Compliance and Values Oriented Ethics Programs: Influence on Employees' Attitudes and Behavior

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The article Compliance and Values Oriented Ethics Programs: Influence on Employees' Attitudes and Behavior by Weaver and Trevino focuses on two different ethics approaches - values and counseling and legal compliance, control and discipline. Using a variety of research and statistical methods Weaver and Trevino come up with important results that show the importance of implementing ethics programs. The article suggests that both the values and compliance approaches influence employees' attitudes, but the most desirable employee behavior is achieved when these two approaches are applied inseparable. These results show that employee perceptions of value-oriented approaches correspond with the hypotheses Weaver and Trevino use as a basis for their survey.

The data used by the authors was drawn from a single financial services company with 17,010 employees. A random sample of 2000 employees was chosen for the study, and four hundred and twenty employees responded (for a 21 percent response rate). Although the survey was conducted in a single company and generalizations should be made cautiously, the study is a very important starting point for further research in the field of values and compliance programs.

Using means, standard deviations and correlations for dependent and independent variables, the authors created tables that clearly illustrated the results of the survey (See Appendix A). The seven most important variables examined in the survey were: ethical awareness, employee commitment, employee integrity, acceptable to deliver "bad news," better decision making, employees seeking advice, and observed unethical behavior. A sample item in the survey related to an employee's integrity, for example, would be "I can live by the same values at home and at work." The employee would have to chose an answer from 1 (strongly disagree) to 5 (strongly agree).

The findings that were taken out of the survey supported the hypotheses Weaver and Trevino established in the article. For example, both values and compliance orientations were significant for employee awareness of ethical issues, better decision making, employees seeking advice, and observed unethical behavior. Therefore, the more employees perceive an organization to be either values oriented or compliance oriented, the more they would be aware of ethical issues, the better ethical decisions they would make, the more they would seek ethical advice, and the less unethical behavior they would observe. However, for three of the variables, only values-based orientation was significant in supporting the hypotheses that stated that the more employees perceive an organization to be values based, the more employee commitment, employee integrity, and acceptability of delivering bad news would be observed.

An important message communicated throughout the article is that managers should understand the importance of implementing ethics programs - both values and compliance oriented. The authors also believe that the survey results help support practitioner observations that when
value-oriented programs are strong, compliance programs will be more effective because they will be perceived as part of an overall system of support for ethical behavior.

This analysis is valuable in providing further evidence about the positive and negative relationship between ethics and corporate financial performance. Weaver and Trevino do agree that more research is needed across multiple organizations in order to investigate these theories and hypotheses. However, the overall results from the study in this company show that employee perceptions of an ethics program are important, and that a perceived values orientation is essential for most outcomes.