

## **Impact of Corporate Ethical Values on Employees' Behaviour: Mediating Role of Organizational Commitment**

**Farida Saleem**

Fatima Jinnah Women University

The purpose of this study was to explore the mediating role of organizational commitment in the relationship of corporate ethical values and organizational citizenship behavior (OCB). Two dimensions, altruism and sportsmanship of OCB were taken in to consideration. Corporate Ethical Value Scale (Hunt, Wood, & Chonko, 1989) was used to measure the ethical values of employees. Organizational Commitment Scale was adopted from Hunt et al. (1989) for measurement of organizational commitment in employees and a six-item scale developed by Baker, Hunt, and Andrews (2006) was used to measure altruism and sportsmanship. Data were collected from five organizations including two multinational banks and three head offices of telecom companies. The proposed model was tested using a sample of 233 respondents. Structural Equation Modeling was used for data analysis. Results indicated that the relationship of corporate ethical values with OCB was partially mediated by organizational commitment of employees. These findings suggest that existence of corporate ethical climate not only enhance organizational commitment of employees toward their organization, but also help in enhancing employees' workplace experiences.

*Key Words:* Corporate ethical values, organizational commitment, organizational citizenship behaviour, altruism, sportsmanship

The internal integration and external adaptation of a firm is guided by corporate culture and values (Schein, 1984). Corporate values are central to any organization's culture and help to differentiate it from other organizations (Hunt, Wood, & Chonko, 1989). The values, norms, and ethics of corporation have been part of

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Farida Saleem, Department of Business Administration, Fatima Jinnah Women University, Rawalpindi, Pakistan.

Correspondence concerning this article should be addressed to Farida Saleem, Department of Business Administration, Fatima Jinnah Women University, Rawalpindi, Pakistan. Email: fareeda.saleem@fjwu.edu.pk

literature for decades (Sharma, Borna, & Stearns, 2009). Corporate ethical values (CEVs) are the depiction of the real nature of an organization (Organ, 1988) and motivate the organizations to integrate stakeholder perspective in strategy development (Hunt et al., 1989). The right and wrong behaviors and practices are derived from the ethical values system of an organization and helps in setting normative standards for its personnel (Chen, Sawyers, & Williams, 1997). Employees, as one of the major stakeholders of a firm, view these as the organization's true values (Sharma et al., 2009) which has an impact on their perception about an organization's social responsibility (Vitell & Hidalgo, 2006) and their motivation (Sharma et al., 2009).

The ethical context of a firm is made up of its institutionalized philosophies, the moral ideologies of its members, and its code of ethics (Hunt et al., 1989; Valentine, Godkin, & Lucero, 2002; Werhane & Freeman, 1999). These contexts not only enhance moral reasoning of employees, but also shape their behaviour towards morally questionable or unethical situations (Singhapakdi, Vitell, & Franke, 1999; Victor & Cullen, 1988). Literature supports the idea that CEVs are integral to sustainable business growth (Barney, 1986). However, handling of child labor issue, in Asia by Nike and coffee producers in Ethiopia by Starbucks have been unable to produce an impact on the organizational commitment and motivation levels of their employees (Sharma et al., 2009). A significant and positive relationship has been found between CEVs and organizational commitment of employees (Hunt et al., 1989). Hunt et al. posit that organizational commitment may "blind some employees to the ethical problems in their firms" (p. 87). Sharma et al. (2009) highlighted the fact that for the comprehensive understanding of effect of CEV on employees' outcomes, future research should examine possible moderation or mediation impacts on these relationships. In this research, we have specifically focused on the above underlying assumption that CEV and employee outcomes are not related to each other in simple relationship, we propose a mediated relationship.

For last two decades, organizational commitment is perceived to be the direct outcome of CEVs. However, more recent research has pointed out the existence of intervening factors in this relationship (e.g., see Sharma et al., 2009), this study also proposed to explore different possible sequences of the mentioned relationship. The finding of present study will not only help in expanding the current literature by purposing mediating impact of organizational commitment in the relationship of CEVs and organization citizenship behaviour (OCB) of employees, but will also help to generalize the

theory and literature, which is largely being developed in technologically advanced countries.

### **Person-Organization Fit/Congruence**

Holland's (1997) theory of personality types and work environment identifies the importance of congruence between the social psychology of a person and their environment. As according to Holland:

“People find environments reinforcing and satisfying when environmental patterns resemble their own personality patterns. This situation makes for stability of behavior, because persons receive a good deal of selective reinforcement for their behaviour. The greater the discrepancy between people's personality patterns and environmental patterns, the more dissatisfying, uncomfortable, and destructive these interactions become” (1997, p. 67).

Congruence is a relation between desires and supplies (Tinsley, 2000) and it can be between work values and work outcomes (Spokane, Meir, & Catalano, 2000). As defined by Chatman (1989), person-organization (P-O) fit is “the congruence between the norms and values of organizations and the values of persons” (p. 339). At personal level this fit seems to produce higher level of organizational commitment, satisfaction, and less turnover intentions (Davis, 2006; Westerman & Cyr, 2004). Literature supports the link between low P-O fit and employee's turnover intentions (e.g., Ponemon, 1992; Schneider, 1987), however, it has also been found that employees with low organization fit remain in the organization or do not leave it (Chatman, Wong, & Joyce, 2008) for various reasons including perceived or actual low job opportunities, embeddedness (Harman, Lee, Mitchell, Felps, & Owens, 2007), etc.

CEV enhance P-O fit because employees often want to be part of an organization with strong ethical and moral values (Jose & Thibodeaux, 1999). Ethical climate of an organization helps employees identify their fit with that organization (Laufer & Robertson, 1997). Sims and Keon (1997) with the help of empirical analysis identified a significant relationship between P-O fit and ethical working environments. Similarly, Valentine et al. (2002) also found that as individuals' desire to work for ethical businesses and superior ethical values lead to better P-O fit. The literature suggests that congruence or fit between employee values and corporate values has impact on employees' behaviour including OCB (Valentine,

Godkin, Fleischman, Kidwell, & Page, 2011) and organizational commitment (Valentine et al., 2002).

### **Corporate Ethical Values and Organizational Commitment**

The definition of organizational commitment has been provided by Bateman and Strasser (1984) as “multidimensional in nature, involving an employee’s loyalty to the organization, willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership” (p. 95). Similarly, commitment of employees to their organizations makes them “to identify with the objectives and goals of their organizations and want to remain with their organizations” (Hunt et al., 1989, p. 81). It is the psychological bond between an employee and its organization which positively influence their behaviour (Hunt et al., 1989; Meyer & Allen, 1997; Mowday, Steers, & Porter, 1979). A committed and dedicated employee acts consistent with the goal of the organization and positively contributes towards its growth.

The tie between an employee and his organization is reinforced when he identifies himself with the ethics of his organization (Sharma et al., 2009). Thus, when an individual perceives his ethical values to be consistent with his organization’s ethical values his intrinsic motivation, organizational support, and affective attachment increases (Morrison, 1994; Sharma et al., 2009). Hunt et al. (1989) found corporate concern for ethics and organizational commitment of employees as positively associated. The visibility of ethical standards helps in generating organizational commitment in employees who see the organization following its stated standards (Fritz, Arnett, & Conkel, 1999). Similarly, Singhapakdi et al. (1999) also argue that “CEVs may also boost employees’ commitment to the organization” (p. 32).

### **Corporate Ethical Values and Organization Citizenship Behaviour**

OCB is related to the contextual performance which is defined as “performance that supports the social and psychological environment in which task performance takes place” (Organ, 1997, p. 95). These behaviours are discretionary in nature, going ‘the extra mile’ or ‘above and beyond’ to help others at workplace. Typical examples of OCB include helping coworkers and newcomers, promoting the organization outside of work, or volunteering to change shifts or extra job activities (Organ & Ryan, 1995).

The ethical value system results in the enhancement of overall environment of a workplace. OCB is one of the important outcomes of this environment (Valentine et al., 2011). Literature has indicated that ethical climate, organizational culture, and P-O fit can affect OCB positively (Baker, Hunt, & Andrews, 2006; Valentine et al., 2011). CEV system augments individuals' connection to the organization (Valentine et al., 2002) and a stronger psychological contract is developed; it also increases their motivation to act altruistically (Valentine et al., 2011).

### **Organizational Commitment and OCB**

Theoretical support for organizational commitment and OCB relationship have been provided by Scholl (1981), who suggested that when there is weak formal reward system or when there is little expectation for reward, the OCB is likely to be determined by organizational commitment of individuals. Similarly, Weiner (1982) also suggested that commitment can determine a behavior which is not dependent on punishment or reinforcement. Organizational commitment is one of the important predictor of OCB (Organ & Ryan, 1995). Meyer, Stanley, Herscovitch, and Topolnytsky (2002) identified a positive relationship between organizational commitment of employees with their organization and extra-role behaviour. Similarly, an empirical support for this relationship has been found by the research studies conducted by O'Reilly and Chatman (1986).

Chun, Shin, Choi, and Kim (2013) have found organizational commitment acting as intervening factor that explain the relationship between corporate ethics and financial performance of a firm. Similarly, Schwepker Jr. (2001) established that perception of ethical climate results in organizational commitment and reduced turnover intentions. This study also identifies organizational commitment as intermediating factor in the relationship of corporate ethics and turnover intentions. Baker et al. (2006) have empirically explored the intermediate mechanism that explains the relationship between CEVs and OCB and have identified organizational commitment as a mediator in this relationship. Based upon the above findings, organizational commitment is proposed as a mediator in the relationship of CEV and OCB (altruism and sportsmanship).

### **Hypotheses**

Based on above literature following hypotheses were formulated:

1. CEVs are positively associated with organizational commitment.

2. CEVs are positively associated with altruism and sportsmanship.
3. Organizational commitment is positively associated with altruism and sportsmanship.
4. Organizational Commitment mediates the relationship of CEVs and OCB (altruism and sportsmanship).

## Method

### Sample

A nonprobability convenience sampling technique was used for data collection. A total of 500 questionnaires were distributed in five organizations including two multinational banks and three head offices of telecom companies, 233 responses were obtained with response rate of 46%. The sample comprised of 132 men and 101 women including 40 (17%) employees from Finance; 69 (30%) from HRM, 72 (31%) from Marketing, and 52 (22%) from other departments.

### Measures

Multi-item scales adopted from previous studies were used to measure variables present in the model. Five point Likert scale with response categories of *Strongly Disagree* (1) to *Strongly Agree* (5) was used for all the measures given below.

**Corporate Ethical Values Scale.** A five-items scale developed by Hunt et al. (1989) was used to capture the employees' perception about the prevalence of CEVs in their organization. This scale has been repeatedly used by many researchers working in CEVs area (e.g., Baker et al., 2006; Singhapakdi et al., 1999; Valentine & Barnett, 2007; Valentine et al., 2002; Valentine et al., 2011). Sample items include "Managers in my company often engage in behaviours that I consider to be unethical" and "Top management in my company has let it be known in no uncertain terms that unethical behaviours will not be tolerated". First two items of this Scale were reverse coded. The high score of an item indicated prevalence of CEVs. Baker et al. (2006) reported .79 as the composite reliability of this Scale. Similarly, Hunt et al. (1989) reported that coefficient alpha for this Scale was .78; and in this study, the composite reliability and alpha coefficients were .93 and .93, respectively.

**Organizational Commitment Scale.** A four-item scale developed by Hunt et al. (1989) was used to measure employee's commitment to their organization. The sample items are "I would be willing to change companies if the new job offered more status" and "I would be willing to change companies if the new job was with people who were more friendly". All items of organizational commitment were reverse coded. The high score of an item indicated employee's commitment to their organization. Hunt et al. reported high degree of reliability with .87 alpha coefficient for this Scale; and in this study, the alpha coefficient was .89.

**Organization Citizenship Behaviour Scale.** OCB was measured with the help of Altruism and Sportsmanship. Both constructs were measured with the help of three item scale each developed by Baker et al. (2006). The development of this scale was based on the conceptual work on OCB by Organ (1988) and empirical evidence provided by MacKenzie, Podsakoff, and Fetter (1993) and Podsakoff and Mackenzie (1994). The sample item for Altruism is "I help orient new employees even though it is not required" and for Sportsmanship is "I always focus on what's wrong with my situation, rather than the positive side of it". All items of Sportsmanship were reverse coded. For the current study, composite reliability for Altruism was .90 and for Sportsmanship was .92. Previously, Baker et al. (2006) found .77 and .73 as the composite reliability for Sportsmanship and Altruism, respectively.

### **Procedure**

Self-administered questionnaires in a form of paper copies were used for data collection (see Appendix). Participation in the survey was voluntary and the researcher dropped the questionnaires in the HR department of two multinational banks and three head offices of telecom companies. Nonprobability convenience sampling method was used. After two days, telephonic calls were made to the HR department as reminder and after one week questionnaires were collected back by the researcher following the recommendation of Dillman (1991). Of the total questionnaires distributed, 247 filled questionnaires were received back out of which 14 were discarded due to missing information. The response rate was 46%.

## **Results**

### **Measurement Model**

Using AMOS 16 software, and based on recommendation made by Anderson and Gerbing (1988) incremental approach to Structural

Equation Modeling (SEM) was used for data analysis. The first step of this approach is fitting of measurement model using Confirmatory Factor Analysis (CFA). In the initial CFA model, 18 items were used – four for organizational commitment, five for CEVs, three each for altruism and sportsmanship. Based on the criterion recommended by Joreskog and Sorbom (1993), all items were considered to be kept for structural model as they all had factor loadings  $> .5$ ,  $t$ -value  $> 2.50$ , and  $R^2 > .5$ .

The items used for the measurement of each variable are presented in Table 1. In data analysis for both measurement and structural model, aggregate score were not used. Each item of the scale was used as observed variable in both measurement and structural model. Each observed variable was independently used to predict the latent variable.

Table 1

*CFA of Items Present in Model (N = 233)*

Construct/Variable	$\beta$	$\alpha$	CR	AVE
Corporate Ethical Values		.93	.93	.74
CEV1	.876			
CEV2	.836			
CEV3	.872			
CEV4	.862			
CEV5	.844			
Organizational Commitment		.89	.87	.67
OC1	.802			
OC2	.810			
OC3	.844			
OC4	.822			
Altruism		.90	.90	.76
ALT1	.875			
ALT2	.881			
ALT3	.860			
Sportsmanship		.91	.92	.80
SMS1	.882			
SMS2	.946			
SMS3	.855			

*Note.*  $\beta$  = standardized coefficient;  $\alpha$  = Cronbach's Alpha; CR = Composite Reliability; AVE = Average Variance Extracted.



Table 1 shows that the model fit is optimal. The resulting model fit indices indicated a good fit with  $\chi^2 = 161.33$ ,  $df = 84$ ,  $p = .000$ ; GFI = .92; CFI = .97; RMSEA = .06 with 90% CI [.048, .078]; RMR = .04. The values of GFI and CFI greater than .90 and RMSEA < .08 show an acceptable level of fit (Bentler & Bonett, 1980; Hair, Anderson, Tatham, & Black, 1998).

Table 2

*Descriptive Statistics, Correlations, and Shared Variance for Constructs (N = 233)*

Variable	No. of Items	M	SD	1	2	3	4
1 CEV	5	2.67	1.05	<b>.74</b>			
2 Organizational Commitment	4	2.81	1.04	.77	<b>.67</b>		
				(.59)			
3 Altruism	3	2.59	1.03	.71	.73	<b>.76</b>	
				(.50)	(.53)		
4 Sportsmanship	3	2.58	1.19	.78	.73	.73	<b>.80</b>
				(.61)	(.53)	(.53)	

*Note.* Shared variances are given in parenthesis. AVE is presented in diagonal. All correlation coefficients are significant at  $p < .01$ .

Different measures of the same construct should correlate highly with each other, but should correlate less strongly with measures of distinct construct (Widaman, 1985); the first shows the convergent validity and the later shows the discriminant validity. All items in Table 2 are loading significantly ( $p < .001$ ) in their respective constructs and have correlation greater than .80 indicating convergent validity. The internal consistency is evident from the values of Cronbach’s alpha (ranges from .89 to .93), composite reliability (range from .87 to .93), and Average Variance Extracted (ranges from .67 to .80). Fornell and Larker (1981) criteria was used for the assessment of discriminant validity. For all construct, the AVE is greater than the shared variance, thus, indicating discriminant validity.

**Structural Model and Hypotheses Testing**

The estimation of SEM was done by using four constructs including CEVs as exogenous factor, while, organizational commitment, altruism, and sportsmanship as endogenous factors. In the Figure 1, ellipse CEV has 5 items (CVE1 to CVE5); ellipse OC

(organization commitment) has four items (OC1 to OC4); ellipse ALT (altruism) has three items (ALT1 to ALT3); and ellipse SMS (sportsmanship) has three items (SMS1 to SMS3):

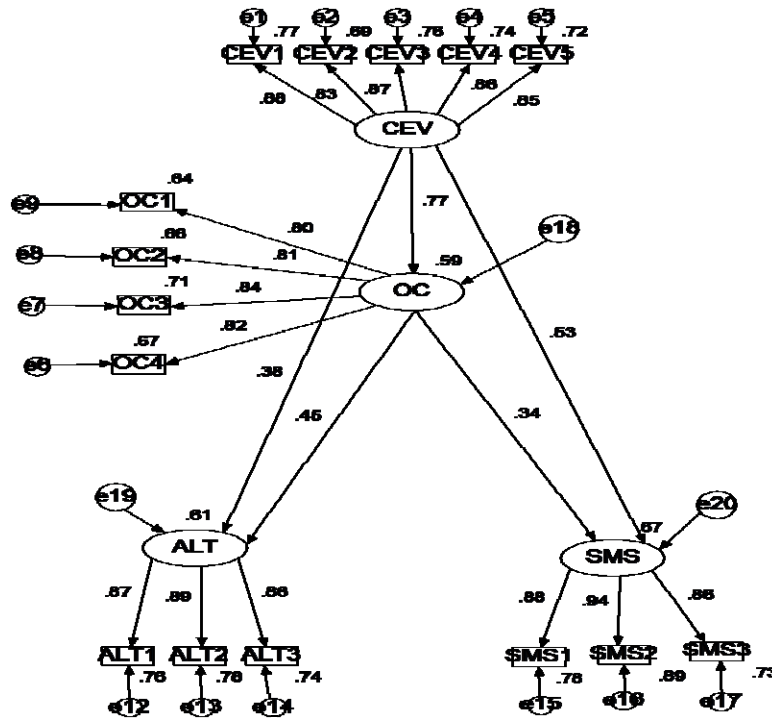


Figure 1. Structural model: Ellipses represent latent variables, rectangles represent observed variables, and circles represent the error terms

A reasonable fit was achieved; Table 3 presents the SEM results. The coefficient of path between CEVs and organizational commitment was significant (estimate = 0.715, C.R. [Critical Ratio/estimate divided by standard error] = 11.30,  $p = .000$ ). Thus Hypothesis 1, stating relationship between CEV's and employee commitment to their organization is supported. Similarly, the path coefficient of CEVs => altruism and CEV's => sportsmanship are also significant (estimate = 0.331, C.R. = 4.27,  $p = .000$ ; estimate = .540, C.R. = 6.38,  $p = .000$ , respectively). That supports Hypothesis 2. The coefficient of path for organizational commitment => altruism and organizational commitment => sportsmanship are also significant (estimate = 0.422,

C.R. = 4.89,  $p = .000$ ; estimate = 0.379, C.R. = 4.19,  $p = .000$ , respectively). Thus, indicate support for Hypothesis 3.

Table 3

*Structural Model and Path Analysis (N = 233)*

Causal Path	B	$\beta$	$t$	Hypotheses	Supported
CEV => OC	0.72	0.77*	11.54	H1	Yes
CEV => ALT	0.33	0.45*	4.27	H2	Yes
CEV => SMS	0.54	0.38*	6.38	H2	Yes
OC => ALT	0.42	0.53*	4.89	H3	Yes
OC => SMS	0.38	0.34*	4.19	H3	Yes

*Note.* B = unstandardised beta;  $\beta$  = standardized beta; CEV = Corporate Ethical Values; OC = Organization Commitment; ALT = Altruism; SMS = Sportsmanship.

$\chi^2 = 174$ ,  $df = 85$ ;  $\chi^2/df = 2.05$ ,  $p < .001$ ; CFI = .97; GFI = .91; IFI = .97; TLI = .96; RMSEA = .067.

\*  $p < .001$ .

**Mediation Analysis**

The full mediation framework presented acceptable fit statistics ( $\chi^2 = 216.74$ ,  $df = 87$ ; GFI = .88; CFI = .96; RMSEA = .08; RMR = .08) with significant relationship identification between CEVs and organizational commitment; organizational commitment and altruism; and organizational commitment and sportsmanship. However, the partially mediated model also fitted well with the data ( $\chi^2 = 174.43$ ,  $df = 85$ ; GFI = .91; CFI = .97; RMSEA = .06; RMR = .05), while, identifying significant relationships between CEVs and organizational commitment; CEV's and altruism; CEVs and sportsmanship; organizational commitment and altruism; and organizational commitment and sportsmanship. In addition, the chi-square test identifies that partially mediated model is significantly superior model as compare to fully mediated model ( $\Delta\chi^2 = 41.74$ ,  $\Delta df = 2$ ). Hence, Hypothesis 4 is also supported (partial mediation is identified).

After the identification of partial mediation, direct and indirect effects were calculated through bootstrap approach (Iacobucci, 2008) in AMOS 16. Where 95% Bias-corrected confidence interval was used for the 2000 bootstrap re-samples for the calculation of direct, indirect, and total effects. CEVs is taken as IV. The results are present in Table 4.

The total effect measures the extent to which the dependent variable changes when the independent variable increases by one unit. In contrast, the indirect effect measures the extent to which the

dependent variable changes when the independent variable is held fixed and the mediator variable changes to the level it would have reached if the independent variable has increased by one unit (Hayes, 2009).

Table 4

*Mediation Analysis Bootstrap (2000 re-sample) Results with CEVs as Independent Variable*

Variables	Total [95% CI]	Direct [95% CI]	Indirect [95% CI]
Organizational Commitment	.767[.612, .820]	.767[.612, .820]	-----
Altruism	.725[.547, .733]	.379[.189, .476]	.345[.191, .425]
Sportsmanship	.789[.716, .931]	.525[.397, .696]	.269[.155, .400]

*Note.* Dashes indicate that data are not applicable.  
All effects are significant at  $*p \leq .01$ .

The mediating (indirect) effects of organizational commitment in the relationship of CEVs and altruism are significant. Similarly, the mediating effects of organizational commitment in the relationship of CEVs with sportsmanship are also significant, hence, identifying organizational commitment as mediator in these relationships. The bias-corrected percentile method of bootstraps identified that estimate values of all direct effects, indirect effects, and total effects lies within the lower and upper bound of the distribution.

## Discussion

The purpose of this study was to investigate the relationship among CEVs, employee commitment to their organization and their OCB. The study identifies that CEVs have impact on both employee commitment to their organization and their OCB. Organizational commitment and citizenship behavior of employees' remain at higher levels when corporate ethics is consistent with their own ethics (Sharma et al., 2009). The study of perceived company's ethical environment, organizational commitment, altruism, and sportsmanship can be helpful in providing a new viewpoint to assist understanding employee behaviour and their commitment. Ethical work environment not only benefit employees, it also helps organizations. Organizations can gain positive work outcomes such as higher level of

organizational commitment, motivation, satisfaction, performance, enhanced morale, support for company initiatives, and less turnover intentions (Valentine et al., 2011).

The strongest relationship is between CEVs and perceived commitment of employees to their organization ( $\beta = .64$ ). The result supports theoretical contribution of Holland (1997) about congruence of social psychology of a person and environment and P-O fit by Chatman (1989). This finding is also consistent with the previous empirical contributions (see e.g., Baker et al., 2006; Hunt et al., 1989; Valentine et al., 2002; Valentine & Barnett, 2007; Valentine et al., 2011). Thus, supporting the P-O fit theory and identifying the association between CEVs and committed employees (Baker et al., 2006).

The next strongest relationship is between CEVs and sportsmanship ( $\beta = .54$ ). The ethical environment of an organization is associated with number of positive outcomes including higher levels of motivation, job satisfaction, less turnover intentions, etc. One of such outcome is organization citizenship behaviour or extra-role behaviour in employees (Turnipseed, 2002). CEVs help in developing altruism and sportsmanship in employees. Thus, when ethical environment is prevailing in an organization, employees try to relate their ethics with it and develop altruism (Baker et al., 2006; Valentine et al., 2011) and sportsmanship (Baker et al., 2006).

The impact of organizational commitment on altruism and sportsmanship is also significant and positive. These findings are consistent with the theoretical support provided by Scholl (1981) and Weiner (1982) and empirical findings of Meyer et al. (2002) and O'Reilly and Chatman (1986). It has been observed that prosocial behavior of employees is affected by their commitment to organization. The findings of current study also identify that committed employees think positive about their organizations and indulge in extra-role behaviours.

The results also provide evidence of organizational commitment as partial mediator, while identifying CEVs as having direct effect as well as indirect effect through organizational commitment on OCB (altruism and sportsmanship). That is CEVs not only directly influence the extra-role behaviours of employees, but this influence is also transmitted through organizational commitment.

### **Limitations and Suggestions**

Like all other studies, this study also has some limitations. First limitation is related to the self-report validity concerns. Future studies

may use different data collection procedures i.e., longitudinal data collection (Cook, Campbell, & Peracchio, 1990), which might minimize questions about internal validity (Norris-Watts & Levy, 2004) and will reduce self-report bias. The second limitation is related to the sampling technique, as nonprobability sampling reduces the generalizability of results. Thirdly, only two dimensions of OCB were analyzed in the current study, the future studies may include the other three dimensions i.e., civic virtue, conscientiousness, and courtesy for the more comprehensive study of the impact of CEVs on commitment and OCB. Lastly, in this study subject personality variables were not controlled that can be related to many of the job attitudes and behaviours (Cheng & Stockdale, 2003), so future research may address these issues.

### **Implications**

The association between CEVs and organizational commitment of employees identifies that the managers who are interested in developing and maintaining long term commitment in their employees may have to think of themselves as moral leaders of their organization rather than only the task directors. They should show concern, act upon, and reward the ethical practices. Beyond this the enhancement of OCB via organizational commitment and ethical practices in an organization may lead to increase in the overall performance of the organization. The findings of this study identifies that CEVs develop higher level of organizational commitment in employees which leads to the higher levels of OCB. Similarly, these higher levels of OCB lead to higher level of individual performance.

### **Conclusion**

In conclusion, the study generalized the P-O fit theory (Chatman, 1989) in a developing country, Pakistan's context. It also identifies the importance of CEVs when strong ethical values are embedded in the culture of an organization; more positive outcomes including higher levels of organizational commitment and citizenship behaviour are expected from employees which in turn has an impact on overall productivity and performance of employees as well as OF the organization. Hence, the programs that help to establish these values like code of ethics should be implemented for increasing overall performance of company.

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## Appendix

## Measures for Constructs

Measures	Questions
Corporate Ethical Values	
CEV1*	Managers in my company often engage in behaviours that I consider to be unethical.
CEV2*	In order to succeed in my company, it is often necessary to compromise one's ethics.
CEV3	Top management in my company has let it be known in no uncertain terms that unethical behaviours will not be tolerated.
CEV4	If a manager in my company is discovered to have engaged in unethical behaviour that results primary in personal gain (rather than corporate gain), he or she will be promptly reprimanded.
CEV5	If a manager in my company is discovered to have engaged in unethical behaviour that results primary in corporate gain (rather than personal gain), he or she will be promptly reprimanded.
Organizational Commitment	
OC1*	I would be willing to change companies if the new job offered a 25% pay increase.
OC2*	I would be willing to change companies if the new job offered more creative freedom.
OC3*	I would be willing to change companies if the new job offered more status.
OC4*	I would be willing to change companies if the new job was with people who were more friendly.
Altruism	
ALT1	I help orient new employees even though it is not required.
ALT2	I am always ready to help or lend a helping hand to those around me.
ALT3	I willingly give my time to others.
Sportsmanship	
SMS1*	I consume a lot of time complaining about trivial matters (RC).
SMS2*	I tend to make "mountains out of molehills" (make problems bigger than they really are) (RC).
SMS3*	I always focus on what's wrong with my situation, rather than the positive side of it.

*Note.* Measures for CEV's and Organizational Commitment were adopted from Hunt et al. (1989) and the measures for Altruism and Sportsmanship were adopted from Baker et al. (2006).

Items with \* were reverse coded.