

**ETHICS IN WORKPLACE:  
CONCEPTUALIZATION, MEASUREMENT  
AND INVESTIGATION IN SELECT  
ORGANIZATIONS**

*by*

**POONAM SHARMA**  
Department of Management Studies

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## CERTIFICATE

The thesis entitled **“ETHICS IN WORK PLACE: CONCEPTUALIZATION MEASUREMENT AND INVESTIGATION IN SELECT ORGANIZATIONS”**, being submitted by **Ms. POONAM SHARMA** to the Indian Institute of Technology, Delhi, for the award of the degree of **DOCTOR OF PHILOSOPHY (Ph.D.)**, is a record of *bona fide* research work carried out by her. She has worked under my supervision, and has fulfilled the requirements for the submission of this thesis, which has attained the standard required for a Ph.D. degree of the Institute. The results presented in this thesis have not been submitted elsewhere for the award of any degree or diploma.

*Kanika T. Bhal*

(Dr. Kanika T. Bhal)

*Research Supervisor*

Assistant Professor

Department of Management Studies

Indian Institute of Technology,

New Delhi, INDIA.

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*Poonam  
Sharma*  
**POONAM SHARMA**

## Abstract

In the present globalised and competitive scenario businesses are expected to function within social, ethical, and legally accepted principles in our society in order to satisfy their stakeholders. Ethics in work place has become a very important area for both researchers as well as practitioners. The major focus of the individual approach in the research is to identify characteristics of the moral individual. The situational approach asserts that the situational aspects such as organization's reward system, peer influence, the influence of superiors, or organizational norms, have a demonstrable effect on the ethical decision behavior of the individuals. Though in the present research the focus is on the individual but it strongly supports a person-situation interaction as an explanation of human behavior in which both individual and situational factors influence the behavioral choice made by the individual specifically in situations of ethical dilemma. Some of the research issues identified and questions addressed in the present study are: What are the mental (cognitive) processes involved in ethical decision-making or why a particular decision is taken? What are the individual and situational factors that influence individual ethical decision-making? How do these cognitive ethical frame works affect the individuals as well as the organization?

The specific objectives of the study were: to identify the ethical frame works (logic) used by Indian managers and organizations for making decision in situations of ethical dilemmas; how do age, gender, Machiavellianism, locus of control and *Guna* affect the choice of individual ethical frame works and ethical decision making; whether individual ethical ideology affects his/her leadership

style and job satisfaction; is there any difference between organizations belonging to public and private sectors on the above mentioned issues?

In the absence of psychometrically sound scale for measuring cognitive ethical frame works and ethical decision making in Indian setting new scales were developed for the study. A pilot study was conducted before proceeding for the main study. In case of both the managers as well as the organizations two dominating ethical frameworks emerged as a result of factor analysis. They were: Pragmatic framework and Philosophical framework. Gender and age were found to influence the choice of individual ethical frameworks and ethical decision-making in given situations of ethical dilemma. Locus of control and Machiavellianism were found to play important role in situations of ethical dilemmas. Personality variables were also found to be working jointly in predicting ethical behavior. Lack of congruence between the individual and the organizational ethical frameworks had negative relationship with intrinsic job satisfaction. The ethical frameworks of the individuals were also related to their leadership style. Some of the personality variables interacted significantly with the ethical frameworks to predict actual ethical decision making in situations of ethical dilemma. Except for the personality profiles and on the construct of job satisfaction no other difference was observed between public and private sector organizations.

The study is likely to be found useful by the researchers in identifying future areas of work and by HR profession in identifying and developing strong HR systems in order to create situations of person organization fit to facilitate smooth working, more satisfaction and hopefully improved productivity.

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