Ethical Climate & Safety Performance

Design better programs, improve compliance and foster participation

By E. Andrew Kapp and K. Praveen Parboteeah

ETHICS is the area of philosophy that deals with values and customs of a person or society—essentially how one determines what is right or wrong. As far back as Aristotle, ethics has been considered a fundamental driving force of human behavior.

The role that ethics plays in an organization's safety performance has been of interest to scholars and practitioners, although for fewer years. Writing from a Christian moral philosophical standpoint (specifically Roman Catholic theology), Angelini (1987) spells out the moral principles that should preside over the prevention of occupational injuries and illnesses. These principles include: 1) a precise concept of the worker as a human with dignity, not merely a means of production; 2) a clear acknowledgment of fundamental human rights including the right of workers to employment in a production system that does not endanger their physical welfare or jeopardize their moral integrity; and 3) a complete vision of prevention including the capacity to find a balance between absolute principles and concrete reality through the determination of acceptable risk.

Tidwell (2000) presents a review of the literature relating ethics to workplace safety, and concludes by establishing a safety and ethics framework. This framework is characterized by an organizational climate where safety is valued and openly discussed, and an employment relationship where employees

have the freedom and responsibility to make individual choices about safety. Underlying this employment relationship is a set of obligations and duties shared by employer and employee. These duties include the duty of mutual loyalty, the duty of care owed to the employee, the right of the employee to be informed of the risks, and the right of the employee to refuse work where the risk is unacceptable.

Eckhardt (2001) also addresses the question of an employer's moral responsibility to provide "enough" safety. Accepting the definition of safety provided by Lowrance (1976), a condition with an acceptable level of risk, Eckhardt contemplates the question: When has a company fulfilled its moral duty to provide employees with a safe workplace? He presents an overview of major religious teachings and relevant moral philosophy, but leaves it to the reader to answer the question.

Birkner and Birkner (2000) present a conceptual model they call the ethical pyramid, by which management's ethical orientation influences employee's actions. According to Birkner and Birkner, the process of influencing employee behavior begins with management establishing a formal code of ethical conduct (the base of the pyramid) and reaches its apex with employees being held accountable for their behavior against those standards. To explore this important link between an organization's ethical framework and the safety behaviors of the employees, let's first discuss the concept of organizational ethical climate.

Ethical Climate

Organizational climate symbolizes what an organization truly values and is revealed through the shared perception of employees as to the kinds of behaviors that are encouraged, supported and rewarded within the organization. This shared perception of the accumulated expectations and corresponding rewards serves as a ready frame of reference for guiding the behaviors of the employees (Schneider, 1975). When applied to ethics, the organizational ethical climate refers to the specific shared

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perceptions of organizational practices and procedures that define what is considered right or wrong within the organization (Parboteeah & Kapp, 2008; Martin & Cullen, 2006; Victor & Cullen, 1987; 1988).

The Victor and Cullen typology of ethical climates consists of three basic ethical climates, each based on one of three prominent schools of normative ethics. These ethical climate types are: egoistic, benevolent and principled (sidebar at right).

In an egoistic climate, company ethical norms support the pursuit of self-interest. An egoistic climate may exist, for example, in a car dealership or brokerage firm. In both organizations, employees are expected to make decisions that maximize their self-interest.

In a benevolent climate, company ethical norms support maximizing the interests of all members of the social group. A benevolent climate may develop in, for instance, a pharmaceuticals lab, where employees are expected to cooperate and help each other to achieve successful outcomes.

Finally, in the principled climate, company ethical norms support following universal principles regardless of situational variables. A principled climate may be present in public accounting firms where the organizational climate supports ethical decision making based mostly on the codes that govern the profession. Table 1 presents representative descriptions for identifying these ethical climates.

Ethical Climate & Employee Behavior

While no previous work has examined the relationship between ethical climate and safety-related behavior, investigations into the causes of other employee behaviors have employed the ethical climate model. Treviño, Butterfield and McCabe (1998) empirically examined the influence of ethical climate on unethical employee behavior. Included in their examination are the behaviors of employee theft and lying. They found that in organizations where ethical climates of self-interest (egoistic) dominated, there was greater incidence of unethical conduct. In contrast, in organizations with ethical climates emphasizing laws and professional standards (principled), they observed a decreased incidence of unethical behavior.

Peterson (2002) investigated the relationship between ethical climate and deviant workplace behavior, with deviant behaviors defined as voluntary behavior that violates established organizational norms and threatens the well-being of the organization, its members or both. Peterson found that an employee-focused climate (benevolent) was associated with a decreased likelihood of production deviance, such as employees working on personal issues during company time or taking overly long breaks. Benevolent climates also experienced decreased likelihood of political deviance, such as blaming someone else for errors or spreading malicious gossip about a coworker. A rules-and-procedures climate (principled) was associated with a decreased likelihood of property deviance whereas the self-interest climate (egoistic) was associated with a greater likelihood of production deviance.

There has clearly been an interest in the role of ethics and the moral duty of management and employees in maintaining safe workplace (Angelini, 1987; Birkner & Birkner, 2000, Eckhardt, 2001; Tidwell, 2000), and previous research has shown an association between an organization's ethical climate and the occurrence of workplace deviance and unethical behavior (Peterson, 2002; Treviño, et al., 1998). However, no investigation has examined the

Abstract: *Ethics can play a significant role in employees' decisions to comply with safety rules and participate in safety-enhancing initiatives. An organization's ethical environment can also influence employees' ethical perspective and behavior. One useful means for understanding this environment is ethical climate, which embodies the employees' shared understanding of what is considered right or wrong within that organization. By assessing its ethical climate, a company can devise better ways to reduce employee resistance to safety efforts, induce greater levels of compliance and participation, and achieve better safety.*

Ethical Climate Types & Their Characteristics

Ethical climate type	Characteristic
Egoistic	Maximization of self-interest
Benevolent	The most good for the most people
Principled	Adherence to universal principles

Table 1

Representative Descriptions of Ethical Climate Types

Ethical climate type	Representative descriptions
Egoistic	• In this company, people are mostly out for themselves. • People in this company are very concerned about what is best for themselves. • People are expected to do anything to further the company's interests.
Benevolent	• In this company, people look out for each other's good. • The major consideration is what is best for everyone in the company. • People in this company view team spirit as important.
Principled	• It is very important to strictly follow the company's rules and procedures here. • Successful people in this company obey the company policies. • In this company, the law or ethical code of their profession is the major consideration.

Figure 1

Ethical Climate & Safety-Related Behavior
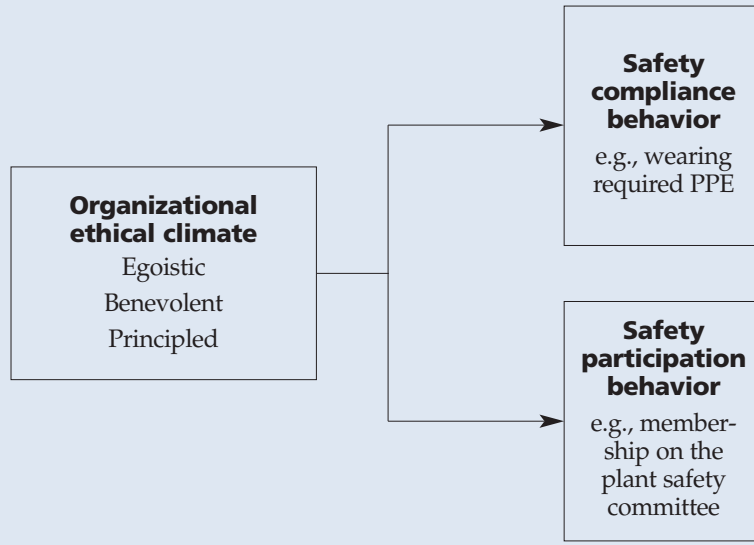
role of ethics as a precursor of the individual worker's safety-related behavior. Let's now discuss this important, yet neglected, link between an organization's ethical climate and workplace safety behavior.

Ethical Climate & Safety Performance

A recent study of a medium-sized automotive component manufacturer in the midwestern U.S. examined the influence of ethical climate on safety-related behavior (Parboteeah & Kapp, 2008). An anonymous questionnaire was voluntarily completed by 237 hourly employees from five U.S. plants of a European multinational automotive component manufacturer measuring ethical climate (Victor & Cullen, 1987; 1988) and the safety compliance and safety participation behaviors of employees (Griffin & Neal, 2000).

Safety compliance behavior refers to the individual safe work practices of employees, and safety participation behavior represents those behaviors that support the organization's safety program. One example of safety compliance behavior is correctly wearing all the necessary PPE on the job. An instance of safety participation behavior would be volunteering for activities that help to improve workplace safety, such as joining the safety committee (Figure 1). The researchers developed measures based on the literature. As such, all measures (ethical climates, safety compliance and safety motivation) are valid and accurately represent what they are intended to measure. The researchers also found all measures to be reliable with Cronbach's alpha scores exceeding .70, thereby indicating strong agreement among respondents on the items.

Strong support was found for the influence of the organization's principled climate on the safety-related behavior of the employees, with both greater safety compliance (β = .206, $p < .01$) and more safety participation behavior (β = .166, $p < .05$) reported among the plants displaying a principled ethical climate. This company is known for maintaining a comprehensive formal safety program that includes an occupational safety and health management system (OHSAS 18001), a well-established 5S program (sort, straighten, shine, systemize and sustain), and a mandatory risk assessment and corrective measure development process with required participation from every manufacturing employee annually.

The results suggest that this company, with its principled climate and well-established safety program, is motivating employees to both comply with safety procedures and engage in safety-enhancing efforts. This organization's comprehensive safety program harmonized well with this strong principled ethical climate,

Table 2

Potential Indicators of Ethical Climate Type

Ethical climate type	Potential Indicators
Egoistic	• Individually oriented competitions in the company such as sales contests and injury-free workday records. • Profit sharing based on individual performance.
Benevolent	• Cooperative work systems such as autonomous work teams and job sharing. • Profit sharing based on work unit performance.
Principled	• Established company mission or values that employees can describe in their own words. • Frequent discussion among employees of local, national or global issues that relate to company performance.

yielding low injury rates among the five plants surveyed—days without lost-time injuries ranged from 250 to 2,379, with an average of 1,742.

Understanding Ethical Climate for Improved Safety Performance

While ethical climates tend to be somewhat controllable by managers (Cullen, et al., 1993), changing an organization's ethical climate is a major undertaking that requires substantial effort and resources—with no guarantee of success. A more practical approach may be to identify a company's ethical climate type (Table 2) and tailor the safety program to harmonize with that climate (sidebar at right).

Egoistic climates, those based on the ethical criterion of maximizing an entity's self-interest, may benefit from the inclusion of well-designed individual incentive systems that target safety-enhancing behaviors in safety programs. The critical success factor is to target specific safe behaviors, not the nonoccurrence or nonreporting of incidents. Specific behaviors can include both compliance with safe work practices such as wearing appropriate PPE for a given task, and participation in safety-enhancing activities such as contributing to an employee suggestion program or attending a facility safety committee meeting. The emphasis should be on specifying those desired behaviors and constantly rewarding them when they occur.

Benevolent climates, where being concerned with benefiting the greatest number of people is the norm, should frequently use safety messages that clearly communicate the possibility and consequences of injury, and the importance of using established safety procedures to avoid injury.

Ironically, keeping employees conscious of the potential for injury can be particularly challenging for a company with a low incidence of injuries. Under such conditions, where long spans of time pass without serious injury, safety can lose its predominant association with employees' well-being, and other issues become more highly associated with colleagues' welfare, such as the equitable distribution of workload among the team, or unbiased access to training and promotion opportunities. Without the consistent messages maintaining an awareness of the risk of injury, caring employees may take up other causes to benefit their colleagues. In a benevolent climate, the frequent use of safety messages becomes a means of encouraging safety compliance behavior as a way to benefit everyone in the company. Likewise, within a benevolent climate where the risks of injury are understood, participation in safety-enhancing activities maintains its importance as a meaningful and appropriate way to benefit colleagues.

Principled climates, where adherence to rules, laws and standards is the ethical criterion underlying all decisions, benefit from formalized safety programs. Safety in this climate would be well served by dedicating the time and resources to a comprehensive safety program focusing on established processes and procedures. An occupational safety and health man-

Ethical Climate Type: Safety Program Element Summary

Ethical climate type	Complementing safety initiative
Egoistic	Individualized safety incentive system
Benevolent	Risk communications program
Principled	Safety management system

agement system such as ANSI Z10 or OHSAS 18001 would be a good investment for such an organization and would likely yield favorable results.

Conclusion

Evidence suggests that an organization's ethical environment influences employees' decisions to comply with safety rules and participate in safety-enhancing initiatives. An ethical climate assessment is a useful tool for understanding this environment. An organization's ethical climate offers unique insight into the ethical basis of employees' safety-related behavior. By understanding its ethical climate, a company can discover better ways to design safety and health programs to reduce employee resistance, achieve better safety compliance and encourage greater levels of participation in safety-enhancing initiatives. ∎

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