

The Effects of Ethical Management on Social Worker's Organizational Commitment and Turnover Intention

So-Yun Choi

91 Daehak-Ro, Seobuk-gu, Sungwhan-eup Cheonan-City, Republic of Korea
Department of Social Welfare, Namseoul University, sychoi@nsu.ac.kr

Abstract. This study examines the effects of ethical management in social welfare organization on social worker's organizational commitment and turnover intention. Especially, the study investigates mediating effects of superior and employee ethics on the relationships among ethical management, organizational commitment, and turnover intention. The analysis of survey data collected from 339 social workers shows that high ethical management is related to high level of superior ethical leadership and employee ethics, and that ethical management has direct effects on social worker's organizational commitment, but not on social worker's turnover intention. The Structural Equation Model analysis confirms mediating effects of superior and employee ethics on the relationships among ethical management, organizational commitment, and turnover intention. It indicates that both superior ethical leadership and employee ethics affect organizational commitment and turnover intention, but that the effects of superior ethical leadership on turnover intention are larger than those of employee ethics. Finally, the study suggests further implications of ethical organization management and superior ethical leadership for improving organizational commitment and reducing turnover intention in social welfare organization.

Keyword: Ethical management, organizational commitment, turnover intention, superior ethical leadership, employee ethics, social welfare organization

1 Introduction

A higher standard of organizational ethics is needed to guarantee social worker's ethical practices [1]. In addition, social welfare organizations need to reinforce ethical management system to support social worker's ethical practices. Ethical management is required for transparent, responsible, and sustainable management of social welfare organization.

Because social welfare organizations depend mainly on outside financial resources, a responsible, transparent, and ethical management and social worker's integrity is of greatest importance to the legitimacy of social welfare organization. Recognizing the importance of ethical management, the Korea Association of Social Workers initiated demonstration project in 2007, and many of social welfare organizations are performing ethical management these days.

Ethical management makes it possible for an organization to secure organizational

legitimacy by enhancing organizational image externally, and improve organizational performance and effectiveness by improving organizational member's positive organizational behavior internally. For this reason, ethical management is a prerequisite for sustainable management directly connected to organizational survival and growth.

Many organization studies emphasize the importance of ethical management and pay attention to the positive effects of ethical management on the performance and effectiveness of organization and organizational members. However, ethical management in social welfare organization has not yet been studied sufficiently. The major reason is that previous studies of ethics in social welfare organization focused mainly on social worker's personal ethical practices rather than on organizational ethical management.

This study examines the effects of ethical management on social worker's organizational commitment and turnover intention empirically. In addition, this study explores the relationship structure among ethical management, organizational commitment, and turnover intention, including mediating effects of superior ethical leadership and employee ethics. This study will provide useful foundation for ethical management system and managerial strategy in social welfare organization to promote social worker's ethical practices and positive organizational behavior.

2 Theoretical Background

Not only for-profit organizations but also nonprofit organizations emphasize the importance of ethical management because ethical management enables sustainable management of organization and has positive effects on organizational survival and growth. Ethical management also makes it possible for an organization to secure organizational legitimacy by enhancing organizational image externally, and internally improve organizational performance by improving organizational member's positive organizational behavior such as organizational commitment, organizational citizenship behavior, and job satisfaction. In addition, ethical leadership has positive effects on organizational effectiveness by enhancing organizational member's sincerity and responsibility.

Many previous studies of organizational ethics identified positive effects of ethical management on such organizational effectiveness variables as job satisfaction, organizational commitment, turnover intention, and organizational citizenship behavior [2, 3, 4]. In addition, organizational ethics is a fundamental base of gaining public trust of professionals [5].

Previous studies also emphasized the importance of organizational member's ethics. The studies shows that organizational member's unethical behavior is closely related to ethical culture of organization, such as inappropriate performance measurement, lack of resources, heavy workload, irresponsibility, internal and external pressure, and compromise for survival. For example, supervisor's neglecting supervision only increases unproductive behavior [6, 7, 8]. Furthermore, the studies found that ethical management affects personal work-related ethics, and superior

ethical leadership and employee ethics affects organizational commitment and organizational citizenship behavior [9].

Drawing on these previous studies, this study seeks to establish a theoretical model and examines empirical relationships among ethical management, organizational member's ethics, and organizational effectiveness.

3 Research Method

3.1 Research Hypotheses

This study explores how ethical management affects organizational commitment and turnover intention, including mediating effects of superior ethical leadership and employee ethics. Six major research hypotheses are:

H1. Social welfare organization with high perceived ethical management will achieve high social worker's organizational commitment.

H2. Social welfare organization with high perceived ethical management will achieve low social worker's turnover intention.

H3. The level of ethical management in social welfare organization will affect social worker's ethics.

H4. Superior ethical leadership will affect social worker's organizational commitment and turnover intention.

H5. Social worker's personal ethics will affect social worker's organizational commitment and turnover intention.

H6. Ethical management will affect social worker's organizational commitment and turnover intention through mediating effects of superior ethical leadership and employee ethics.

3.2 Data Collection Method

Survey questionnaires were distributed to stratified sample of 339 social workers working at 46 local community welfare centers, elderly welfare centers, and disabled welfare centers in Seoul and Gyeonggi-do province. 333 questionnaires were analyzed.

3.3 Measurement

Ethical management was measured by a measure developed by Cho [9] and based on Victor & Cullen (1988). The measure consists of 13 items: organizational ethical value (1-5), intensity of ethics regulation (6-9), code of conduct (10-13). Superior ethics was measured by 10-item ethical leadership measure constructed by Trevino, et al. (2005) and used by Kwak [10]. Employee ethics was measured by organizational ethics measure, replacing organization with I. The measure includes ethical value (1-

5), awareness of ethics regulation (6-9), and standard of conduct(10-13). Organizational commitment was measured by a measure developed by Poter, et al. (1974) and used by Lee & Choi (2004) and Yang (2012)[11]. According to previous studies, the reliability is .93. Turnover intention was measured by 4-item used by Choi and Chang (2012) [12].

3.4 Analysis Method

The analysis of the data was conducted by using SPSS 18.0 and AMOS 18.0. The analysis includes descriptive statistics of respondents' general characteristics and major variables, and Structural Equation Model (SEM) analysis of the effects of ethical management on organizational commitment and turnover intention, and the mediating effects of superior ethical leadership and employee ethics.

4 Results of Research

4.1 General Characteristics of Respondents and Descriptive Statistics

Among 339 respondents, 98 respondents (28.9%) are men and 241 (71.1%) are women. The majority of respondents (210) were graduated from university (62.9%), 111 graduate school (32.8%), and 17 college (5%). 149 respondents are front lines social workers (44%), 43 top managers, 49 supervisors, and 98 middle managers. Average age is 32.6, and total work experience in social welfare organization is 6-year and 10 months (Work experience in current organization is 4-year and 9 months).

The average of major variables are : ethical management (3.90), superior ethical leadership (3.98), employee ethics (3.95), organizational commitment (3.78), and turnover intention (2.99).

4.2 Verification of Hypotheses

The Structural Equation Model (SEM) analysis was conducted to verify research hypotheses. Model fitness was acceptable: TLI (.919), CFI (.932), IFI (.932), RMSEA (.062). The results of hypothesis test are as follows<Table1, 2, 3>.

H1 (Social welfare organization with high perceived ethical management will achieve high social worker's organizational commitment): supported.

H2 (Social welfare organization with high perceived ethical management will achieve low social worker's turnover intention): rejected.

H3 (The level of ethical management in social welfare organization will affect social worker's ethics): supported.

H4 (Superior ethical leadership will affect social worker's organizational commitment and turnover intention): supported.

H5 (Social worker's personal ethics will affect social worker's organizational

commitment and turnover intention): supported.

H6 (Ethical management will affect social worker's organizational commitment and turnover intention through mediating effects of superior ethical leadership and employee ethics): supported.

Table1. Standardized Direct Effect

	Ethical management	Superior ethical leadership	Employee ethics
superior ethical leadership	.578***	.000	.000
employee ethics	.702***	.000	.000
turnover intention	-.112	-.252	-.242**
organizational commitment	.214**	.379	.374***

*** p < .001, ** p < .01, *p < .05

Table2. Standardized Indirect Effect

	Ethical management
superior ethical leadership	.000
employee ethics	.000
turnover intention	-.315
organizational commitment	.423

Table 3. Total Effect

	Ethical management
superior ethical leadership	.578
employee ethics	.702
turnover intention	-.427
organizational commitment	.636

5 Conclusion and Implications

The importance of ethical management in social welfare organization cannot be overemphasized. As unethical behavior in human service organizations becomes a big social issue in Korea, the importance of ethical organization management and organizational member's ethics is being emphasized in social welfare organizations. In this broad situation, the primary purpose of this study is to examine the effects of ethical management on social worker's work attitude and behavior.

The results of the study show that ethical management significantly affects superior ethical leadership and employee ethics, and that ethical management has direct effects on social worker's organizational commitment, but not on turnover intention. The Structural Equation Model analysis confirms the mediating effects of superior and employee ethics on the relationships among ethical management, organizational commitment, and turnover intention. It indicates that both superior ethical leadership and employee ethics significantly affect organizational commitment and turnover intention, but that superior ethical leadership has more effects on turnover intention than employee ethics.

This study suggests following implications of ethical organization management and superior ethical leadership for social worker's organizational commitment and turnover intention in social welfare organization.

First, because social welfare organizations mainly focused on social worker's personal ethical practices, the discussions of ethical organization management have been remarkably limited. More systematic and comprehensive management system and strategy is need to include both individual and organizational level of ethical management. The Korea Association of Social Workers should play an important role in the development of ethical management in social welfare organizations.

Second, ethical leadership training should be provided more for top managers and supervisors in social welfare organizations. Effective development of ethical leadership knowledge and leadership skill training are essential to achieve ethical management of social welfare organizations.

Third, employee ethics need to be promoted and supported by social welfare organization. Rather than intervening after ethical problems occur, social welfare organizations should provide ethics education for social workers in order to prevent them in advance.

Finally, one contribution of this study is that it expands the scope of ethics research from individual level to organizational level in social welfare organization. However, social welfare organizations consist of various professionals other than social workers. Future studies are expected to include diverse occupations working in social welfare organizations.

References

1. Kim, K. D., Choi, S. Y., Kwon, J. Y.: Social Work ethic and Philosophy, PaJu: Yangseowon (2012)
2. Deshpande, S. P.: The Impact of Ethical Climate Types on Facets of Job Satisfaction. *Journal of Business Ethics*, 15, 655–660 (1996)
3. Joseph, P.: Deshpande, S. P. The Impact of Ethical Climate on Job Satisfaction of Nurses. *Health Care Management Review*, 22(1), 76–81 (1997)
4. Cae, P. V. M.: Let Ethics be Your Fundraising Guide?. *Association Management*, 54(7), 31–37 (2002)
5. Menzel, D. C.: Research on Ethics and Integrity in Governance: A Review and Assessment. *Public Integrity*, 7(2), 147–168 (2005)
6. Deter, Trevino and Burris in Brown, M. E., Trevino, L. K.: Ethical Leadership: A Review and Future Decision. *The Leadership Quarterly*, 17(6), 596–619, (2006)
7. Hart, S. E.: Hospital Ethical Climates and Registered Nurses' Turnover Intentions, *Journal of Nursing Scholarship*. 37(2), 173--177 (2005)

8. Han, J. H.: A Study on the Influences of Business Ethics on Organizational Trust and Organizational Citizenship Behavior. *Korea Journal of Business Administration*. 24(4), 2225--2244 (2011)
9. Cho, Y. R.: The Influence of Person-Organization Ethical Fit on Organizational Effectiveness. Doctoral Dissertation, DanKuk University (2011)
10. Kawk, S, K.: The Effect of Ethical Leadership on Role Conflict, Job Stress and Organizational Effectiveness, Doctoral Dissertation, Seong Kun Kwan University (2010)
11. Yang, Y. H.: Corporate Support for Employee Volunteerism and Its Effects on Employee's Organizational Commitment : Focusing on Perceived Organizational Support and Volunteer Satisfaction as a Mediator, Doctoral Dissertation, Catholic Kwan University (2012)
12. Choi, S. Y., Chang, H, S.: A Study on the Relationships among Work Characteristics, Burnout, and Turnover Intention of Social Workers Working, *Journal of Community Welfare*, 43, 297--318. (2012)