Ethical Climate and its Relationship with Perceived Organizational Justice: A Field Study in the Banking Sector of the City of Tokat*

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Abstract

The aim of this study is to investigate the relationship between ethical climate and the sub-dimensions of perceived organizational justice (procedural justice, distributional justice, interactional justice) as well as determine whether ethical climate is the predictor of employees’ perception of justice. First, the concepts of ethics, work ethics, ethical climate, the results of the ethical climate, and the ethical climate model are presented. Later, perceived organizational justice is discussed, along with its results and effects. The research section is presented after providing the theoretical and empirical findings about ethical climate and its relationship with perceived organizational justice. A field study on the banking sector of the city of Tokat is conducted to determine whether ethical climate is a meaningful predictor of employees’ perception of justice. A questionnaire is administered to collect data from 210 bank employees working in 22 banks across the Tokat city center. Descriptive statistics and regression analysis are then used to analyze the data obtained. Results show that there exists a positive relationship between ethical climate and the three dimensions of the perceived organizational justice; furthermore, ethical climate is a positive predictor influencing employees’ perception of justice in all three dimensions. Finally, some suggestions are made about the applications of the study’s findings.

Keywords
Ethics • Work ethics • Ethical climate • Organizational justice • Procedural justice • Distributional justice • Interactional justice

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The professional job market has become increasingly competitive because of rapid globalization. In relation to this, discussing the concept of ethics in businesses operations, in which intense competition is experienced, has become an urgent task. These businesses are expected to observe ethical rules while trying to make profit and ensure sustainability. Therefore, ethical values should be given an important place in organizational culture, and organizational operations should observe ethical codes that have been established. One of the most effective ways of integrating ethical values into business operations is to foster an ethical climate within the organization.

Organizations provide new areas of organized work and professional life for individuals in the 21st century. In this context, people become acquainted with the concept of organizational justice, which has been found to have a significant impact on organizational results, such as work performance, organizational commitment, and so on (Sökmen, Bilsel, & Erbil, 2013, pp. 35–36; Ulukapı & Bedük, 2014, p. 776). In its broad definition, the perception of “organizational justice” comprises the perceptions of all employees about whether or not they are being treated justly in the company in which they work (Greenberg, 1996, p. 24).

On the one hand, positive perceptions of employees develop organizational commitment and productivity, improve the organizational citizenship behavior of employees, and help them decide on whether they should continue to work for the business. On the other hand, negative perceptions may weaken employees’ commitment to the organization, even destroy it. Such perceptions can also decrease employees’ productivity, heighten aggressive behavior, and influence their decision to resign. Thus, organizational justice must be present in a company so obtain self-satisfaction and the organizations can proceed with the operations effectively. In this regard, in justice must be regarded as an organizational problem (Cihangiroğlu & Yılmaz, 2010, p. 210).

When the concepts of “ethics” and “justice” are studied together, it is impossible to consider them independently of each other. Although they affect various organizational results, their effects on each other have not been studied much in the literature. When studied conceptually and theoretically, “justice” can be considered an element of ethics and “ethics” is also an important sub-element of justice. Based on literature reviews, studies about these two concepts are more theoretical, and only a few empirically show the relationship between them.

An empirical study that is performed to reveal the level and extent of the relationship between ethical climate and perceived organizational justice can contribute to the literature in this field. Both concepts have very important consequences and significant overall impact. Organizational justice affects a multitude of positive and negative behavioral and attitudinal results, such as job satisfaction, employees’ performance,
harmful aggressive behaviors, organizational trust, organizational citizenship, organizational commitment, intention to quit one’s job, and so on. Previous studies have revealed the relationship between organizational justice and ethical climate. Providing suggestions for businesses, higher management, and CEOs in accordance with these findings is important; furthermore, the dimensions of organizational justice should be included in such studies.

From this point of view, the purpose of the current study is to determine the extent to which ethical climate is accountable for employees’ perception of organizational justice. By performing an empirical study, we aim to show the relationship between ethical climate and perceived organizational justice. The study should be performed by considering three dimensions of organizational justice, namely, procedural justice, distributional justice, and interactional justice. This study will test the following hypothesis: Is ethical climate a predictor for employees’ perceptions of procedural, distributional, and interactional justice?

**Ethical Climate**

The concept of “ethics” was derived from the word “ethos,” which means “character” in Greek. Hence, the term refers to knowing what to do and what not to do, knowing what to demand or not to demand, and knowing what to possess and not to possess. Ethics can also be defined as “a philosophical discipline, which studies the values and rules that form the basis of the individual and social relationships that human beings have established in terms of ethical aspects such as right or wrong or good or bad” (Akarsu, 1984, p. 62).

Work ethic is an applied dimension of ethics that covers professional life (Halıcı, 2000, p. 25). On the one hand, ethics is such a far-reaching value that can be observed in all human interactions and at all levels of society. Work ethic, on the other hand, is specifically related to professional life and work areas, thus forming a specific dimension for itself. The first question that comes to mind is whether the values of ethics and work ethic differ. In fact, the first judgement to be rejected about work ethic is the misconception that there is an ethic related to work only, that is, work ethic (Arslan, 2005, p. 4). Work ethic investigates the concepts of right and wrong in the work context by determining a special area of application (Kirel, 2000, p. 6). Work ethic is not simply composed of private or personal relations, rather, it can be observed that there are applications at various levels. According to a previous study, it is possible to study work ethic at five basic levels (Halıcı, 2000, p. 26).

- Individual level: Ethics in individual sense is defined as “a concept that investigates the basis of all human being behaviors, namely, their discussions, conversations, attitudes, accepting something or rejecting it, loving or hating something, showing respect or not” (Şimşek, 2002, p. 396).
-Organizational level: As in individuals, organizations also have various value systems that determine the ethical behaviors of the organizations. Every organization develops a value system that is specific to itself. The organizations that make decisions resulting in unethical examples are responsible for these behaviors (Özkalp & Kırel, 2003, p. 237).

-Professional level: The concept of ethic at the professional level can be defined as adopting and applying the ethical values and rules that the professional group in which people work have developed specifically for themselves. The Hippocratic Oath taken by the doctors when they start their professional life can be an example of this case (Arslan, 2005, p. 83).

-Social level: Another level in which work ethic is dealt with is the social one. In the social level, laws, norms, traditions, and customs are taken into account. These determine whether the behaviors are legal and ethical and may vary from one society to another. A business line that is accepted in Russia may not be accepted in Turkey; this is an example of the relativity of traditions and customs (Halıcı, 2000, p. 27).

-International level: The last level to be studied is the international level, in which the elements of culture, politics, religion, etc., are studied. International businesses that develop from a globalized world trade market may experience difficulties in solving ethical challenges as they face differences in the elements mentioned above (Halıcı, 2000, p. 28).

Organizational ethical rules are written or unwritten regulations that define the general values system of the organization; such rules also determine how the communication between the employees of the organization is carried out and how the organization will function (Obuz, 2009, p. 24). In this respect, ethical level at the organizational level can be related to ethical climate, which is another important concept related with work ethic. This concept has been mentioned by Victor and Cullen (1988) in “Journal of Business Ethic” in their ethical climate studies (Martin & Cullen, 2006, p. 176).

Although ethical climate is usually regarded as a sub-climate of organizational climate by researchers and academicians, it is generally defined as the effect of ethical leadership that is broader and far from the center, which is the general ethical condition or infrastructure of the organization (Yağmur, 2013, p. 20). According to another definition, ethical climate emerged from the concepts of organizational culture and work climate. Specifically, Victor and Cullen (1988) formed the concept of ethical climate by combining these two concepts. Organizational culture, in general, can be defined as shared beliefs, values, habits, and organizational traditions. Ethical climate, when combined with the concept of organizational culture, can be conceptualized as the ethical dimensions of the organizational culture. As for work climate, it refers
to the shared perceptions of employees concerning the methods and practices of the organization. When combined with these two concepts, ethical climate is defined as the shared perceptions about the ethical outlook of organizational culture (Özçelik, 2011, p. 5). Ethical climate can also refer to the shared perceptions about how ethical problems in an organization will be dealt with as well as which behaviors are deemed right and wrong within this context (Elçi, 2005, p. 7).

The Model of Ethical Climate

Ethical climate was first introduced into the literature by Victor and Cullen (1988), who presented a model of ethical climate composed of two dimensions to explain this concept (Akbaş, 2010, p. 123). The first dimension represents ethical criteria (egoism, helpfulness, and principlism in organizational decision making), whereas the second dimension represents analytical levels (individual, local, and universal), which are used as reference in ethical decisions. These two dimensions comprise nine ethical climate types in a three by three matrix (Victor & Cullen, 1988). Victor and Cullen (1988) have reduced these nine factors to five ethical climates in the factor analysis they performed. The two-dimensional theoretical form of the ethical climate model is shown in Table 1 below.

<table>
<thead>
<tr>
<th>Ethical Criteria</th>
<th>Individual</th>
<th>Place of Study</th>
<th>Universal</th>
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<tbody>
<tr>
<td>Egotism</td>
<td>Self-interest</td>
<td>Organizational interest</td>
<td>Productivity</td>
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<tr>
<td>Helpfulness</td>
<td>Friendship</td>
<td>Team interest</td>
<td>Social Responsibility</td>
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<tr>
<td>Principilsm</td>
<td>Personal Ethic</td>
<td>Organizational Rules and Procedures</td>
<td>Laws and Professional Codes</td>
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Egoism, which is the first and most important part of the structure, focuses on the behaviors that seek to maximize self-interest and selfishness. The other two added structures, which are helpfulness and principlism, refer to how good the employees are. Helpfulness achieves this through decisions and behaviors that will bring the most goodness to as many people as possible. In principlism theory, rules, laws, codes, and procedures determine the decisions and behaviors that determine the goodness of people. Egotism, helpfulness, and principlism are all unquestionable guidelines that express ethical decisions. Victor and Cullen reported that a dominant criterion exists in the organization, which in turn, defines the ethical climate of that organization (Martin & Cullen, 2006, p. 177).

In an organization with a helpful climate, a teleological logic may be dominant in order for the others to be good and happy, thus defining and solving the ethical problems of the employees. In a mostly principled climate, the application and interpretation of
rules and laws could be a dominant form of logic, whereas in a mostly egoist climate, egotism could be the dominant factor (Victor & Cullen, 1988, p. 105).

The horizontal axis of the ethical climate represents the levels of analysis found in the model. In order to comprehend the probable ethical climate types in each ethic criteria mentioned above, three levels of organizational analysis are conceptualized. The levels of analysis are presented as individual, local, and universal levels, as shown in the horizontal axis in Figure 1.

In ethical climate typology, the individual level is an approach wherein the individuals take themselves as reference in reasoning. The local level determines the source of ethical logic. In the universal level, the source of the ethical logic in the organization is determined by an outside professional association or law establishment. The universal sources of ethical logic could be abstract concepts developed outside the organization. Although the places of study define the general sources and limits of the concept of ethical analysis, the places of study in each criterion and the relations among the ethical criteria may vary (Victor & Cullen, 1988, pp. 106–107).

The Consequences of Ethical Climate

The ethical climate that has been developed within the organization is palpable, and how this climate is perceived by the employees can lead to many organizational consequences. The first consequence is the effect of ethical climate on the behaviors and attitudes of the employees, which may be ethical or unethical. Ethical climate is one of the most effective tools that can be used in improving the ethical attitudes and behaviors of employees in the organizations. Managers can foster an ethical climate that is ethical and positive by using simple ethical codes (Özyer, 2010, p. 30). In his study, Eser (2007, p. 19) showed that ethical climate also has an effect on the unethical behaviors of the employees. In a way, ethical climate must be fostered not to deceive others and risk the interests of others for one’s own interest. In other words, the climate must not be exploitative.

Once the appropriate ethical climate is developed within an organization, the incidents of such behaviors can decrease or even prevented entirely. In their study on the relationships among ethical climate, work attitudes and work performances, Eren and Hayatoğlu (2011, p. 12) found significant relationships among ethical climate, organizational commitment, and trust in the manager. Meanwhile, they found no significant relationship between ethical climate and job satisfaction. In comparison, Biçer (2005, p. 87) reported a significant relationship between ethical climate and job satisfaction, but no significant relationship between organizational commitment and intention to leave one’s job. When the perception of ethical climate increased, the level of job satisfaction and commitment to the organization increased significantly.
and the level of intention to leave the job decreased. Dönertaş (2008, p. 73) studied the effect of ethical climate on trust in an organization and found a directly proportional relationship between the two.

As shown in the findings above, ethical climate has significant effects on various organizational results. The main areas on which ethical climate has an effect are as follows: unethical attitudes and behaviors (Peterson, 2002), organizational commitment (Bulut, 2012, p. 73; Schwepkwer, 2001), job satisfaction (Kaplan, Öğüt, Karayel, & İlhan, 2013, p. 127), intention to leave the job (Örücü & Özafşarlıoğlu, 2013, pp. 352–353), and trust in the manager and the organization (Büte, 2011, p. 186).

In studying the theoretical approaches related with the ethic concept, the justice approach is regarded as a basic element in the deontological theories. In this approach, the importance of equal distribution is emphasized along with the problem of how justly the benefits and costs resulting from the tasks and responsibilities, which are taken by employees within the organization, are distributed among the individuals and the groups. This forms the basis of distributional justice in justice theories, and this can be further explored in studying the relationship between ethics and justice.

**Organizational Justice**

Justice is defined as ensuring that “everybody can use of the rights given by the laws; the appropriateness to customs, rights, and laws; giving the share of the those who apply it, state organizations, and everyone; the rightfulness” (Türk Dil Kurumu [TDK], n.d.). The concept of justice has taken its place among the important basic values among human beings living in a society (Deyneli, 2010, p. 1). “Justice” also means respecting human rights, accepting everyone as equals, and giving their rights, which are the basic assumptions of most human societies (Gültekin, 1983, p. 25).

Meanwhile, the concept of “organizational justice” has been used in the literature of organizations and scientific studies in order to define the role of justice in work places and professional organizations (Yıldırım, 2007, p. 256). Organizational justice essentially includes two elements: (1) upholding fair and ethical practices, and (2) ensuring that such procedures prevail in the organization and are promoted appropriately. The organizations wherein the behaviors of the managers are regarded as just, ethical, and rational by the employees are those that have a developed sense of organizational justice (İşcan & Naktiyok, 2004, p. 7).

The concept of organizational justice goes back to Adam’s (1965) equality theory. This theory is about the condition of equality or inequality perceived by people by comparing their gains through their own efforts and contributions to those of others (Greenberg, 1987, p. 11). In this sense, the employees decide whether the practices of their managers are just
According to the results of the comparisons and evaluations they make (Greenberg, 1990, p. 401), thus, organizational justice can be defined as the perception of justice formed by employees concerning the prevailing practices in their work place (Greenberg, 1999, p. 24).

According to Greenberg (1990), “justice” is “a term that helps to bring about the effects of justice on the individual and the organization. Organizational justice is about whether the employees are treated justly within the organization.” (Greenberg, 1990, p. 339). In addition to its explanation of the role of justice in a workplace, organizational justice is an important concept that enables organizations to perform their functions and employees to gain satisfaction from their work (Greenberg, 1987, p. 399). The concept of organizational justice depends on the perceptions of justice of individuals within the organization. The perceptual interpretations of the individuals eventually turn into their attitudes, which in turn, determine their behaviors within the organization (Fortin, 2008, p. 94).

As the concept of perception is subjective, the perception of justice may vary from one worker to another in the same organization. The employees who have the same working conditions may have different perceptions of justice. Employees’ cultural values, value judgments, and sensitivity level for equality are all related to their perceptions of justice (Özdevecioğlu, Sucan, & Akin, 2008, p. 632).

Positive judgements on the level of organizational justice help ensure the legality of the executives’ perceptions of justice as well as develop employees’ commitment to the organization, their trust in the organization, and their positive attitudes for the organizational policies and practices. However, judgments of justice have the most significant impact on the behaviors related to the acceptance of the group and group authority. In this case, the employees’ priority shifts to preserve the interest of the group rather than their personal interests. When people believe that they are being treated justly, they perform the behaviors that comply with organizational citizenship (Lind, 2001, p. 58).

On the one hand, organizational justice is important for both the employees and the organization, because positive perceptions of justice contribute to the positive behaviors of the employees. On the other hand, injustices experienced within the organization can lead to negative attitudes and behaviors that make it difficult for the organization to reach its targets (Beugre, 2002, p. 1092).

**Dimensions of Organizational Justice**

Two elements of organizational justice, distributional justice and procedural justice, have been proposed in the literature. A third dimension, interactional justice (Ambrose, 2002, p. 804), came from the model developed by Bies and Moag (1986). To conform to the literature, this paper examines organizational justice using these three dimensions.
Distributional justice, which can be regarded as the basis of organizational justice, will be studied first. When considering the distribution system of rewards and resources, a universal fact is formed in every social system. Groups, organizations, and societies all deal with the problem of distributing rewards, punishments, and resources. For this reason, many scientists from a variety of disciplines, including social scientists, political scientists, economists, sociologists, and psychologists, have explored the problem of distribution (Leventhal, 1980; Yıldırım, 2002, p. 28).

Meanwhile, Cropanzano, and Folger (1991) defined procedural justice as “the perception of justice related to the methods, mechanisms and the procedures in determining the gains” (Cihangiroğlu & Yılmaz, 2010, p. 202). Doğan (2002, p. 72) defined procedural justice as the level of justice in the procedures, methods, practices, procedures, and politics within the organization, which are used to determine and evaluate various elements, such as wages, promotions, fringe benefits, working conditions, and performance evaluation.

The concept of interactional justice was first defined by Bies and Moag (1986). This concept later became the third dimension of organizational justice. Greenberg, meanwhile, refers to interactional justice as the image of procedural justice in human relations (Greenberg, 1990, p. 411). One similarity about the definitions offered by Greenberg and by Bies and Moag is that they both focus on the quality of the attitudes and behaviors. Employees do not value what the rules are and how strictly they are followed; however, they value the way they are treated while these rules are followed and whether the explanations made to them are satisfactory. Interactional justice refers to perceptions about the quality of interpersonal behaviors performed by employees in the implementation of the rules and procedures (Yılmaz, 2004, p. 27).

The Effects of Organizational Justice

Perceived organizational justice has a significant effect on the behaviors and attitudes of employees, that is, such behaviors and attitudes may lead to negative consequences depending on their perceptions. When employees’ perception of organizational justice is low, their performance may decrease along with their job satisfaction; moreover, they may also show harmful and aggressive behaviors. Indeed, perceived organizational justice affects a wide range of employee behaviors and attitudes within the organization. For example, depending on their perception of organizational justice, employees’ organizational commitment and trust in the organization decrease, their intention to leave the organization increases, the level of organizational citizenship does not reach the desired level, the health condition of the employees deteriorates, and an overall feeling of exhaustion is experienced, among others (Çağ, 2012, p. 49).

Justice perception within the organization is regarded as an important motivating factor for the employees (Cohen-Charash & Spector, 2001). This is shown in
Figure 2 as well. The priorities of perceived justice include organizational outputs, organizational practices, and perceived characteristics, whereas the outcomes include work performance, aggressive behaviors that can lead to harm, extra role behaviors, as well as the attitudes and feelings of the employees.

A positive relationship exists between perceived organizational justice and positive organizational results, whereas a negative relationship exists between perceived organizational justice and negative attitudes and behaviors. Some studies have found that, on the one hand, the perception of injustice leads to job inefficiency, acts of theft, retaliation, and even sabotaging the business on purpose. On the other hand, the perception of justice leads to enhanced commitment to the organization, behaviors of organizational citizenship, and accepting organizational politics and rules, which are all useful for the organization as a whole (Lind et al., 2005, p. 559 as cited in Tuna, 2013, p. 1001).

Ethical Climate and its Relationship with Organizational Justice

As previously stated, when the concepts of justice and ethic are studied, it is impossible to separate one from the other. However, it is possible to see justice as a sub-element of the concept of ethic, whereas ethical rules can be seen as an element of justice. When the basic ethical behaviors and principles are considered, righteousness and a fair management are placed on top of the hierarchy (Aydın, 2010).

In her study about ethical climate, organizational justice, and the organizational commitment in businesses operating in accommodation sector, Ekiztepe (2011) showed that the employees with a high level of ethical values tend to have a positive perception of justice, which in turn, helps them provide high quality service and deal with ethical problems easily. The researcher has also pointed out that unethical practices within the organization can have a negative impact on employees’ perception of justice, which in turn, would negatively affect the quality of organizational life. In their study on procedural
justice, ethical climate, and service outputs in restaurants, *Luria and Yagil (2008)* found a positive and meaningful relationship between procedural justice and ethical climate.

Meanwhile, *Fein, Tziner, Lusky, and Palachy (2013)* suggested that ethical climate is related only to procedural justice, which is a dimension of organizational justice. In a similar study, *Tziner, Felea, and Vasiliu (2015)* examined the relationships among ethical climate, perceived organizational justice, and leader–member exchange. After examining ethical climate at a dimension level, they found that the egoist climate dimension has a negative relationship with organizational justice dimensions, whereas the principlism and helpfulness dimensions of the ethical climate have a positive relationship with organizational justice dimensions. In their study, *Elçi, Karabay, and Akyüz (2015)* proposed that procedural justice and distributional justice are meaningful predictors of ethical climate. Meanwhile, *Deconinck, Johnson, and Busbin (2012)* determined that procedural justice and distributional justice are directly related with the perception of ethical climate of the sales personnel.

For the above mentioned reasons, ethical climate can be considered an organizational climate, in which behaviors that are compliant with the work ethic are the common perceptions of the employees. Moreover, in this climate, organizational practices, processes, procedures, and rules are present, and employees notice the acceptable and unacceptable behaviors within the organization, which can have an important effect on the employees’ perception of justice.

When the dimensions of organizational justice are considered, we can expect parallel relationships among the procedures, processes, policies, and ethical codes, which are supposed to form the ethical climate in the organization and guide the employees toward the desired righteousness and correct perceptions of procedural justice. Similarly, we can predict that ethical climate, which favors the team and group interest, friendship, goodness, helpfulness, and so on, within the organization, can have an effect on employees’ perception of interactional justice. Furthermore, when the ethical values related with the leader and the structure of organization are adopted, in compliance with the principle of justice, employees shall be fair wages and be given reasonable responsibilities and work load, which in turn, can affect their perception of distributional justice.

**Method**

**Population and Sample**

The population sample for this study consisted of 270 bank employees working in 22 branches of 17 banks operating in the Tokat city center. Participants were chosen from the banking sector based on several reasons. First, the banking sector that is constantly developing and expanding is the core component of the financial sector in Turkey,
because great amounts of financial resources in Turkey are collected by the banks and then lent to others for business purposes (Kesbiç, Çınar, & Duramaz, 2014, p. 35).

Another reason for choosing the banking sector is that it has directed its attention to other areas since interest rates began to fall. At present, there exists fierce competition among banks who attempt to attract marginal customers. Banks aim to increase profit rates by focusing on marketing, specifically by increasing their product range, such as offering credit cards and individual and commercial credits, and adopting the most profitable banking concepts (Güney & Mandacı, 2009, p. 88). Banks that choose to adopt aggressive sales targets, especially because of the crisis in the financial markets, prefer to increase their profit rates by focusing on customers; in doing so, they aim to survive the global competition, maintain their market positions, and achieve their goals under these conditions (Solmaz & Uçma, 2010, p. 98). When this and other similar factors are taken into account, organizations’ perceptions of ethic and ethical climate become much more important than those of other sectors. Hence, the study sample was chosen from the banking sector. Table 2 presents the following characteristics of banking employees: gender, age, level of education, marital status, the sectors in which they are employed, the length of employment, the position in the organization, the level of income, and others. Data about these variables, frequency distributions, and percentages are also provided.

As can be seen, 78.1% of the employees consist of young people who are 35 years old or below. In addition, the educational level of the majority of the employees

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Distribution of the Demographic Characteristics of the Bank Employees in the Population</th>
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<tbody>
<tr>
<td>Gender</td>
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<td>Male</td>
<td>Female</td>
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<tr>
<td>Male</td>
<td>127</td>
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<tr>
<td>Female</td>
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<tr>
<td>Marital Status</td>
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<td>Married</td>
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<tr>
<td>Single</td>
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<td>Age (years)</td>
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<td>26–30</td>
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<td>31–35</td>
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<td>21–25</td>
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<tr>
<td>Education</td>
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<td>High School</td>
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</table>

As can be seen, 78.1% of the employees consist of young people who are 35 years old or below. In addition, the educational level of the majority of the employees
(74.2%) is at the undergraduate and graduate levels. When the percentage of the employed women in Turkey is considered, this sector has an employment level (40.5%) that is higher than the average. About 63.8% of the employees earn 2,000 TL or lower, which can be considered a low level of wage compared with their educational levels and workloads. These data indicate that the sample represents the population correctly. A whole number was targeted in the study and 270 bank employees were asked to complete the questionnaire. Of these, 220 (81%) filled in the questionnaire. As there were missing parts in 10 of the returned questionnaires, they were excluded, resulting in 210 remaining questionnaires for subsequent analysis.

Data Collection

The study was performed by using the method of questionnaire, which was developed using a five-point Likert scale. The items in the scale were coded as follows: “5 - I absolutely agree,” “4 - I agree,” “3 - I neither agree nor disagree,” “2 - I don’t agree,” and “1 - I absolutely don’t agree.” Two scales were used in the study: “Ethical Climate Scale” and “Organizational Justice Scale.” The integrated scale consists of a total of 35 items. Items 1–7 cover the ethical climate scale. In this part, the ethical climate of the organization was evaluated using the “Ethical Climate Scale” which comprised seven items developed by Schwepker, Ferrell, and Ingram (1977), drawing upon Qualls and Puto’s (1989) scale. The study conducted by Schwepker et al. was developed to determine the effect of ethical climate and ethical conflict on the role conflict among sales employees. The scale with a 5-point Likert type scale is reliable with a Cronbach alpha of .892 for internal coefficient of consistency (Schwepker, 2001). In Turkey, this scale was used in studies conducted by Bulut (2012) and Özçelik (2011). Cronbach alpha internal coefficients of consistency were reported as .92 by Bulut (2012) and .89 by Özçelik (2011).

Items 8–27 of the scale cover the perceived scale of organizational justice. In this part, the “Organizational Justice Scale,” first developed by Niehoff and Moorman (1993), was used to measure perceived organizational justice. The scale consists of three dimensions to measure the perceptions of distributional justice, procedural justice, and interactional justice, using 20 items. For the original form of the scale, the Cronbach alpha internal coefficients of consistency were reported as .74, .85, and .92 for distributional justice, procedural justice, and interactional justice, respectively (Niehoff & Moorman, 1993). The scale developed by Niehoff and Moorman (1993) is the most frequently used scale in Turkish quantitative studies performed in the field of organizational justice (Kutanis, 2015, p. 17). After performing the validity and reliability tests of the scale developed by Gürbüz and Mert (2009), this was determined to be a valid and reliable measurement tool that can be used to measure the perception of organizational justice in Turkey. Items 28–35 in the research are related to the participants’ demographic characteristics.
Reliability and Validity of the Research Scales

The scales used in the study were used in many previous studies and already tested for reliability and validity. The “Ethical Climate Scale,” which was developed by Schwepker et al. (1977), consists of seven items and one dimension, whereas the “Organizational Justice Scale,” which was developed by Niehoff and Moorman (1993), consisted of three dimensions and 20 items. In order to test the validity of the research scales, confirmatory factor analysis was performed by using AMOS (21.0). When the item “I suppose that my responsibilities related with my work are fair” in the distributional justice dimension of the organizational justice scale (which had the least factor load) was deleted, the scale became acceptable in terms of goodness fit of the scale. The results of the confirmatory factor analysis to test the validity indicated that ethical climate complied with an original one-factor structure, whereas the scale of organizational justice complied with an original three-factor structure. The fit index values are shown in Table 3.

<table>
<thead>
<tr>
<th>Scale/ Model</th>
<th>$\Delta x^2$</th>
<th>df</th>
<th>$\Delta x^2/df$</th>
<th>RMSEA</th>
<th>CFI</th>
<th>RFI</th>
<th>IFI</th>
<th>GFI</th>
</tr>
</thead>
<tbody>
<tr>
<td>OJS (1 item removed)</td>
<td>324.54*</td>
<td>143</td>
<td>2.269</td>
<td>.078</td>
<td>.958</td>
<td>.913</td>
<td>.958</td>
<td>.861</td>
</tr>
<tr>
<td>ECS</td>
<td>22.89*</td>
<td>11</td>
<td>2.082</td>
<td>.072</td>
<td>.992</td>
<td>.992</td>
<td>.992</td>
<td>.971</td>
</tr>
</tbody>
</table>

*p < .001.

OJS = Organizational Justice Scale, ECS = Ethical Climate Scale.

Both scales used in this study were subjected to reliability analysis by analyzing the Cronbach alpha internal coefficient of consistency. The analysis is reliable if the alpha value is at least 0.7 (Altunışık, Altunışık, Çoşkun, Bayraktaroğlu, & Yıldırım, 2010, p. 124).

<table>
<thead>
<tr>
<th>Number of Items</th>
<th>Cronbach Alpha Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate Scale</td>
<td>.944</td>
</tr>
<tr>
<td>Procedural Justice Dimension</td>
<td>.916</td>
</tr>
<tr>
<td>Distributional Justice Dimension</td>
<td>.903</td>
</tr>
<tr>
<td>Interactional Justice Dimension</td>
<td>.971</td>
</tr>
<tr>
<td>Organizational Justice Scale</td>
<td>.966</td>
</tr>
</tbody>
</table>

According to the reliability analysis, the Cronbach alpha internal coefficient of consistency is .944. The scale is reliable enough because of such a high value. As seen in Table 2, the general Cronbach alpha internal coefficient of consistency of the organizational justice scale is .966. The coefficients of consistency for the sub-dimensions of organizational justice (procedural justice, distributational justice, and interactional justice) are .916, .903, and .971, respectively. These results show that the scales used in this study are highly reliable.
The Research Model and Hypotheses

This study is a descriptive one. Hence, the hypotheses below are developed to determine the extent to which ethical climate accounts for employees’ perception of organizational justice, as shown on a model.

Hypothesis 1: Ethical climate is a meaningful predictor of employees’ perception of procedural justice.

Hypothesis 2: Ethical climate is a meaningful predictor of employees’ perception of distributional justice.

Hypothesis 3: Ethical climate is a meaningful predictor of employees’ perception of interactional justice.

Process

Data were evaluated using IBM SPSS v.20.0 program. Simple linear regression analysis was used to determine the estimated effects in the model.

Limitations and Assumptions of the Study

The population and the sample of the study consisted of only one sector in the Tokat city center, and this is the most basic limitation of the study. Therefore, the findings of the study carry value for the banks operating only in the data collection site.
Findings

Analysis to Test the Hypotheses

To determine the effects of ethical climate on procedural justice, distributional justice, and interactional justice, simple linear regression analysis was performed. Table 5 shows the results of the regression analysis conducted to determine whether ethical climate is a predictor of employees’ perception of procedural justice.

Table 5
Results of Regression Analysis to Determine the Relationship between Ethical Climate and Procedural Justice

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>$R^2$</th>
<th>$F$</th>
<th>$p$</th>
<th>$\beta$</th>
<th>$t$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate</td>
<td>Procedural Justice</td>
<td>.395</td>
<td>137.733</td>
<td>.000*</td>
<td>.631</td>
<td>11.735</td>
</tr>
</tbody>
</table>

*p < .01.

As shown in Table 5, the model is statistically significant ($p = .000$). The corrected $R^2$ value shows that ethical climate is a predictor of employees’ perception of procedural justice perception with accountability percentage of 39.8%. The $\beta$ value (.631) indicates that there is a positive and meaningful relationship between ethical climate and procedural justice. A one-digit increase in the ethical climate leads to an increase of .631 on the perception of procedural justice. Hence, according to these results, Hypothesis 1 is supported. Meanwhile, the results of the simple regression analysis to determine the relationship between ethical climate and distributional justice are given below.

Table 6
Results of Regression Analysis to Determine the Relationship between Ethical Climate and Distributional Justice

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>$R^2$</th>
<th>$F$</th>
<th>$p$</th>
<th>$\beta$</th>
<th>$t$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate</td>
<td>Distributional Justice</td>
<td>.217</td>
<td>58.984</td>
<td>.000*</td>
<td>.470</td>
<td>7.680</td>
</tr>
</tbody>
</table>

*p < .01.

As shown in Table 6, the model is statistically significant ($p = .000$). The corrected $R^2$ value shows that ethical climate is a predictor of distributional justice perception. Although it is less effective than the other two dimensions, its accountability percentage is 21.7%. The $\beta$ value (.470) in the table indicates that a positive and meaningful relationship exists between ethical climate and distributional justice. A one-digit increase in the ethical climate leads to an increase of .470 on the perception of distributional justice. Hence, according to these results, Hypothesis 2 is supported. The results of the simple regression analysis to determine the relationship between ethical climate and interactional justice are given below.

Table 7
Results of Regression Analysis to Determine the Relationship between Ethical Climate and Interactional Justice

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>$R^2$</th>
<th>$F$</th>
<th>$p$</th>
<th>$\beta$</th>
<th>$t$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethical Climate</td>
<td>Interactional Justice</td>
<td>.360</td>
<td>118.590</td>
<td>.000*</td>
<td>.603</td>
<td>10.890</td>
</tr>
</tbody>
</table>

*p < .01.
As shown in Table 7, the model is statistically significant ($p = .000$). The corrected R² value shows that ethical climate is a predictor of interactional justice perception with an accountability percentage of 36%. The β value (.603) in the table indicates that there exists a positive and meaningful relationship between ethical climate and interactional justice. A one-digit increase in the ethical climate leads to an increase of 0.603 on the perception of distributinal justice. Hence, according to these results, Hypothesis 3 is supported.

Results and Suggestions

Ethics and justice are basic components of any modern society. In the globalized economy, businesses that try hard to survive amidst competitive conditions while achieving their profit targets may neglect ethical values for both the organization and the employees. In the business world, organizations that show responsibility towards their employees and the society must foster the ideal atmosphere to create ethical values within the organization and encourage employees to exert effort to reach this aim. From this point of view, ethical climate is a vital element that helps develop ethical attitudes and behaviors among employees by evoking ethical values, such as what actions are considered right or wrong within the organization. Apart from this essential role, ethical climate has an effect on many other outcomes within the organization.

The concept of perceived organizational justice has a significant impact on many business-related outcomes. Specifically, it has an effect on many positive and negative behavioral and attitudinal outcomes, such as job satisfaction, the performance of the employees, the emergence of harmful and aggressive behaviors, organizational trust, organizational citizenship, organizational commitment, intention to quit the job, and so on.

The aim of this study is to search whether ethical climate has an effect on the development of employees’ perception of justice perception (procedural justice, distributinal justice, and interactional justice) by determining the level of relationship between the concepts of ethical climate developed in the organization and the perceived organizational justice.

The results of the analysis indicate that all three hypotheses are supported. When the percentages are studied, the percentage of the perception of distributinal justice is lower than those of the two other dimensions. The perception of distributinal justice is mainly related with the concepts that are individually relative, such as fair wages, work load, and distribution of responsibility, and rewards. Such factors affect the percentage.

Moreover, a meaningful and positive relationship exists between ethical climate and the organizational justice dimensions. The results of the regression analyses
showed that the ethical climate in an organization is an important factor that facilitates the development of employees’ perceptions of procedural, distributional, and interactional justice. Based on these findings, a positive ethical climate in an organization would positively affect employees’ perception of justice, whereas a negative one would have a negative effect.

The results of the study are in accordance with the findings of Ekiztepe (2011) and Luria and Yagil (2008), who reported that organizational ethical climate has a very huge impact on the development of employees’ perception of justice. The employees’ positive perception of the ethical climate in an organization affects their justice perception and every organizational outcome on which the perception of justice has an effect as well. We present the following suggestions based on our findings.

• Businesses should communicate the values related with the business ethics as written and official rules to their employees in order to create an ethical climate in the organization.

• Businesses should have policies about business ethics, promote them strongly, and determine ethical codes at the institutional level. They should ensure that the determined organization policies and ethical codes are observed by the employees.

• The effects of a reward and punishment system on the behaviors and attitude development of employees should never be neglected with the rewards and fines to be determined. Those who behave incompliance with the ethical codes should be rewarded, whereas those who do not should be punished.

• Ethical values should be among the criteria in evaluating an employee’s job performance.

• Businesses should initiate organizational practices (wage levels, rewards, and bonuses) and operations in order to increase employees’ perception of distributional justice.

This research study also has some limitations as is the case with all other field studies. Despite all the limitations, however, it also makes several contributions to the literature. Some suggestions are made to future researchers in this area to help and guide them.

• This study was conducted as a quantitative study. Subsequent studies can try a qualitative one or a combined qualitative and quantitative approach to obtain results aimed at understanding the relationships among these concepts.

• This study was conducted in one sector only. Future studies may use populations from different sectors. With the help of the results obtained, organizations can be compared and the results obtained from various business areas may be evaluated.
• The study was confined only to the Tokat city center. Future studies can be performed in different cities and regions. The population of the study could also be bigger. A comparison of the results obtained from these studies can be made.

• The evaluation of ethical climate in this study was performed by using the ethical climate scale developed by Schwepker et al. (1997), a one-dimensional scale with seven items. Future studies may deal with different dimensions of ethical climate, thus bringing to the subject matter new insights. Types of climate based on egoism, helpfulness, and principles may be examined in separate studies to provide deeper insights into the subject matter.

• Finally, the analysis was performed using only two variables. By expanding the scope of the research for future studies, different variables, such as organizational climate, organizational culture, ethical leadership, and so on, can be analyzed as well.

Kaynakça/References


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