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Shelby D. Hunt, Van R. Wood, & Lawrence B. Chonko

Corporate Ethical Values and Organizational Commitment in Marketing

The authors explore corporate ethical values and organizational commitment in marketing. They (1) discuss corporate ethical values as a component of corporate culture, (2) review the literature on organizational commitment, (3) hypothesize a positive relationship between corporate ethical values and organizational commitment, and (4) empirically test the relationship with data from more than 1200 professional marketers, representing subsamples of marketing managers, marketing researchers, and advertising agency managers. The study results provide strong evidence of a positive association between corporate ethical values and organizational commitment. Given previous research demonstrating a strong link between commitment and specific organizational benefits, corporate ethics may be not only an important *societal* issue, but a key *organizational* issue as well.

CORPORATE¹ values have long been referred to as *the* central dimension of an organization's culture and have been recognized as powerful influences differentiating one firm from another (Alchian and Demsetz 1972; Chamberlin 1933). Recent work suggests that the unique values shared by organizational members may explain the superior and sustained performance of some corporations (Barney 1986; Bonoma 1984; Deal and Kennedy 1982; Leontiades 1983). To paraphrase Schein (1985), corporate values, as a major dimension of corporate culture, define the standards that guide the external adaptation and internal integration of organizations. Corporate values influence organizations' product and service quality, advertising content, pricing policies, treatment of employees, and relationships with customers, suppliers, communities, and the environment. Our discussion

¹We use the term "corporate" (e.g., "corporate values" and "corporate ethical values") in the generic and not the legal sense. "Corporate" is likened to "company," "firm," or "organization."

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pertains to the ethical dimensions of corporate values. Our central issue is the extent to which corporate ethical values are associated with the loyalty or commitment of marketers to their respective organizations. Though there is no universally accepted definition, corporate ethical values are considered to be a composite of the individual ethical values of managers and both the formal and informal policies on ethics of the organization.

Like corporate ethical values, the subject of employee organizational commitment has been much discussed because of its strong association with many valuable organization outcomes, including employee satisfaction (Hunt, Chonko, and Wood 1985), performance (Morris and Sherman 1981), absenteeism (Hammer, Landau, and Stern 1981; Steers 1977), employee turnover (Abelson 1983), and organizational adaptability (Angle and Perry 1981). In general, low levels of commitment are thought to be dysfunctional to both the organization and the individual (Randall 1987).

Alarmingly, organizational commitment is declining. Recent empirical indicants of this decline include (1) a Harris poll of middle managers in which 65% said salaried employees are less loyal to their companies than they were 10 years ago (Nussbaum 1986) and (2) research findings by Yankelovich, Skelly, and

White that managerial commitment (the bond between employees and their companies) dropped markedly during the 1980s (Kiechel 1985). Further, executive mobility between firms is at unprecedented levels (Mowday, Porter, and Steers 1982; Randall 1987).

Though marketing managers, like other managers, want committed employees, interest in the formal construct of organizational commitment in marketing is relatively recent (see Hunt, Chonko, and Wood 1985; Still 1983). However, the marketing literature has long addressed issues related to ethical values: ethical theory, marketing research ethics, ethical values and consumers, and ethical problems in marketing management (for a review of these and related issues, see Murphy and Laczniak 1981). Past works indicate that ethical values play an important role in many marketing settings. However, no study has investigated ethical values as a motivating force related to marketers' organizational commitment.

One could hypothesize that there is no relationship between ethical values and commitment in marketing. After all, marketers' ethics often have been described as questionable at best and abusive at worst (Baumhart 1961; Murphy and Laczniak 1981). Likewise, marketers (in contrast to other employees) have been theorized to be less committed to their organizations (Still 1983). If these characteristics are inherent in marketers, little association would be expected between marketers' corporate ethical values and organizational commitment. Recently, however, several empirical studies in marketing have indicated that top managers must take an active role in promoting ethical values if such values are to have positive effects (Chonko and Hunt 1985; Hunt, Chonko, and Wilcox 1984). These studies found that the actions of top managers can reduce the perceived ethical problems of their employees. Similarly, one might hypothesize that when top managers create a corporate culture that emphasizes high ethical values, marketers' commitment to the organization will increase.

Is the organizational commitment of marketers associated with corporate ethical values? Should corporations desiring highly committed marketing employees take an active role in promoting ethical values in their organizations? We report the results of empirical research designed to explore these questions. The managerial significance of these questions lies in the fact that a strong link has long been recognized between organizational commitment and such desirable outcomes as high performance and low absenteeism. More specifically, we (1) discuss the subject of corporate ethical values as a component of corporate culture, (2) briefly review the literature on organizational commitment (see Hunt, Chonko, and Wood 1985 for a more extensive review), (3) hypothesize a positive relationship between corporate

ethical values and organizational commitment, and (4) empirically test the relationship using data from more than 1200 professional marketers (499 marketing managers, 417 marketing researchers, and 330 advertising agency managers).

Background

Corporate Culture and Ethical Values

Corporate culture is a multifaceted construct. For example, in describing corporate culture, Goffman (1959, 1967) focused on the *observed behavioral regularities* in people's interactions, Homans (1950) wrote of the *norms* that evolve in working groups, Ouchi (1981) stressed the *philosophy* that influences organizational policy, and Van Maanen (1976) emphasized the *rules* for getting along in an organization. More recently, corporate culture has been defined as the assumptions, beliefs, goals, knowledge and *values* that are shared by organizational members (Deal and Kennedy 1982; Sathe 1984; Schein 1985; Schwartz and Davis 1981). Though values, according to this view, are but one dimension of corporate culture, they have been theorized to be highly influential in directing the actions of individuals in society in general and organizations in particular (Rokeach 1968, 1973; Yankelovich 1971, 1981). For *society*, values help define the "core" of people—what they love, hate, or are just indifferent to. They help explain why people make sacrifices and what they are willing to give up to attain goals. Values encompass a larger view of what people are, can be, and will become (Mitchell 1971). For an *organization*, values serve to convey a sense of identity to its members, enhance the stability of its social system, direct managers' attention to important issues, guide subsequent decisions by managers, and (most important for our research) *facilitate commitment to something larger than self* (Deal and Kennedy 1982; Smircich 1983).

Organizations may have many values that are distinctly marketing in character—for example, values that guide product and service quality, advertising content, selection of distribution channels, and treatment of customers. However, underpinning all of these specific values are corporate *ethical* values. These values help establish and maintain the standards that delineate the "right" things to do and the things "worth doing" (Jansen and Von Glinow 1985). In turn, such ethical standards can influence individuals' choices and lead to actions that are desirable to organizations (Conner and Becker 1975). More specifically, when the ethical standards/values of an organization are widely shared among its members, organizational success will be enhanced (Badovick and Beatty 1987; Brown 1976; England 1967; Keeley 1983; Koch and

Fox 1978). As Peters and Waterman (1982) point out in their study of excellent companies, virtually all the superior performance firms have at the core a well-defined set of shared values, particularly ethical values.

Over the last several decades, marketing has increasingly considered exchange to be its central concept, a trend that culminated in 1985 with the AMA's new definition of marketing. Insight into the influence of shared values on desirable organizational outcomes can be gained by examining the exchange relationship between individuals and their organizations. As in all *exchange relationships*, two sides are involved, each with something of value, freedom to agree or disagree, and the ability to communicate what is being offered. On one side are individuals, who come to organizations with certain needs and desires. Within the organization they expect to find a work environment in which they can use their abilities to satisfy many of these needs. On the other side, organizations hire individuals to accomplish the tasks necessary for the survival, growth, and prosperity of the organization. In essence, organizations satisfy individuals' needs and, in return, individuals work hard to accomplish organizational goals (Steers 1977). When organizations provide an environment or "culture" conducive to such exchanges (e.g., when they are dependable, broadminded, or ethical), the likelihood of receiving desirable responses from employees (e.g., high productivity and loyalty) is theorized to increase (Hrebiniak and Alutto 1972; March and Simon 1958). Though top managers must recognize that this exchange relationship is important in both the recruitment and retention (or commitment) of employees, our study focuses on the latter.

Organizational Commitment

Scholarly works on organizational commitment are numerous (see Randall 1987). Though recent reviews reveal more than 30 different forms of work commitment, they also show that each form can be relatively stable over time (Morrow 1983). Similarly, though definitions of organizational commitment abound, a common theme in most of them is that committed individuals tend to identify with the objectives and goals of their organizations and want to remain with their organizations (Buchanan 1974; Hrebiniak and Alutto 1972). Thus, organizational commitment has been described as a "psychological bond" to the organization that influences individuals to act in ways consistent with the interests of the organization (Mowday and McDade 1979; Porter, Mowday, and Boulin 1974).

As noted previously, commitment has been associated with many desirable organizational outcomes, including satisfaction, performance, reduced turnover, and flexibility. Most researchers acknowledge its value on both theoretical and empirical grounds and

most managers prefer loyal and devoted employees on practical grounds. The *important issue* from both research and managerial viewpoints is: How can organizations instill and maintain a high level of commitment in their members? In other words, before managers can hope to influence commitment in an informed way, the antecedents of commitment must be identified (Morris and Sherman 1981; Randall 1987).

Previous research has shown certain personal characteristics (including age, income, and education) and certain job characteristics (including variety, autonomy, identity, and feedback) to be robust predictors of many organizational behaviors. For example, in the organization literature, age and income have been found to be related positively to commitment (Brief and Aldag 1980; Steers 1977) whereas education has been related negatively (Brief and Aldag 1980; Morris and Sherman 1981). Further, Herzberg (1966), Hackman and Lawler (1971), and Becherer, Morgan, and Richard (1982) found positive relationships between satisfaction and certain intrinsic job characteristics as measured by the Job Classification Index (JCI) (see Sims, Szilagyi, and Keller 1976). Similarly, in the marketing literature, positive relationships have been found between organizational commitment and age, income, variety, autonomy, and feedback (Hunt, Chonko, and Wood 1985). What has not been investigated *empirically* in *any* literature is the association between corporate ethical values and commitment.

Research Issue and Hypotheses

The preceding discussion, in conjunction with the established relationship between organizational commitment and desirable organizational outcomes, warrants the examination of the following research issue.

RI: Controlling for the effects of specific personal characteristics and intrinsic job characteristics, what is the nature of the relationship (if any) between shared ethical values and organizational commitment in marketing?

To investigate this issue, we hypothesize the following linkages.

- H₁: Organizational commitment in marketing is a positive function of age and income and a negative function of education.
- H₂: Organizational commitment in marketing is a positive function of the job characteristics (variety, autonomy, identity, and feedback).
- H₃: Organizational commitment in marketing is a positive function of shared ethical values.

On the basis of past research findings, we use the independent variables examined in H₁ and H₂ as controls so that the direction and strength of the relationship postulated in H₃ can be examined. Taken together, these hypotheses represent both a partial replication

(H₁ and H₂) and an extension (H₃) of our previous work (Hunt, Chonko, and Wood 1985).

Method

Data

The data reported here came from two self-administered questionnaires mailed to (1) professional marketing managers and researchers and (2) professional advertising agency managers. The two questionnaires were identical in the constructs investigated, though other distinct issues² (not reported here) also were examined.

Responses from marketing managers and researchers were obtained by drawing a systematic sample of one of every four practitioners in the American Marketing Association (AMA). In total, 4282 practitioners were sent questionnaires and 1076 usable responses were returned, a response rate of 25.1%. From the total usable responses, those of 916 individuals who identified themselves as sales, product, or marketing managers (n = 499) or as marketing researchers (n = 417) were retained for the study. Advertising agency employees (because they were too few to analyze) and consultants were excluded from the analysis (for more specific details about this sample, see Hunt, Chonko, and Wood 1985).

To broaden the scope and increase the generalizability of the study, a second self-administered questionnaire was mailed to 3064 advertising agency executives whose names and addresses were secured from a commercial source. A total of 330 usable questionnaires were returned, an effective response rate of 17%.³

We first merge and analyze responses from the marketing managers, marketing researchers, and advertising agency managers into one combined sample. We then treat each professional marketing group as a subsample or segment of the larger sample and present analysis results for each group. The overall response rate for the combined sample is 20.4%, based on an initial effective universe of 6114 marketers and n = 1246 respondents.

The characteristics of all respondents, along with the breakdown of marketing managers, researchers, and advertising agency managers, are reported in Table 1. The majority of our combined sample and subsamples are married, male, more than 30 years of age, and earning \$30,000 or more a year. In education, the vast majority of each subsample has at least a bachelor's degree. Likewise, within each subsample, a large

variance is seen in respondents' job titles, business experience, and number of firms worked for, though the advertising managers tend to have worked for considerably more firms during their careers than marketing managers or researchers. The majority of marketing managers and researchers work for larger firms (500 employees or more), and the majority of advertisers work for smaller firms (less than 100 employees).

Though our overall sample size is very large for social science research and our sample's characteristics compare favorably with those of other samples of marketing professionals, readers are cautioned (given the inevitably small response rate) to view the study results as exploratory and as only a useful "first step" toward verifying the relationships examined. As with all cross-sectional studies, one must be cautious not to overgeneralize results.

Measures

Some of the measures used (i.e., age, education, income) are self-explanatory and are listed in Table 1, but measures such as corporate ethical values, organizational commitment, and job characteristics require some elaboration.

Corporate ethical values. Because of their time, place, and issue specificity, ethical values have been described as one of the "most difficult" concepts to measure and study in organizations (Payne 1980). Many broad generalizations in the area are based solely on theory or speculation. Most previous efforts to measure corporate ethical values have been highly qualitative (Deal and Kennedy 1982). Quantitative efforts to develop scales in this general area have tended to center on either broad-based concepts such as organizational culture (Kilman and Saxton 1983) or issues such as value priorities (Marshall 1985). Because of the changing nature of what constitutes ethical issues in organizations, researchers frequently have been encouraged to measure the broad principles underlying ethical values rather than the domain-specific ethical issues *per se* (Trevino 1986). On the basis of these considerations, our measure of corporate ethical values attempts to capture the broader principles of the degree to which organizations take an interest in ethical issues and act in an ethical manner, rather than product, service, or industry-specific issues.

Another consideration that guided our measurement is the need to incorporate "reward systems" into the study of corporate ethical values (Jansen and Von Glinow 1985). Reward systems often are posited to shape and maintain behaviors. More specifically, if the observance of ethical standards is not rewarded explicitly by the organization, ethical ambivalence in the organization (at the very least) is likely to result

²These issues included Machiavellianism and social responsibility in marketing.

³If we assume an attrition rate on the mailing list of 35% (Vitell 1986), the effective universe is 1992. The procedure suggested by Armstrong and Overton (1977) revealed no response bias problems.

TABLE 1
Characteristics of Sample (in percentage)

	Marketing Managers (n = 499)	Marketing Researchers (n = 417)	Advertising Agency Managers (n = 330)	Combined Sample (n = 1246)
Job Title				
Entry positions ^a	12	6	7	9
District manager ^b	9	29	4	14
Division manager ^c	21	12	21	18
Corporate manager ^d	29	33	18	27
Vice president	20	13	14	16
President, owner	9	7	37	16
Size of Firm Worked for (number of employees)				
<100	19	20	88	38
100–499	22	18	9	17
500–999	12	11	1	9
1000+	48	51	2	37
Education Level of Sample				
No college degree	4	4	13	6
Bachelor's degree	34	34	64	42
Graduate degree	62	62	22	52
Income (\$)				
<30,000	21	37	23	27
30,000–49,999	44	40	25	38
50,000+	35	22	51	36
Total Business Experience (number of years)				
1–5	9	20	5	12
6–10	22	23	12	20
11–15	22	19	20	20
16–20	17	11	14	15
20 or more	30	26	49	33
Number of Firms Worked for (during career)				
1	14	16	5	12
2	21	26	11	20
3	24	21	23	23
4	20	14	20	18
5+	21	23	42	27
Age (years)				
20–29	13	24	11	16
30–39	44	38	30	38
40–49	24	19	27	24
50+	19	17	32	22
Sex				
Male	78	61	73	71
Female	22	39	26	29
Marital Status				
Married	74	67	78	73
Single	26	33	22	27

^aIncludes junior analysts, media schedulers, creative assistants, and salespeople.

^bIncludes associate analysts and assistant directors.

^cIncludes analysts and directors.

^dIncludes specialized vice presidents.

(Kerr 1975). Therefore, our measure also attempts to capture the extent to which ethical behavior is *rewarded* in the organization.

The measure of corporate ethical values (Table 2)

was developed to capture three broad-based perceptions: (1) the extent to which employees perceive that managers are *acting* ethically in their organization (see item 1), (2) the extent to which employees perceive

TABLE 2
Principal Components Solution:
Corporate Ethical Values^a

	F ₁	h ²
1. Managers in my company often engage in behaviors that I consider to be unethical. ^b	.54	.30
2. In order to succeed in my company, it is often necessary to compromise one's ethics. ^b	.55	.31
3. Top management in my company has let it be known in no uncertain terms that unethical behaviors will not be tolerated.	.60	.35
4. If a manager in my company is discovered to have engaged in unethical behavior that results primarily in <i>personal gain</i> (rather than corporate gain), he or she will be promptly reprimanded.	.70	.49
5. If a manager in my company is discovered to have engaged in unethical behavior that results primarily in <i>corporate gain</i> (rather than personal gain), he or she will be promptly reprimanded.	.84	.71
% variance = 43%		
Eigenvalue = 2.14		
Coefficient alpha = .78		

^a1 = strongly disagree and 7 = strongly agree.

^bReverse scored.

that managers are *concerned* about the issues of ethics in their organization (see item 3), and (3) the extent to which employees perceive that ethical (unethical) behavior is *rewarded* (*punished*) in their organization (see items 2, 4, and 5). Table 2 shows the factor analysis of the corporate ethical values scale developed by using the total sample and a 7-point Likert format (1 = strongly disagree and 7 = strongly agree).

The exploratory factor analysis (principal components) shows a unidimensional structure. Likewise, results indicate a reasonably high reliability (coefficient alpha = .78). Therefore, the scale appears reasonable for the study's purpose.

Organizational commitment. Commitment of marketing managers, researchers, and advertising agency managers to their organizations was measured on our previous 4-item scale (Hunt, Chonko, and Wood 1985), which also has a 7-point Likert format:

1. I would be willing to change companies if the new job offered a 25% pay increase.
2. I would be willing to change companies if the new job offered more creative freedom.
3. I would be willing to change companies if the new job offered more status.
4. I would be willing to change companies if the new job was with people who were more friendly.

The scale is drawn from previous definitions and research in this area (Alutto, Hrebiniak, and Alonzo 1973; Becker 1960; Buchanan 1974) and captures the strength of intentions to remain with and psychological bonds to the organization. As before (Hunt, Chonko, and Wood 1985), our factor analysis indicated a unidimensional structure and a high degree of reliability (coefficient alpha = .87).

Job characteristics. Both theory and empirical research have demonstrated that certain intrinsic job characteristics can enrich organizational work and influence employee commitment (Alutto 1969; Herzberg 1966; Hunt, Chonko, and Wood 1985; Steers 1977). Basically, when organizations fail to provide individuals with challenging and meaningful work, commitment decreases. We measured job characteristics by using the Job Classification Index (JCI; see Sims, Szilagyi, and Keller 1976). The JCI analyzes four dimensions of job characteristics (variety, autonomy, identity, and feedback) and has been widely accepted as a valid and reliable measure (Griffin et al. 1980; Pierce and Dunham 1976).

Results

The data were analyzed in the same way as in our previous study (Hunt, Chonko, and Wood 1985). First, univariate comparisons (Table 3) were made between marketing managers, researchers, and advertising agency managers for the principal constructs; second, recursive equations (Table 4) were estimated for the total sample and each subsample to test H₁, H₂, and H₃.

Table 3 compares marketing managers, researchers, and advertising agency managers on corporate ethical values, organizational commitment, and the four job characteristics (JCI). On perceived levels of corporate ethical values, the three professional marketing groups are significantly different (Sheffé test). Advertising managers perceived their companies to have the highest ethical values (\bar{x} = 5.88), followed by marketing managers (\bar{x} = 5.33) and researchers (\bar{x} = 5.08), indicating that marketers' perceptions of corporate ethical values seem to be related to the specific area of marketing in which they work. Similarly, the commitment level of the advertising agency managers is significantly higher than that of either the marketing managers or the researchers (\bar{x} = 4.79 vs. 4.18 and 4.16, respectively). As a tentative explanation, note that our subsample of advertising agency managers has a higher percentage of presidents/owners than the other two subsamples and hence they may naturally be more committed to their organizations. In any case, the differences in self-reported commitment levels, though statistically significant, probably lack *substantive* sig-

TABLE 3
ANOVA: Corporate Ethical Values, Commitment, and the Job Characteristics Inventory^a

Variables	Marketing Managers (n = 499)		Marketing Researchers (n = 417)		Advertising Agency Managers (n = 330)		Combined Sample (n = 1246)		Coefficient Alpha
	\bar{x}	S.D.	\bar{x}	S.D.	\bar{x}	S.D.	\bar{x}	S.D.	
Corporate ethical values	5.33 ^b	1.12	5.08 ^b	1.17	5.88 ^b	1.22	5.40	1.18	.78
Commitment	4.16 ^b	1.43	4.18 ^b	1.44	4.79 ^b	1.77	4.37	1.59	.87
Autonomy	6.03 ^c	0.95	5.96 ^c	1.06	6.17 ^c	0.90	6.04	.97	.76
Variety	5.71 ^b	1.10	5.52 ^b	1.10	5.84 ^b	1.08	5.68	1.10	.77
Feedback	4.77 ^b	1.47	4.73 ^b	1.54	5.36 ^b	1.29	4.92	1.46	.90
Identity	5.64	1.09	5.72	1.08	5.91	1.05	5.70	1.08	.81

Corporate ethical values: All three groups differ.

Commitment: Advertising agency managers differ from marketing managers and marketing researchers.

Autonomy: No two groups differ.

Variety: Marketing researchers differ from marketing managers and advertising agency managers.

Feedback: Advertising agency managers differ from marketing managers and marketing researchers.

Identity: No two groups differ.

^aResults of Scheffé test (level of significance = .01). Mean scores of corporate ethical values, commitment, and JCI scales on 7-point scales (high scores mean higher perceived levels of each variable).

^bSignificant at .01 level (F-test).

^cSignificant at .05 level (F-test).

nificance because the difference at the extreme is less than two thirds of a scale point on our 7-point Likert scale.

Though the four job characteristics (JCI) are not central constructs in this study (other than as control variables), Table 3 also reports their rating results. Overall, perceptions of the amount of autonomy, variety, feedback, and identity in their jobs are very similar for marketing managers, researchers, and advertising agency managers. The mean scores indicate that all three groups perceived more autonomy than the other three job characteristics in their work. *Statistically*, researchers perceived less variety than the other groups, whereas advertising managers perceived more feedback. *Substantively*, however, given the relatively small magnitude of these differences, the three groups' perceptions of the four job characteristics appear to differ little.

Table 4 reports the results of the recursive equation analyses; estimates are presented in five separate equations (1_A through 1_E), first for the total marketing sample and then for each subsample. As we reported previously (Hunt, Chonko, and Wood 1985), the personal characteristics of age, education, and income, along with certain job characteristics, are related to marketers' organizational commitment. Therefore, these characteristics were included as control variables so that the relative association of corporate ethical values and organizational commitment could be explored.

Equations 1_A and 1_B of analyses 1 through 4 (Table 4) are the test results for the control variables.

In general, the results are very uniform. For the combined sample, all control variables, with the exception (as expected) of identity, are related significantly to commitment and all the signs are consistent in directionality with our hypotheses. These results conform with, and thus partially replicate, those of a larger sample we examined (Hunt, Chonko, and Wood 1985). When the combined sample is subdivided by type of marketing profession, the directionality of all signs remains stable though the magnitudes of the coefficients for age and education for marketing managers are not significant. Note also that the variance in commitment explained by job characteristics is reasonably high, especially in the case of advertising agency managers ($R^2 = .28$).

Equations 1_C, 1_D, and 1_E (analyses 1 through 4) are the results for the third hypothesis and our central research issue. We see in 1_C that corporate ethical values are related significantly ($p < .01$) to commitment for advertising agency managers, marketing managers, and marketing researchers with the explained variance being .21, .10, and .14, respectively. These initial results (in conjunction with the combined sample results, $p < .01$, $R^2 = .17$) provide evidence that corporate ethical values, taken alone, may be a strong predictor of commitment. If personal and job characteristics are used as control variables, will the eth-

TABLE 4
The Corporate Ethical Values–Commitment Relationship

Dependent Variable	Independent Variables								Corp. Ethical Values ^b	Constant	R ²	F (Model)
	Age	Education	Income	Feedback ^a	Identity ^a	Autonomy ^a	Variety ^a					
1. Combined Sample (n = 1246)												
Commitment ^c												
1 _A	.09 ^d	-.28 ^d	.71 ^d							13.9	.15	61.91 ^d
1 _B				.19 ^d	-.03	.42 ^d	.31 ^d			23.7	.21	76.12 ^d
1 _C								.44 ^d		4.3	.17	241.54 ^d
1 _D	.07 ^d	-.26 ^d	.47 ^d	.15 ^d	-.02	.38 ^d	.24 ^d			21.7	.27	64.66 ^d
1 _E	.06 ^d	-.25 ^d	.37 ^d	.11 ^d	-.03	.31 ^d	.20 ^d	.23 ^d		14.9	.32	66.72 ^d
2. Advertising Agency Managers (n = 330)												
Commitment												
1 _A	.09 ^d	-.20 ^e	.79 ^d							13.78	.18	22.72 ^d
1 _B				.23 ^d	-.05	.56 ^d	.50 ^d			28.3	.28	29.24 ^d
1 _C								.58 ^d		2.1	.21	82.51 ^d
1 _D	.05	-.25 ^d	.53 ^d	.20 ^d	-.01	.50 ^d	.39 ^d			25.6	.35	24.30 ^d
1 _E	.04	-.21 ^e	.42 ^d	.17 ^e	-.04	.33 ^e	.36 ^d	.29 ^d		16.0	.40	24.93 ^d
3. Marketing Managers (n = 499)												
Commitment												
1 _A	.03	-.08	.38 ^d							13.8	.03	4.64 ^d
1 _B				.09 ^e	-.02	.60 ^d	.14 ^e			21.2	.17	23.71 ^d
1 _C								.31 ^d		7.1	.10	49.15 ^d
1 _D	.01	-.07	.18	.08	-.02	.58 ^d	.13			20.7	.17	14.20 ^d
1 _E	.01	-.11	.13	.06	-.02	.52 ^d	.10	.17 ^d		16.4	.20	14.19 ^d
4. Marketing Researchers (n = 417)												
Commitment												
1 _A	.11 ^d	-.37 ^d	.72 ^d							14.1	.17	26.93 ^d
1 _B				.14 ^d	-.02	.26 ^e	.30 ^d			21.5	.18	20.46 ^d
1 _C								.37 ^d		5.7	.14	62.11 ^d
1 _D	.11 ^d	-.28 ^e	.47 ^d	.11 ^e	-.06	.24 ^e	.23 ^d			18.6	.27	20.73 ^d
1 _E	.10 ^d	-.29 ^d	.37 ^d	.09 ^e	-.08	.21 ^e	.19 ^d	.21 ^d		13.2	.31	21.52 ^d

^aMeasured by mean score on JCI scale.

^bMean score on corporate ethical values scale.

^cMeasured by mean score on commitment scale.

^dSignificant at .01 level.

^eSignificant at .05 level.

ical values–commitment linkage hold? Equations 1_D and 1_E, when examined together, reveal the incremental influence of ethical values (in conjunction with the control variables) on organizational commitment. Note the incremental change in R² from equation 1_D to 1_E. Observe also that in each case, when all variables are entered into the equation (1_E), the relationship between corporate ethical values and organizational commitment remains highly significant ($p < .01$). Further, in the case of marketing managers, corporate ethical values and autonomy are the *only* variables that remain significant predictors of commitment. Also of interest is the fact that the amount of explained variance in commitment increases in each case when all variables are entered into the equations. This increase is particularly striking for advertising agency managers and marketing researchers ($R^2 = .40$ and $.31$, respectively). In all subsamples, however, corporate ethical values remain a significant and substantive predictor of organizational commitment.

Finally, observing the results for the combined

sample of marketers, we conclude that in general, with the single exception of “identity,” a strong relationship is present between the marketers’ organizational commitment levels and all the hypothesized variables. More important, and of more salience for our discussion, is the consistency in the findings that corporate ethical values are significant and substantive predictors of organizational commitment in marketing. Not only does this relationship hold across three distinct professional marketing groups taken separately, but also, as revealed in Table 4 (analysis 1), when all three subsamples are combined.

Discussion

Is organizational commitment in marketing associated with corporate ethical values? Should managers who want committed employees take an active role in promoting ethical values in their organizations? The results of our broad-based research appear tentatively to give an affirmative response to these questions. Our

findings indicate that though there may be contextual differences among marketing areas (i.e., advertising agency managers, marketing managers, and marketing researchers do “anatomically” different jobs; see Porter, Lawler, and Hackman 1975), the direct impact of such *area* differences on the corporate ethical values–commitment relationship is small. The magnitude of the relationship varies among the areas of marketing, but the directionality and significance of the relationship stay the same. Likewise, when the corporate ethical values–organizational commitment association is analyzed in combination with specific control variables (i.e., personal and job characteristics), the results appear even firmer.

One must be aware, however, that organizational commitment may blind some employees to the ethical problems in their firms (i.e., “I am committed, therefore no ethical problems are present in my organization”). At issue here is: Under what circumstances can a person engage in “perceptual distortion” about the commitment–corporate ethical values relationship? Numerous studies clearly indicate that perception is determined, in part, by the motivation and need-value system of the observer (Bruner and Goodman 1947; Bruner and Postman 1951; Edwards 1941; Jenkins 1957). In general, research has shown that perceptual distortion is higher when the relevant object or construct is highly valued. Perceptual distortion decreases when the object or construct is considered unimportant or trivial. Similar logic applies to commitment if we consider the spectrum of objects to which one can be committed. For example, a person can be committed to a church, a spouse (possibly “love is blind”), children, family, country, an organization, and so on. In theory, the more one absolutely values the object of his or her commitment, the more likely it is that the attributes of that object will be perceptually distorted. Where does the organization stand on this spectrum of objects? We would be remiss to classify the organization as unimportant or trivial. Nevertheless, the position that the absolute commitment level of most employees to their organizations (especially in today’s times) would be so high as to make them blind (high perceptual distortion) to the presence of ethical problems in their organizations seems theoretically less reasonable than the alternative—namely, that employees who perceive correctly that their organizations have high ethical standards will be more committed.

With this argument in mind, we ask to what extent our findings can be generalized to the universe of professional marketers. Though the usual caveats about inferring causality from cross-sectional data certainly apply, data were collected and analyses performed across three distinct professional groups within mar-

keting. Further, the nature of the samples analyzed and the consistency of the empirical findings give some credence to generalizing our findings to marketing in general.

An underlying premise of our work is that ethical values are a managerial issue and not “just” a societal issue. Obviously, society has an interest in marketing managers maintaining high ethical standards. Not so obviously, our research shows that high ethical values may be a key organizational construct as well. Indeed, though causality cannot be shown with certainty, our study *suggests* that the most fruitful way to influence marketers’ commitment to their organizations may be through emphasizing our major construct of interest—corporate ethical values.

Though our ability to compare our results with those of previous studies is hampered by the lack of empirical research in this area (this is the only study to date that has examined corporate ethical values and organizational commitment across a spectrum of vocational areas), our results do indicate that organizational commitment is influenced strongly by perceptions of corporate ethical values. Equally important, our results may lend insight into an ongoing controversy about the role of managers in forming corporate values and subsequently influencing organizational outcomes.

On one side of the controversy are persons who argue that, though values are a powerful force in explaining the behavior of individuals and groups within organizations, they are unperceived, unspoken, and taken for granted. To this side, values are the “common sense” of the firm and therefore require no articulation (Barney 1986; Berger and Luckman 1967; Polanyi 1958). On the other side of the controversy are persons who argue that increased “formalization” of ethical values in organizations (i.e., increasing the extent to which employees are aware of written rules, explicitly stated norms, and set values) is the key to influencing employee behavior. These writers argue that formalization facilitates job and role clarity (Ferrell and Weaver 1978; Kaikati and Label 1980; Morris and Steers 1980). Essentially this group believes that top managers’ articulation and action are required if values are to influence behavior. Our results lend support to this group, because the more marketers perceive their companies as showing concern for ethics, acting ethically, and rewarding ethical behavior, the more positive is the resulting influence on marketers’ commitment to their organizations.

Implications and Conclusions

A foremost implication of our study for marketing managers is that a distinct style of leadership may be

required if having committed marketing employees is desired. Given the consistent association between corporate ethical values and commitment, managers wanting to instill and maintain a high level of loyalty in their employees may have to be *more* than just task directors of their organizations. Rather, they may have to think of themselves as the standard bearers, mood setters, and moral leaders of their organizations. More specifically, these leaders must show concern for, act upon, and reward ethical behavior. In essence, top managers should define, refine, evaluate, communicate, and thus *institutionalize* the ethical principles underlying their policies, practices, and goals. They should decide what will be considered right, what will be considered wrong, and what things are worth doing from an ethical perspective in their organizations. In marketing, these decisions involve product and service quality, advertising content, pricing policies, relationships with customers, suppliers, and all other *exchange relationships* that affect organizational success.

Top managers in marketing might also consider developing commitment and corporate ethical values indexes. Periodically employees might be asked to respond *anonymously* to a series of questions designed to measure their perceptions of ethical values in the organization and their levels of commitment. Such indexes could be used to monitor changes in employees' perceptions over time and could provide early warning signals of potential *future* problems (e.g., losing valuable employees) or opportunities (e.g., raising levels of commitment).

Several research implications are also apparent. First, though our findings demonstrate that the corporate ethical values–commitment relationship is consistent across three marketing areas, replications with such groups as sales and retailing would be desirable. Our study could be used as a “norm” score for com-

parison. Second, our findings have implications for longitudinal studies. Research that tracks the changing nature and impact of ethical values in organizations over time is needed. Ethical values are said to be situational and time specific. How do those values change over time and place? What specific actions by managers cause such changes? Which specific ethical values have the most staying power and impact over time?

Finally, cross-cultural studies investigating the relationships we examined would be useful. Are corporate ethical values associated with commitment in other societies, such as those in Europe and Japan? Which specific ethical values dominate in different cultures and what are their implications for U.S. marketers? The answers to these and other questions could prove to be invaluable in the continuous quest for a sustained competitive advantage in the international arena.

The search for efficiency, productivity, and success constitutes a core dimension of the discipline of management in general and marketing management in particular. Our research indicates that corporate ethical values (given their relationship to commitment and commitment's long-established relationship to improved performance) may be a key ingredient for success. Companies that promote high ethical values in their organizations may find themselves richer in loyal talent than ones that ignore or abjure such values. Research conducted for the American Management Association in the mid-1980s (as reported by Kiechel 1985, p. 207) led to the conclusion that:

. . . while corporate loyalty has declined considerably, [employees] still wish for a bond [with their organization]. They want to belong to something they can believe in. . . .

A sense of high corporate ethical values appears to be one of those “things” they can believe in.

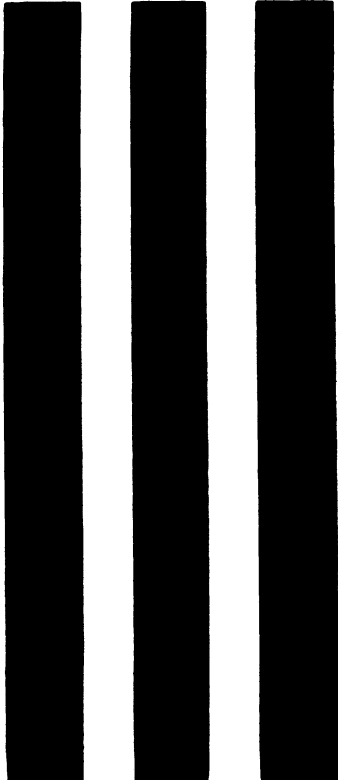
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