and Discussion

Consistent with the objectives of this study, the data analysis sought to answer the following three questions:

1. Are there statistically significant influences among ethical climate configurations, mediating

variables (job satisfaction, organizational commitment, and organizational trust), towards employee turnover intention?

2. How do job satisfaction, organizational commitment, and organizational trust mediate the influences of ethical climate configurations on employee turnover intentions?
3. What is the best predictive model of employee turnover intention, given the various ethical climate configurations and their desirable consequences in terms of job satisfaction, organizational commitment, and organizational trust?

In order to find answers to these questions comprehensively, SEM analysis was utilized. On the first question, the major findings of this analysis are presented hereafter: Firstly, given the existing literature, it was expected that BC configuration and PC configuration respectively would exert direct positive influences on job satisfaction, organizational commitment, and organizational trust on one hand, whereas their influence on employee turnover intention would be negative and indirect through job satisfaction, organizational commitment, and organizational trust on the other hand. However, in terms of direct influences of ethical climate configurations, the findings indicate that only the parameters leading to organizational commitment and organizational trust were significant (see Appendix 4).

As for the indirect influences, results were as hypothesized except for job satisfaction where all the hypothesized relationships were not significant. In similar manner, it was expected that EC configuration would have negative influences on job satisfaction, organizational

commitment, and organizational trust; but only those parameters leading to organizational commitment and organizational trust were significant (see Appendix 3).

Regarding the relationships of job satisfaction with its outcomes, final results of model modification revealed that all of them were not significant whereas they were expected to be significant (Lee et al., 2000). We suggest that these non-significant influences happened due to the nature of specific indicator variables that measured organizational commitment and employee turnover intentions in the final model; whereas Lee et al., (2000) found that one dimension of job satisfaction (job-specific characteristics) influences significantly an individual's professional commitment and hence exert significant influence employee turnover intentions, the indicators variables used in this study were specific to "satisfaction with the supervisor" (see Appendix 3). In addition, the indicators of employee turnover intentions in the final model of this study are specific to professional turnover dimension(see Appendix 3) whereas the indicators of previous studies were for *general intent to quit*.

Lastly, it was expected that each of the three dimensions of PC configuration would have positive effects on all the three mediating variables. However, among all proposed relationships, it was found that only principled climate /independence had a significant but negative ( $\beta = -.229, p < .005$ ) influence on organizational commitment (table 4). Moreover, an unexpected direct significant ( $\beta = .239, p < .001$ ) influence of principled climate/independence on employee turnover intention occurred (table 4). Hence, the parameter principled climate-employee turnover intention was added in the model.

**Table 2: Indirect Standardized Effects of Independent Variables on Dependent Variable**

Relationships	$\beta_1$	$\beta_2$	$\beta_3$	Indirect Effect on ETI
BC → OC → ETI	-0.304	-0.302		-0.092
BC → OT → ETI	0.190	-0.250		-0.047
BC → OT → OC → ETI	0.190	0.393	-0.302	-0.023
Total BC → ETI				-0.162
EC → OC → ETI	-0.365	-0.302		0.110
EC → OT → ETI	-0.374	-0.250		0.094
EC → OT → OC → ETI	-0.374	0.393	-0.302	0.044
Total EC → ETI				0.248
PC → OC → ETI	-0.229	-0.302		0.069
OT → OC → ETI	0.393	-0.302		-0.119

On the second question that sought to identify the nature of influence of mediating variables on the relationships between ethical climate configurations and employee turnover intentions, the final results (table 2) show a significant total indirect negative influence ( $\beta = -.162$ ) of BC configuration on employee turnover intention. In like manner, a total indirect positive influence ( $\beta = .248$ ) of EC configuration on turnover intention was also identified. Regarding PC configuration, an indirect significant positive effect ( $\beta = .069$ ) on turnover intention was identified. These findings indicate that the influence of both BC configuration and EC configuration were totally mediated by organizational commitment and

organizational trust, whereas the influence of PC configuration on turnover intention was only partial through organizational commitment.

Another major findings is the pivotal influences played by organizational trust; it has the largest direct positive effect ( $\beta = 0.393$ ) on organizational commitment, and it partially mediates the effects of two ethical climate configurations (BC and EC configurations) which are antagonistic in nature. Therefore, organizational trust plays a key role in the establishment of a desired level of organizational commitment.

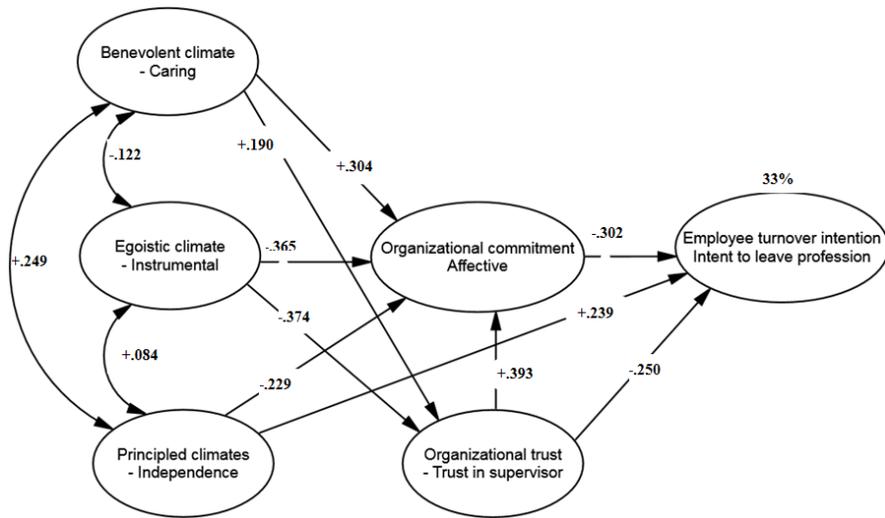
**Table 3: Fit Indices in the Final Model**

Measure of fit	Fit guideline	Initial result	Final result	Evaluation
CMIN/df	< 2 (Tabachnick et al., 2012)	2.427	1.761	Good fit
GFI	> .92 (Hair et al., 2011)	.640	0.930	Good fit
IFI	> .92 (Hair et al., 2011)	.682	0.952	Good fit
TLI	> .92 (Hair et al., 2011)	.664	0.937	Good fit
CFI	> .92 (Hair et al., 2011)	.678	0.951	Good fit
RMSEA	< .07 (Hair et al., 2011)	.070	.051	Good fit

On the third question, after a comprehensive assessment of various competing models, the best model that fits the data was specified as presented in Figure 1. Data pertaining to the major fit indexes for this model were also in the acceptable range (see table 3). Although chi-square was significant [ $\chi^2 (153, df = 107, N = 291) = 188.403, p < .001$ ], the CMIN/df ratio of this model (1.761) was below 2, which is the cut-off measures suggested by Tabachnick and Fidell (2012) to be used as a valid measure of good fitting model whenever a significant chi-square index is identified (p. 620). According to Hair et al. (2011), a significant chi-square can always be expected when the sample size is greater than 250. Hence, the finding of a significant chi-square in this study is not a surprise since the sample size was 291.

Ultimately, this model represents the best predictive model of employee professional turnover intention as prescribed by the baseline theories of the model. In terms of the weights of the direct relationships among the latent variables in the model, all of them are significant ( $p < .05$ ). This model explains 33% of employee intentions to quit their profession, whereas the remaining portion can be accounted for other factors.

In addition, for all the parameters of this model, the estimated regression weights and  $p$ -values were tested and found to be significant (Appendix 3). Compared with previous turnover intention models, this model has the advantage over them because it specifically explains professional turnover intentions while the previous ones had remained in the broad picture of turnover intention



**Figure 1: Model of employee professional turnover intention**

This closeness between the identified model and the measurement model is the first indicator of the best model that fits the data because “the measurement model fit provides an upper bound to the goodness of fit of a conventional structural model” (Hair et al., 2011, p. 650). Moreover, all the 9 parameters maintained in this final model were significant at least with  $p < .05$  (see Table 3).

As depicted in Figure 1, the final model of this study comprises (a) the causal relationships between three

ethical climate configurations (benevolent climate, egoistic climate, and principled climate) with three endogenous variables (employee turnover intention, organizational commitment, and organizational trust) and (b) the causal relationships among endogenous variables. Overall, findings revealed that employee turnover intention is influenced by each of the remaining variables either indirectly or directly.

**Table 3: Regression Weights Estimates in the Final Model**

Relationship	$\beta$	$p$ -value
EC → OT	-.374	.000***
BC → OT	.190	.010
BC → OC	.304	.000***
OT → OC	.393	.000***
EC → OC	-.365	.000***
PC → OC	-.229	.002
OC → ETI	-.302	.004
OT → ETI	-.250	.008
PC → ETI	.239	.000***

**Note:** OC = Organizational commitment, OT = Organizational trust, BC = Benevolent climate, EC = Egoistic climate, PC = Principled climate, ETI = Employee turnover intention; \*\*\* =  $p < .001$

Another noteworthy finding is the controversial influence of EC configuration in the present predictive model: It has the biggest effect total negative effects on organizational commitment ( $\beta = -.512$ ) and on organizational trust ( $\beta = -.374$ ). In addition, EC configuration co-varies negatively

( $r = -.122$ ) with BC configuration, which is the most desirable ethical climate; meaning that EC configuration also interferes with the desirable effects which would be expected from BC configuration on all its outcomes.

**Table 4: Standardized Effects Sizes in the Final Model**

Relationship	Direct effect	Indirect effect	Total effect
EC → OT	-0.374		-0.374
BC → OT	0.190		0.190
PC → OC	-0.229		-0.229
EC → OC	-0.365	-0.147	-0.512
BC → OC	0.304	0.075	0.379
OT → OC	0.393		0.393
PC → ETI	0.239	0.069	0.308
EC → ETI	0.000	0.248	0.248
BC → ETI	0.000	-0.162	-0.162
OT → ETI	-0.250	-0.119	-0.369
OC → ETI	-0.302		-0.302

*Note.* OC = Organizational commitment, OT = Organizational trust, BC = Benevolent climate, EC = Egoistic climate, PC = Principled climate, ETI = Employee turnover intention

Lastly, these findings suggest the important role of organizational trust in the predictive model of professional turnover intentions, as it represents the strongest influence ( $\beta = -0.369$ ) on employee turnover intention compared with other mediating variables (table 4). This total effect includes a direct effect ( $\beta = -0.250$ ,  $p < .005$ ) and one indirect effect ( $\beta = -0.119$ ) through organizational commitment, which, as it reads in table 4, has the greatest direct influence ( $\beta = -0.302$ ) on employee turnover intentions. Bottom-line, these findings concur with empirical evidences from previous studies (Canipe, 2006; Cho & Song, 2017; Dirks & Ferrin, 2002; Mulki et al., 2008; Wong et al., 2015) in which strong negative relationships of organizational trust with employee turnover intention ( $r = -.43$ ;  $r = -.60$ ;  $r = -.38$ ;  $\beta = -.29$ ;  $r = -.24$ , respectively) have been reported.

## 5. Conclusion and Recommendations

The purpose of this study was to contribute to the body of knowledge of the determinants of employee turnover intention by proposing a new model based on ECT and on which a new variable (organizational trust) was added. This purpose was achieved using the data collected from 291 university lecturers from both private and public universities in Rwanda.

The moderate variance explained by the model ( $R^2 = .33$ ) suggests that there is 67% of the variance in employee

professional turnover intention, which could be explained by other variables not included in the model. Nevertheless, the wide range of turnover literature explored in the course of this study did not identify any predictive model that deals with *intention to leave the profession* as a dependent variable. Therefore, it is highly estimated that the model identified in this study will serve as a starting point for future academic endeavors aiming the establishment of best predictive models that can be used to enhance employees' willingness to keep up with their profession.

The findings pertaining to each of the three areas that formed the main themes of this study (ethical climate configurations, desirable consequences of ethical climate configurations, and undesirable consequences of ethical climate configurations) provide the following directions for further studies: Firstly, This study identified a model which explains only 33% of variance in employee turnover intentions, with regard to intent to leave the profession specifically. Hence, future studies are needed in order to find out which variables account for the remaining 67% of variance in this type of employee turnover intentions.

Secondly, further studies should explore possible links between employee turnover intentions and other organizational commitment components such as normative commitment and continuance commitment. Thirdly, longitudinal studies are needed, which would reveal the extent to which specific changes in ethical climate configurations can generate variations of

employee turnover intention. One of the important implications for practice is that decision-makers should consider entrusting supervisory positions to competent, caring, and trustworthy people. These characteristics are

key for the stimulation of organizational affective commitment, which is vital for discouraging turnover intentions.

## References

- Abbasi, S. M., & Hollman, K. W. (2000). Turnover: The real bottom line. *Public Personnel Management*, 29(3), 333-342. <https://doi.org/10.1177/00910260002900303>
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50, 179-211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Ajzen, I. (2001). Nature and operation of attitudes. *Annual Review of Psychology*, 52, 27-58. <https://doi:10.1146/annurev.psych.52.1.27>
- Ajzen, I. (2006). *Behavioral interventions based on the theory of planned behavior: Brief description of the theory of planned behavior*. <https://goo.gl/upcaHG>
- Ajzen, I. (2012). *TPB Diagram*. Retrieved on July 18, 2017, from <http://people.umass.edu/aizen/tpb.diag.html#null-link>
- Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Englewood Cliffs, Prentice-Hall.
- Ajzen, I., & Madden, T. J. (1986). Prediction of goal-directed behavior: Attitudes, intentions, and perceived behavioral control. *Journal of Experimental Social Psychology*, 22, 453-474.
- Appelbaum, S. H., Deguire, K. J., & Lay, M. (2005). The relationship of ethical climate to deviant workplace behaviour. *Corporate Governance*, 5(4), 43-55. <https://doi.org/10.1108/14720700510616587>
- Barnett, T., & Vaicys, C. (2000). The moderating effect of individual's perceptions of ethical climate on ethical judgments and behavioral intentions. *Journal of Business Ethics*, 27, 351-362. <https://doi.org/0.1023/A:1006382407821>
- Blunch, N. (2008). *Introduction to structural equation modeling using SPSS and AMOS*. Thousand Oaks, Sage.
- Brashear, T. G., Boles, J. S., Bellenger, D. N., & Brooks, C. M. (2003). An empirical test of trust-building processes and outcomes in sales manager-salesperson relationships. *Journal of the Academy of Marketing Science*, 31, 189-200. <https://doi.org/10.1177/0092070302250902>
- Bulutlar, F., & Oz, U. E. (2009). The effects of ethical climates on bullying behaviour in the workplace. *Journal of Business Ethics*, 86, 273-295. <https://doi.org/10.1007/s10551-008-9847-4>
- Caldwell, C., Hayes, L. A., & Long, D. T. (2010). Leadership, trustworthiness, and ethical stewardship. *Journal of Business Ethics*, 96, 497-512. <https://doi.org/10.1007/s10551-010-0489-y>
- Canipe, S. J. (2006). *Relationships among trust, organizational commitment, perceived organizational support, and turnover intentions*. San Diego, CA: Alliant International University, California School of Professional Psychology.
- Cho, Y. J., & Song, H. J. (2017). Determinants of turnover intention of social workers: Effects of emotional labor and organizational trust. *Public Personnel Management*, 46(1), 41-65. doi:10.1177/0091026017696395
- Carmeli, A., & Weisberg, J. (2007). Exploring turnover intentions among three professional groups of employees. *Human Resource Development International*, 9(2), 191-206. <https://doi.org/0.1080/13678860600616305>
- Cook, K. S., & Schilke, O. (2010). The role of public, relational and organizational trust in economic affairs. *Corporate Reputation Review*, 13(2), 98-109. doi:10.1057/crr.2010.14

Denison, D. R. (1996). What is the difference between

- Organizational culture and organizational climate? A native's point of view on a decade of paradigm wars. *Academy of Management Review*, 21(3), 819–854.
- DeConinck, J. B. (2010). The effects of ethical climate on organizational identification, supervisory trust, and turnover among salespeople. *Journal of Business Research*, 64(6), 617-624. <https://doi.org/10.1016/j.jbusres.2010.06.014>
- DeConinck, J. B., DeConinck, M. B., & Banerjee, D. (2013). Outcomes of an ethical work climate among salespeople. *International Journal of Business Administration*, 4(4), 1-8. <https://doi.org/10.5430/ijba.v4n4p1>
- DeConinck, J. B., DeConinck, M. B., & Moss, H. K. (2016). The relationship among ethical leadership, ethical climate, supervisory trust, and moral judgment. *Academy of Marketing Studies Journal*, 20(3), 89-100.
- Dirks, K. T., & Ferrin, D. L. (2002). Trust in leadership: Meta-analytical findings and implications for research and practice. *The Journal of Applied Psychology*, 87(4), 611-628. <https://doi.org/10.1037/0021-9010.87.4.611>
- Elçi, M., & Alpkan, L. (2009). The impact of perceived organizational ethical climate on work satisfaction. *Journal of Business Ethics*, 84, 297-311. <https://doi.org/10.1007/s10551-008-9709-0>
- Fishbein, M., & Ajzen, I. (1975). *Belief, attitude, intention, and behavior: An introduction to theory and research*. Reading, Addison-Wesley.
- Flint, D., Haley, L. M., & McNally, J. J. (2013). Individual and organizational determinants of turnover intent. *Personnel Review*, 42, 552-572. <https://doi.org/10.1108/PR-03-2012-0051>
- Fritzsche, D. J. (2000). Ethical climates and ethical dimension of decision making. *Journal of Business Ethics*, 24(2), 125-140. <https://doi.org/10.1023/A:1006262914562>
- Fu, W., & Deshpande, S. P. (2012). Antecedents of organizational commitment in a Chinese construction company. *Journal of Business Ethics*, 109, 301-307. <https://doi.org/10.1007/s10551-011-1128-y>
- Hancock, J. I., Allen, D. G., Bosco, F. A., McDaniel, K. R., & Pierce, C. A. (2011). Meta-analytic review of employee turnover as a predictor of firm performance. *Journal of Management*, 39, 573-603. <https://doi.org/10.1177/0149206311424943>
- Holtom, B. C., Mitchell, T. R., Lee, T. W., & Eberly, M. B. (2008). Turnover and retention research: A glance at the past, a closer review of the present, and a venture into the future. *The Academy of Management Annals*, 2(1), 231-274. <https://doi.org/10.1080/19416520802211552>
- Jiang, K., Lepak, D. P., Hu, J., & Baer, J. C. (2012). How does human resource management influence organizational outcomes? A meta-analytic investigation of mediating mechanisms. *Academy of Management Journal*, 55(6), 1264-1294.
- Lai, J., Lee, G., & Hsu, W. (2009). The influence of partner's trust-commitment relationship on electronic commerce strategic planning. *Management Decision*, 47(3), 491-507. doi:10.1108/00251740910946741
- Lee, K., Carswell, J. J., & Allen, N. J. (2000). A meta-analytic review of occupational commitment: relations with person-and work-related variables. *Journal of Applied Psychology*, 85(5), 799.
- Lee, T. W., & Mitchell, T. R. (1994). An alternative approach: The unfolding model of voluntary employee turnover. *Academy of Management Review*, 19(1), 51-89.
- Lilly, J., Duffy, J., & Wipawayangkool, K. (2016). Impact of ethical climate on organizational trust and the role of business performance: If business performance increases, does ethical climate still matter? *Journal of Behavioral and Applied Management*, 17(1), 641-643.
- Martin, K. D., & Cullen, J. B. (2006). Continuities and extensions of ethical climate theory: A meta-analytic review. *Journal of Business Ethics*, 69, 175-194. doi:10.1007/s10551-006-9084-7
- Mbah, S. E., & Ikemefuna, C. O. (2012). Job satisfaction and employee's turnover intentions in total Nigeria plc. in Lagos State. *International Journal of Humanities and Social Science*, 2(14), 275-287. Retrieved from

- <https://pdfs.semanticscholar.org/2ee1/24a00766869407ff8742a2fe07ab40cfe911.pdf>
- Mitchell, T. R., Holtom, B. C., & Lee, T. W. (2001). How to keep your best employees: Developing an affective retention policy. *Academy of Management Executive*, 15, 96-108. <https://doi.org/10.5465/AME.2001.5897929>
- Mobley, W. H., Griffeth, R. W., Hand, H. H., & Meglino, B. M. (1979). Review and conceptual analysis of the employee turnover process. *Psychological Bulletin*, 86(3), 493-522. <https://doi.org/10.1037/0033-2909.86.3.493>
- Mulki, J. P., Jaramillo, J. F., & Locander, W. B. (2008). Effect of ethical climate on turnover intention: Linking attitudinal- and stress theory. *Journal of Business Ethics*, 78(4), 559-574. <https://doi.org/10.1007/s10551-007-9368-6>
- Ongori, H. (2007). A review of the literature on employee turnover. *African Journal of Business Management*, 1(2), 49-54. <https://doi.org/10.1108/14634449710195471>
- Shah, R., & Goldstein, S. M. (2006). Use of structural equation modeling in operations management research: Looking back and forward. *Journal of Operations Management*, 24(2), 148-169. <https://doi.org/10.1016/j.jom.2005.05.001>
- Shin, Y. (2012). CEO ethical leadership, ethical climate, climate strength, and collective organizational citizenship behavior. *Journal of Business Ethics*, 108, 299-312. <https://doi.org/10.1007/s10551-011-1091-7>
- Simha, A., & Cullen, J. B. (2012). Ethical climates and their effects on organizational outcomes—Implications from the past, and prophecies for the future. *Academy of Management Perspectives*, 26(4), 20-34. doi:10.5465/amp.2011.0156
- Sjöberg, A., & Sverke, M. (2000). The interactive effect of job involvement and organizational commitment on job turnover revisited: A note on the mediating role of turnover intention. *Scandinavian Journal of Psychology*, 41(3), 247-252.
- Tabachnick, B. G., & Fidell, L. S. (2013). *Using multivariate statistics. SAS workbook* (6th ed.). Pearson.
- Vidaver-cohen, A. D., & Vidaver-cohen, D. (1998). Moral climates in business framework firms: For analysis and change. *Journal of Business*, 17(11), 1211-1226. <https://doi.org/10.5465/AMBPP.1995.17536671>
- Wang, Y. D., & Hsieh, H. H. (2012). Toward a better understanding of the link between ethical climate and job satisfaction: A multilevel analysis. *Journal of Business Ethics*, 105(4), 535-545. <https://doi.org/10.1007/s10551-011-0984-9>
- Weber, J. (1995). Influences upon organizational ethical subclimates: A multi-departmental analysis of a single firm. *Organization Science*, 6(5), 509-523. <https://doi.org/10.1287/orsc.6.5.509>
- Wimbush, J. C., & Shepard, J. M. (1994). Toward an understanding of ethical climate: Its relationship to ethical behavior and supervisory influence. *Journal of Business Ethics*, 13(8), 637. Retrieved from <https://search.proquest.com/docview/198077733?accountid=42729>
- Wimbush, J. C., Shepard, J. M., & Markham, S. E. (1997). An empirical examination of the multidimensionality of ethical climate in organizations. *Journal of Business Ethics*, 16(1), 67-77.