2017

Creating an Ethical Organizational Environment in Banking

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Abstract

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Doctor of Business Administration

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April 2017

Abstract

An ethical organizational environment ensures a trustworthy organization. This case study explored strategies that banking managers in the United Arab Emirates used to create an ethical organizational environment, one that emphasized the inclusion of ethical values, moral principles, and commitment to society. The target population included senior managers who created and implemented strategies to ensure employees adopted the ethical values in pursuit of an ethical environment. Ethical climate theory provided the conceptual framework for this study. Interviews with 5 managers and company documentation contributed the data for this research. Data were analyzed following inductive investigation and case description. Connecting corporate values with measurable indicators emerged as the most prominent strategy among these 5 managers. Translating “soft” value statements into “hard” performance factors allowed for the creation of an ethical environment that signaled consistent messages about appropriate behavior. Employee engagement was another prominent finding. Providing opportunities for informal interaction allowed employees to establish relationships and facilitated cross-functional collaboration. Other important strategies were related to maintaining transparency and leadership role-modeling. Implications for positive social change include the potential to regain trust in banking by providing banking managers with a guideline to create an ethical organizational environment.

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Dedication

I dedicate this doctoral study to my husband. This journey would not have been possible without your encouragement and support.

Acknowledgments

I thank my children for their unconditional love. You helped me to put this doctoral journey into perspective and remember the most important things in life.

I thank my chair, Dr. Karin Mae, for her guidance and mentorship. I have been privileged to have you as my mentor and to be part of your team. Your support for your students is truly outstanding.

I thank my second committee member, Dr. Richard Johnson, for his constructive comments. Your suggestions helped to improve the quality of my doctoral study.

I thank my University Research Reviewer, Dr. Roger Mayer. Your foresight made me change the design of my doctoral study and make it feasible.

I thank Dr. Judith Blando, for her suggestions and support.

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Section 1: Foundation of the Study

The global financial crisis in 2007 severely damaged customers' trust in the banking industry (Llewellyn, 2014). Regulatory bodies tried to stabilize the fragile system by making banking more transparent and less complex (Nienaber, Hofeditz, & Searle, 2014). Notwithstanding all the efforts, customer confidence in banks remains low and financial institutions face competition from a growing shadow banking sector involving nonbank financial intermediaries (European Central Bank (ECB), 2016). Academics and industry participants questioned the sole reliance on external banking regulation (Nienaber et al., 2014; Flint, 2013). Industry leaders draw attention to a reassessment of values and change of corporate behavior in addition to external regulation. The group chairman of a global financial services company encourages banks to transform into "trusting organizations" through the adoption of behavioral values (Flint, 2013).

Background of the Problem

Organizations that communicate good behavior are not necessarily the most trusted, especially in the financial industry. Banks increasingly engage in corporate social responsibility (CSR) activities; sometimes as a means to comply with industry trends instead of following a genuine ethical commitment (Llewellyn, 2014; Paulet, Parnaudeau, & Relano, 2015). Even an ethical organizational environment, while able to prevent self-directed unethical behavior, may motivate other types of unethical behavior (Martin, Kish-Gephart, & Detert, 2014). An experimental study revealed that individuals under voluntary regulation produced more unethical behavior than individuals under full regulation or no regulation (Gino, Krupka, & Weber, 2013). The emerging pattern is troublesome: Efforts to instill ethical conduct in employees are often superficial and may even have reverse effects. In an attempt to increase the understanding of effective measures to ensure ethical conduct, the focus of this doctoral study was organizational factors influencing ethical behavior in organizations.

Regaining customer trust requires organizations to demonstrate trustworthy behavior. The internal organizational environment plays a major role in developing trust (Hurley, Gong, & Waqar, 2014). A caring organizational environment fosters ethical conduct and increases employees' organizational commitment (Fu & Deshpande, 2014). Compliance focused banking environments, in contrast, may restrain employees from supporting their organization (Wallace, de Chernatony, & Buil, 2013).

Researchers cautioned that ethical guidelines in banks often lack commitment from the wider organizational culture (Stevens & Buechler, 2013), which threatens the effectiveness of CSR efforts (Servaes & Tamayo, 2013). Values deeply embedded within the corporate culture can guide employees' behavior, social responsibility, and financial performance (Jin, Drozdenko, & DeLoughy, 2013). Shared values affect organizational trustworthiness (Gillespie, Dietz, & Lockey, 2014). The issue of trustworthiness in the context of the organizational environment gave rise to the problem statement presented in the next section.

Problem Statement

Scandals in the banking industry left public trust in banks greatly diminished (Llewellyn, 2014). Banking and financial services had the highest amount of reported fraud incidents in 2014, causing an average loss of $200,000 to the organization (Association of Certified Fraud Examiners, 2014). The general business problem is the lack of public trustworthiness that jeopardizes the reputation of banks (Hurley, Gillespie, Ferrin, & Dietz, 2013). The specific business problem is that some banking managers lack strategies to create an ethical organizational environment.

Purpose Statement

The purpose of this qualitative exploratory single case study was to discover strategies that banking managers use to create an ethical organizational environment. Managers from a bank located in the United Arab Emirates served as the targeted population. This population was appropriate for the study because of the banks' ethical approach through the inclusion of ethical values and commitment to society. Findings from this study help banking leaders to foster ethical organizational environments in a manner that will enhance ethical employee behavior. The resulting positive social change would be an increase of customers' trust in banks that behave ethically. Ethical banking behavior aids positive socioeconomic development and benefits the communities served.

Nature of the Study

I chose the qualitative approach for this study. Qualitative methods of inquiry aim at understanding the issue under investigation by examining experiences and behavior (Collis & Hussey, 2014). Understanding the research participants' perspectives provided insights into the components of an ethical organizational environment. The qualitative approach was therefore appropriate for this study. Quantitative research approaches draw on structured processes to gather numerical data on variables to discover correlations or causation (Haneef, 2013). Investigating a relationship between variables was not the purpose of this study. Therefore the quantitative method was not applicable to this study. The mixed methods approach involves combining quantitative and qualitative methods. Researchers aiming to explore complex contexts benefit from the mixed methods approach because it allows for gaining a deep understanding of the phenomenon under investigation (Venkatesh, Brown, & Bala, 2013). The scope of this study did not necessitate the use of both qualitative and quantitative approaches, which lead to the rejection of the mixed methods approach.

Qualitative researchers can choose from different designs, which include case study research, phenomenology, and ethnography, among others. I chose the single case study design for this study. A case study design allows for a deep understanding of the phenomenon under investigation by drawing on different sources of evidence (Yin, 2014). Insights from professionals combined with strategy documentation allowed for a deep understanding of the creation of an ethical organizational environment, making the case study approach appropriate for this study. A phenomenological investigation involves describing the essence of participants' lived experiences (Gill, 2014). Gathering research participants' experiences would not have allowed for identifying strategies to implement an ethical environment, which made the phenomenological design inappropriate for this study. Researchers opt for an ethnographic approach to studying a phenomenon by observing research participants' behavior (Jerolmack & Kahn, 2014). Observing participants' behavior would not have revealed factors contributing to an ethical organizational environment, and so the ethnographic approach was not suited for this study.

Research Question

The overarching research question for this study was: What strategies do banking managers use to create an ethical organizational environment?

Interview Questions

I asked the following interview questions to address the overarching research question:

1. What values would you like your employees to consider when making decisions?
2. How do you ensure your employees adopt the corporate values?
3. How do you ensure ethical behavior in your organization?
4. How would you like employees to solve ethical dilemmas?
5. What strategies did you use to create an ethical organizational environment?
6. How did employees respond to the different strategies to create an ethical organizational environment?
7. What barriers hinder the creation of an ethical organizational environment?
8. How would you describe the role of trust in your organization?
9. What additional information would you like to share that we did not address already?

Conceptual Framework

Ethical climate theory represented the conceptual framework for this study. The researchers Victor and Cullen (1987, 1988) developed this theory based on moral development and the conceptualization of organizational climates. Considering the axiom that ethical corporate behavior is a result of employees' ethical behavior, the researchers argued that studying corporate ethics starts with examining employees' ethical behavior (Victor & Cullen, 1987). The ethics of employees is partly determined by the values within an organization (Victor & Cullen, 1987). Employees adjust to the accepted way of behaving through the perception of rewarded values (Victor & Cullen, 1987). Those values that stipulate what is ethically correct contribute to an ethical climate (Victor & Cullen, 1987). The bases of organizational decision-making reflect the organization's ethical climates (Victor & Cullen, 1988). Ethical climate theory assumes that sociocultural environment, organizational form, and organization-specific factors influence organizational climates (Victor & Cullen, 1988). The ethical climate theory aligned with this study of exploring strategies that banking managers use to create an ethical corporate environment.

Operational Definitions

Climate: Climate refers to employees' aggregate perception of psychological clues that represent a system's practices and procedures (Schneider, 1975).

Corruption: Corruption is an informal or illegal exchange of formally allocated resources that belong to an organization or collective and are handled to benefit a person or persons who are not the formal owner (Jancsics, 2014).

Ethical behavior: Ethical behavior relates to ethical and unethical decisions and conduct, assessed according to social norms (Treviño, Nieuwenboer, & Kish-Gephart, 2014).

Ethical climate: An ethical climate refers to the perception of appropriate behavior derived from organizational infrastructure, which affects decision-making and conduct (Victor & Cullen, 1988).

Moral disengagement: Moral disengagement is a prerequisite for unethical behavior and refers to cognitive reasoning that leads to unethical conduct without emotional stress (Martin et al., 2014).

Assumptions, Limitations, and Delimitations

Assumptions

An assumption refers to a strong belief in a certain condition to be true (Tsakas, 2014). I based this study on several assumptions, statements that I considered to be true without the ability to verify the actual certainty. Assumptions of this study were a result of the interpretivist paradigm underlying the qualitative approach. Interpretivism includes the assumption of multiple truths, depending on the observer (Yin, 2014).

I assumed participants would answer the interview questions in a true and unbiased manner. Discrepancies exist between individuals' intentions and actions (Jerolmack & Khan, 2014). Participants' responses in this study may not have reflected actual behavior, as I was unable to control for personal bias of the participant. Another assumption was that a minimum of one suitable professional would have been available for an interview. Participation was voluntary, and I did not have any control over professionals' willingness to share their insights. A final assumption related to my ability to detect common factors that contributed to an ethical organizational environment.

Limitations

A research limitation is a constraint beyond the control of the researcher that may affect results (Price & Murnan, 2004). I questioned banking managers about the ethical environment of their organization that was located in the United Arab Emirates. Findings were limited to the local banking setting and views expressed are unlikely to resemble perspectives of employees in other industries or geographical areas.

Ethical climates and trust are evolving constructs and can change over time. The data collection process provided a snapshot of corporate conditions. Time was therefore another limitation. I collected data within four weeks and ensured prompt data evaluation to minimize the time lag between data collection and publication of results.

Delimitations

Delimitations refer to the case boundaries; characteristics that fall within the frame of the case (Yin, 2014). This case study focused on an ethical bank located in the United Arab Emirates. Investigating conventional banks or banks outside the geographic location was beyond the scope of this study. Another delimitation referred to the selection of participants: individuals in management roles who had a thorough understanding and influence over the organizational environment.

Significance of the Study

Findings from this study promote trust in banking. Leaders who base the organizational system on consistent ethical values inspire trust (Hurley et al., 2013).

Effective strategies to create an ethical organizational environment provide a tool for banking managers to align the organizational climate and encourage trust and ethical behavior. Management research should aim at making a difference to practice (Birkinshaw, Healey, Suddaby, & Weber, 2014). Insights gained from this study could help banking managers to design ethical organizational environments.

Contribution to Business Practice

Banks and financial service providers have come under increasing scrutiny during the past years. Severe breaches of trust and misconduct triggered this trend. Banks need to adjust their internal environment to promote trustworthy behavior and regain customer trust (Hurley et al., 2014). Advancing research on organizational climates that promote trust in banking positively affects banks' abilities to enhance their reputations. Supplying practitioners with guidelines on how to integrate trustworthiness within the organizational climate enhances the practical value of this study. Exploring strategies to create an ethical organizational environment was the objective of this research. Banking managers may use the findings of this study to adjust the internal organizational environment to promote ethical behavior. Organizations based on trust perform well, endure less employee and customer turnover, and enjoy a superior financial position (Hurley et al., 2013).

Implications for Social Change

The results of this study contribute to positive social change by advancing ethical behavior in banks. Findings from this study provide managers with strategic insights on how to create an ethical and trustworthy organizational climate. Organizational trust promotes stability across the business network (Bülbül, 2013; Dahlstrom, Nygaard, Kimasheva, & Ulvnes, 2014). Leaders interested in positive social change will find this study valuable because an increase in trust and ethical behavior will initiate positive social change.

A Review of the Professional and Academic Literature

The objective of this research was to explore strategies that contribute to an ethical organizational environment. I searched management and organizational behavior related journals for relevant publications. Management related sources helped develop a thorough understanding of corporate sustainability, ethical climates, and their applications to the banking industry. Publications in the field of organizational behavior allowed for review findings on ethical behavior and trust. Pursuing rigorous research, this study draws on scholarly sources. Whereas early publications of seminal work provided the foundation of the theoretical framework, I relied on recent publications to capture current developments in the field. Industry publications helped to relate theory and business practice.

Adopting a thematic approach, I organized the review of the academic literature in four parts. The first part relates to sustainability in the context of business in general and banking in particular. I discuss literature regarding the concept of ethical climates in the second part. The third part outlines relevant literature concerned with organizational trust. Ethical behavior related literature follows in the last part.

Research on Corporate Sustainability

Organizations reflect changes in societal values. Priorities are shifting from profit maximization to concerns for people and environment (Przychodzen & Przychodzen, 2013). The importance of sustainability has grown in both public and economic domains. Sustainability refers to harmonizing economic, social, and environmental developments (Zollo, Cennamo, & Neumann, 2013). Translated into a business context, global developments have increased society's demands for business ethics and values (Revelli, 2016). Responsible corporate behavior has become a societal expectation (Paulet et al., 2015). Many organizational leaders emphasize their focus on corporate social performance in response to rising ethical awareness (Brower & Mahajan, 2013).

Various cases demonstrate the profitability of corporate sustainability. Organizations with an ethical mindset enjoy higher profits compared to those displaying less ethicality (Jin et al., 2013). Researchers conducted a comparative study of 90 high sustainability and 90 low sustainability firms over 17 years (Eccles, Ioannou, & Serafeim, 2014). Results indicated that high sustainability firms outperformed their peers regarding stock market and financial performance. High sustainability companies' stock market performance exceeded the returns of low sustainability firms by 32% and with lower volatility (Eccles et al., 2014). Return on assets and return on equity was considerably higher for high sustainability firms (Eccles et al., 2014). Other researchers investigated the financial volatility of sustainable organizations in contrast to conventional organizations and gained similar findings. Drawing on Standard and Poor's 500 companies, researchers compared 85 sustainable organizations and their less sustainable peers (Przychodzen & Przychodzen, 2013). The sustainable sample showed less fluctuation in growth and stock prices (Przychodzen & Przychodzen, 2013). Stable development makes sustainable companies more resistant to financial market crashes

(Przychodzen & Przychodzen, 2013). Some researchers focused on investigating CSR in conjunction with intangible assets. Firms operating in markets with high customer awareness can draw on a positive relationship between CSR and firm value (Servaes & Tamayo, 2013). High levels of customer identification, customer satisfaction, differentiation from competition, purchase likelihood, and loyalty follow sound CSR policies (Brower & Mahajan, 2013). Sustainable firms benefit from high employee commitment, enhanced employee performance, employees' identification with the organization, and an improved employee attitude beyond environmental responsibility (Galpin, Whittington, & Bell, 2015; Glavas & Kelley, 2014).

Superficial CSR engagement has negative implications. Firms neglecting CSR related industry standards face the loss of reputation (Eccles et al., 2014). CSR activities enhance firm value only if substantiated by corporate behavior (Servaes & Tamayo, 2013). Researchers discovered a negative relationship between advertising and CSR where CSR messages did not mirror the organization's reputation (Servaes & Tamayo, 2013).

External pressure can have adverse effects on CSR engagement, leading to a symbolic rather than a genuine focus on CSR. Regulation often induces leaders to adopt a symbolic CSR focus, aimed at pleasing stakeholders or meeting minimum requirements (Glavas & Kelley, 2014). Other researchers echo this finding. External regulation focusing on processes provokes a 'box-ticking' approach, which invites banks to meet an external requirement without incorporating the underlying intention of regulation and customers' true interests (Llewellyn, 2014). An experiment investigating ethical behavior in individuals indicated that voluntary regulation produced more unethical behavior compared to conditions of no regulation or full regulation (Gino et al., 2013).

These findings question the adoption and effectiveness of voluntary industry regulation. Regulation should focus on reforming the corporate culture (Llewellyn, 2014). Creating a sustainable corporate culture will help implementing a sustainable corporate ideology (Zdanyte & Neverauskas, 2014).

While the need and benefit of sustainable business practices are apparent, the corporate implementation of sustainability is not as clear (Zollo et al., 2013). Regulators are trying to govern companies' good practices through social responsibility standards (Zdanyte & Neverauskas, 2014). Academics caution that sustainability should be a core value rather than a response to industry regulation (Epstein & Buhovac, 2014). CSR activities are ineffective if unsubstantiated by the corporate culture (Servaes & Tamayo, 2013). Performance orientation often found in organizations hinders sustainability support (Maley, 2014). Many researchers suggest the establishment of a sustainable corporate culture (Epstein & Buhovac, 2014). Some researchers revealed features of successful sustainable organizations. These features include a top management team accountable for sustainability, long-term-stakeholder engagement, and communication of nonfinancial performance (Eccles et al., 2014). Other researchers identified strong cultural values and democratic organizational structure (Jin et al., 2013). Some suggest integrating sustainability as part of the organization's purpose (Galpin et al., 2015). Sustainability should be a strategic concern for organizations and requires commitment from different organizational levels (Galpin et al., 2015). Researchers have developed a culture of sustainability model that involves different organizational areas to create a sustainable organizational culture, including the corporate mission, values, HR strategy, and performance systems (Galpin et al., 2015).

Implementing sustainability in a business context can be challenging and paradoxical (Smith, Gonin, & Besharov, 2013). Leaders face the balancing act of responding to different stakeholder requests (Bundy, Shropshire, & Buchholtz, 2013). Stakeholder theory emerged as a prominent management approach for assessing the obligations of business participants (Hasnas, 2013). Some researchers questioned the underlying assumptions of stakeholder theory. Firms tend to respond to pressing issues, not specific stakeholder groups (Bundy et al., 2013). Misinterpretations of stakeholder theory resulted in the notion that an organization's stakeholders are those with a powerful, legitimate, and urgent claim (Hasnas, 2013). Contradictory to this misinterpretation, stakeholder theory provides a framework that business can use to pursue a set of shared ideas (Hasnas, 2013). The fundamental implications of stakeholder theory require mangers to acknowledge the inseparable ties between business and ethics, to ask whose interests, values, and rights will be enhanced through any business decision, and to take responsibility for their actions (Hasnas, 2013).

Perspectives on sustainable banking. Banks can benefit from social corporate engagement. CSR has a positive effect on corporate value for organizations operating in markets with high customer awareness (Servaes & Tamayo, 2013). The banking industry's adoption of CSR activities is subject to controversy. CSR engagement of organizations domiciled in tax havens is questionable and often serves control and accountability purposes instead of an indigenous organizational core value (Dowling, 2014). Banks highly engage in CSR initiatives with the aim of regaining credibility and trust (Pérez, Martínez & Rodríguez del Bosque, 2013). CSR policies in banks often relate to mission and vision statements and lack focus on environmental issues (Farag, Mallin, & Ow-Yong, 2014). Bank leaders can influence climate change through investments in green technologies and lending to sectors low in greenhouse gas emissions (Furrer, Hamprecht, & Hoffmann, 2012). Only a few bank leaders do so but many communicate to adopt a climate strategy (Furrer et al., 2012). Talking about “doing good” must not supersede the actual act of doing good. Translated into a banking context, investigators should not focus on what banks advertise but on what they accomplish and how they achieve their promises (Paulet et al., 2015). How much money a bank provides for environmental protection is not as meaningful as information on the business model that allows financing environmental causes (Paulet et al., 2015).

Conventional banks changed their behavior after the global financial crisis in 2007 (Paulet et al., 2015). Some bank leaders adopted a more responsible financial attitude and others altered their practices as requested by regulators (Paulet et al., 2015). Despite those adjustments, the business model of conventional banks has not changed (Paulet et al., 2015). Sustainable banks, in contrast, function based on a different business model and hardly had to change their practices to comply with a stronger focus on responsibility (Paulet et al., 2015).

Perspectives on ethical and conventional banks. Mutual, or cooperative, banks have a trust advantage compared to conventional banks (Llewellyn, 2014). This advantage is based on the perception of members instead of customers, which generates a different type of corporate culture (Llewellyn, 2014). Even though not all customers of a mutual bank are members, no conflict of interest between customers and owners exists (Llewellyn, 2014). The objective of a mutual bank is to act in the interest of its members, not the external shareholders (Llewellyn, 2014). Apart from the focus on CSR activities, the banking industry has witnessed the rise of ethical, or sustainable, banks (Tischer, 2013). Although ethical banks may not resemble the ownership structure of mutual banks, they share a similar business model including the focus on customer interests and independence from external shareholders. Ethical banks demonstrate a higher ethical commitment and more transparency compared to conventional banks (Paulet et al., 2015)

Strong ties with civil society, including support for organic farming, environmental protection, and fair trade, differentiate sustainable banks from conventional banks (Tischer, 2013). Ethical banks associated with the Global Alliance for Banking on Values (GABV), for example, embrace a business model intended to foster environmental protection, social empowerment, and economic viability (GABV, 2015). Creating and maintaining social value is the objective of ethical banks (Tischer, 2013). The values shared between bank and customers guide business transactions (Tischer, 2013). Member banks of the GABV undergo a review process to assess the integration of sustainable principles into the organizational culture and system (GABV, 2015). Employee commitment and organizational culture are among the most critical success factors for CSR activities in banks (Kasher, Mirmehdi, & Eram, 2013).

Comparing financial performance of ethical and conventional banks, the GABV revealed that ethical banks outperformed major global conventional banks (GABV, 2014). Exploring the cause that may have led to the global financial crisis, researchers support the GABV's argument by showing that ethical organizations enjoy higher profits (Jin et al., 2013). A positive relationship exists between CSR outlook and financial performance for banks adhering to strong values (Farag et al., 2014). Adopting a comprehensive focus on sustainability, ethical banks fulfill a new vision of firms serving a social purpose, thereby allowing both economy and society to prosper sustainably.

Some authors view ethical banks as countermovement to conventional banks' shareholder value approach (Tischer, 2013). Others regard ethical banks as the manifestation of noble practice in banking (Faugère, 2014). Ethical banks could increase their market share following the global financial crisis in 2007 (Tischer, 2013). Unlike suggested by media, ethical banks are not a response to crisis but a result of a social movement that started in the 1970s from conflicts between corporate and social interests (Tischer, 2013). The increasing popularity of ethical banks results from a movement against conventional banks' business model, which gained momentum after the global financial crisis (Tischer, 2013). Whereas conventional banks primarily focus on maximizing financial returns, ethical banks seek non-financial goals, stakeholder engagement, and transparency (Tischer, 2013).

Ethical banks return to the core business of banking by focusing on savings collection and provision of credit, thereby financing the real economy (Paulet et al., 2015). Lending decisions in sustainable banks draw on triple-bottom-line parameters

(Paulet et al., 2015). Another distinction between ethical and conventional banks is the perception of financial intermediary (Paulet et al., 2015). Whereas conventional banks disconnect depositors and borrowers, ethical banks encourage saving-borrowing engagement (Paulet et al., 2015). Regulatory reform in banking emphasizes an increase in transparency to improve governance. While regulatory bodies face obstacles of political resistance and long implementation periods (Kosack & Fung, 2014); information transparency has long been a fundamental element of sustainable banks (Pulejo, Marisca, & Rappazzo, 2015). Stakeholders receive information on the use of financial resources and their contribution to social and economic welfare (Pulejo et al., 2015). Transparency in some ethical banks can reach the publication of approved loans (Paulet et al., 2015).

Leaders of ethical banks refrain from investing in complex instruments in the financial market (Paulet et al., 2015). High profits of these instruments may be appealing to conventional banks (Paulet et al., 2015). Ethical banks compete with a wide range of more cost-effective products offered by conventional banks (Tischer, 2013). Trust and well-grounded customer relationships are essential to the survival of ethical banks (Tischer, 2013). Ethical banks have created a system of values and norms that stakeholders mutually subscribe to (Tischer, 2013). Customers of ethical banks typically can decide which project to invest in (Paulet et al., 2015). Customers of conventional banks have little influence over business decisions (Tischer, 2013). Deviating from the profit-maximizing focus of conventional banks, ethical banks aim at fostering ethics through profitability (Paulet et al., 2015).

Attempting to delineate ethical banks from other banks, one author analyzed the network of ethical banks in contrast to other alternative banks, including building societies or credit unions (Tischer, 2013). Results indicated that ethical banks' networks differ considerably from alternative banks' networks (Tischer, 2013). Ethical banks show stronger connections to other network partners, especially civil society organizations (Tischer, 2013). These strong linkages represent trust and credibility (Tischer, 2013). Trust and shared values are the prerequisites of reciprocity, which is a powerful tool to prevent moral hazard (Cornée & Szafarz, 2013). Ethical banks' scope of action needs to be in accordance with stakeholders' interests (Tischer, 2013). Depositors, on the other hand, face limited suppliers of social welfare oriented financing options (Tischer, 2013). This network creates a mutual dependence and enforces cohesion, which restricts opportunism and unethical behavior (Tischer, 2013). Researchers revealed that ethical bank borrowers respond to the sentiment of fair treatment by significantly decreasing their possibility of default (Cornée & Szafarz, 2013). Unlike conventional banking, abusing stakeholders' trust does not reward ethical banks with access profits but with a loss in market access (Tischer, 2013). Ethical bank investors may have to accept lower financial returns, but their sacrifice allows for low-interest charges to borrowers (Cornée & Szafarz, 2013). Sustainability-focused firms benefit from a decrease in cost of capital by borrowing from an ethical bank (Cornée & Szafarz, 2013).

Research on Ethical Climates

The external business environment influences organizational behavior (Tsuja & Mariño, 2013). Similarly, the internal organizational environment influences employee behavior. Employees' positive attitude toward their organization enhances performance (Ritz, Giauque, Varone, & Anderfuhren-Biget, 2014). Particularly within the banking industry, leaders have come to realize that building customer trust starts with their employees (Wallace et al., 2013). Banking leaders caution that organizational culture and ethics are of paramount importance to restoring a robust and trustworthy financial system (Flint, 2013).

Organizational culture is a broad term. The shared assumptions, values, and beliefs within an organization, which influence internal integration and external adaptation and are used to solve problems, all contribute to define the organizational culture (Schneider, Ehrhart, & Macey, 2013). Organizational climate is a concept closely linked to organizational culture. Both organizational culture and climate consist of shared meanings and guide decision-making (Coda, Silva, & Custodio, 2014). Employees' perceptions characterizing organizational policies and processes provide information about the organizational climate (Schneider et al., 2013). Organizational culture, on the other hand, refers to common assumptions, values, and beliefs driving the organization (Schneider et al., 2013). Organizational climate is different from culture because it is less permanent and more easily influenced compared to organizational culture (Curtis, 2015). Different cultures and climates can exist within a single organization (Coda et al., 2014).

Researchers from the fields of corporate culture and climate start acknowledging the parallels between both scholarships (Schneider et al., 2013). Corporate culture and climate are two fundamental elements that help to understand the functioning of organizations (Schneider et al., 2013). Some researchers suggest the competing values framework as a first step of integrating the two disciplines (Schneider et al., 2013). The organizational climate represents a management tool to influence employee attitudes (Coda et al., 2014). I focused on investigating the organizational climate for two reasons. Firstly, there is no validated concept available, which integrates both organizational climate and culture. Secondly, management can shape the organizational climate, which makes the ethical climate construct a valuable framework in a study aiming at enhancing business practice.

The organizational infrastructure has important consequences for organizational behavior. Research among service companies revealed that organizational characteristics facilitate organizational redesign, including changes in the organizational structure, human resources, and administrative processes (Tsuja & Mariño, 2013). Organizational centralization, formalization, and complexity of tasks have a strong influence in decision-making (Tsuja & Mariño, 2013). Employees' relationships within an organization shape organizational behavior and performance (Sorenson & Rogan, 2014). Individual's perception of an ethical organizational infrastructure reduces the tendency of engaging in unethical behavior (Martin et al., 2014). Numerous authors suggest a relationship between ethical climate and employees' perception of the priority of corporate ethics (Guerci, Radaelli, Siletti, Cirella, & Shani, 2015; Shafer, 2015). Studies in the field of corporate ethics suggest that improving the ethical climate will help reducing unethical employee behavior (Curtis, 2015).

The ethical climate construct. Organizational climate is an important construct to understand employee behavior (Schneider, 1975). The roots of ethical climate theory go back to the early work on moral development. Investigating children's moral judgment and perception of rules, a pioneering researcher found that children’s moral reasoning changed as they grew older (Piaget, 1932). The researcher concluded that the examples surrounding the individual reinforce moral development (Piaget, 1932, p. 324). The rationale for studying moral development rests in the assumption that investigating values, which differ depending on cultural background, will not explain the way people interact with their social environment. Instead, the environment shapes individuals’ behavior (Piaget, 1932). Moral development theory provides a framework free from cultural differences (Kohlberg & Hersh, 1977). Other researchers refined the work on moral development and identified different stages of morality, labeled pre-conventional, conventional, and principled morality levels (Kohlberg & Hersh, 1977). Moral development refers to the changes in an individual’s structure of thought (Kohlberg & Hersh, 1977). The three levels of morality formed an integral part of the ethical climate theory (Victor & Cullen, 1988).

Work climates are psychological specifications that individuals perceive as characteristics of practices and procedures within a system (Schneider, 1975). Ethical work climates focus on the perceptions of organizational practices that have ethical content (Victor & Cullen, 1988). Two researchers developed the ethical climate theory with the intention to provide a management tool to guide ethical employee behavior (Victor & Cullen, 1988). The authors drew on organization theory and economic theory to extend the concept of work climates. The underlying assumption of work climate theory resonates with the research on moral development because individuals conclude on acceptable behavior based on environmental cues (Schneider, 1975; Victor & Cullen, 1988). Ethical climates refer to a set of organizational characteristics that shape employees' behavior (Victor & Cullen, 1988). Ethical climate theory assumes that socio-cultural environment, organizational form, and organization-specific factors influence organizational climates (Victor & Cullen, 1988). The socio-cultural environment refers to the way in which societal norms become institutionalized (Victor & Cullen, 1988). Another source of ethical climates is the organizational form due to the relationship between normative and structural characteristics (Victor & Cullen, 1988). Organization-specific factors, such as history, influence ethical climates as they affect attraction, selection, attrition, homogenization, and socialization (Victor & Cullen, 1988).

Organizations consist of accumulations of individuals and are not single corporate actors (Sorenson & Rogan, 2014). Social relationships emerge within organizations but management does not always have the ability to capitalize on these relationships. Paying attention and managing social relationships is an important tool to access social capital (Sorenson & Rogan, 2014). Employees' perception of the importance of ethics in their organization depends upon management prioritizing ethics. Where employees perceive top management to pay little attention to ethics, an unethical climate is likely to emerge (Shafer, 2015). Research among corporate accountants suggests that top management's proactive behavior toward emphasizing ethics increases the belief in the importance of ethics and discourages earnings manipulations (Shafer, 2015).

Creating an ethical climate involves formal and informal influences (Blome & Paulraj, 2013). Human resource management (HRM) can promote corporate ethics in general and ethical climates in particular. Researchers identifying HRM practices as a tool to successfully creating ethical climates, suggest strong collaboration between HRM manager and managers from other departments to promote corporate ethics (Guerci et al., 2015). Corporate sustainability and an ethical infrastructure promote each other. An organization's orientation toward sustainability is a prerequisite for maximizing HRM practices to ensure corporate ethics (Guerci et al., 2015). Sustainability as a component of the organization's strategy provides a framework that helps employees to understand the need to create an ethical organizational climate (Guerci et al., 2015). Top management's ethical norms and the implementation of the code of conduct influence ethical climates (Blome & Paulraj, 2013).

Researchers have developed a categorization of ethical climates. The typology draws on ethical criterion (egoism, benevolence, principle) in conjunction with locus of analysis (individual, local, cosmopolitan) to categorize different ethical climate types. The ethical criterion dimension reflects levels of morality, ranging from self-interest to concern for others, and concern for society (Kohlberg & Hersh, 1977). Ethical climate typology labels these ethical criteria as egoism, benevolence, and principle (Victor & Cullen, 1988). Unlike moral development, ethical climates do not follow developmental stages (Victor & Cullen, 1988). The locus of analysis in moral development varies between the individual level, a system, and society (Kohlberg & Hersh, 1977). Similarly, ethical climate types vary between the loci of analysis, labeled individual, local, and cosmopolitan (Victor & Cullen, 1988). The individual locus entails personal beliefs that guide individual's decision-making and moral reasoning (Victor & Cullen, 1988).

Individuals' social systems, such as the organization, provide reference for moral decision-making at the local locus (Victor & Cullen, 1988). Sources for moral reasoning at the cosmopolitan locus are outside the immediate social group, such as society (Victor & Cullen, 1988).

Combining the locus of analysis with ethical criterion produces a typology of nine possible climate types: Three egoistic, three benevolent, and three principled climate types. Climates associated with the egoism criterion allow individuals to decide based on their own beliefs and values (Simha & Cullen, 2012). The benevolent climates foster decision-making based on concern for peers, the organizational collective, and social groups (Victor & Cullen, 1988). The source of behavior-guiding principles in principle climates are personal ethics, organizational rules or extra-organizational regulation (Victor & Cullen, 1988). Empirical research revealed five common ethical climate types, namely instrumental, caring, law and code, rules, and independence. Instrumental climates encourage egoistic behavior as basis of decision-making on the individual and local level of analysis (Simha & Cullen, 2012). Caring climates correspond with the benevolent criterion at the individual and local level. Employees in caring climates presume that their decision-making should consider the welfare of others (Simha & Cullen, 2012). Independence climates result from the principle criterion at the individual level. Ethical decision-making in independence climates is the result of personal moral beliefs with minimal consideration for external factors (Simha & Cullen, 2012). Rules climates, a product of the principle criterion at the local level, emphasize decision-making on local rules, such as a code of conduct (Simha & Cullen, 2012). A law and code climate is the intersection of a principle criterion at the cosmopolitan level and encourages behavior per external codes, such as professional codes of conduct (Simha & Cullen, 2012).

Ethical climates and organizational outcomes. Researchers have capitalized on the development of the ethical climate construct and explored organizational climates in detail. A major stream of research examined the organizational effects of ethical climates, including job satisfaction, commitment, turnover intentions, and ethical behavior (Simha & Cullen, 2012). Organizational climates are distinct from satisfaction because climates describe organizational characteristic whereas satisfaction represents a person's state (Fu & Deshpande, 2014). Benevolent and principled climates seem to foster organizational commitment whereas egoistic climates tend to hinder commitment (Fu & Deshpande, 2014). Various researchers found a link between ethical climates and ethical behavior. Employees' perception of ethical climates affects the perceived importance of ethics (Shafer, 2015). Exploring ethical climates and corruption, two researchers concluded that principle climates reduced corruption, whereas benevolent and egoistic climates were enhancing corruption (Stachowicz-Stanusch & Simha, 2013). Employees working in an egoistic or principle climate associate ethical behavior with success (Simha & Stachowicz-Stanusch, 2013).

Different types of shared values may yield different ethical climates. Research about the effects of human resource management (HRM) practices on ethical climates revealed that opportunity-enhancing HRM practices served benevolent and principled ethical climates (Guerci et al., 2015). Motivation-enhancing HRM practices, on the other hand, initiated egoistic climates (Guerci et al., 2015). Sustainability can enhance the positive effect of ability and opportunity enhancing HRM practices and interfere the relationship between motivational practices and egoistic climates (Guerci et al., 2015). Another study showed that egoistic climates, emphasizing corporate profitability, significantly decreased the support for ethics and social responsibility among accountants (Shafer, 2015).

Research on Ethical Behavior

Increasing globalization shifted the corporate focus on international business ethics. Declines in corporate performance, financial losses, damaged reputation, safety concerns, and decreases of customers are developments linked to unethical behavior (Askew, Beisler, & Keel, 2015). Guidelines and regulation urge organizations to acknowledge their inseparable ties with society and to operate with integrity (Enderle, 2015). Formal ethical codes applied worldwide include the Caux Principles, UN Global Compact, OECD Guidelines, and the ISO10000 code (Werhane, 2015). Adhering to these codes is voluntary and their success in decreasing unethical behavior is questionable (Werhane, 2015). Implementing a corporate code of ethics has become a popular action to demonstrate ethicality. Many companies use ethical audits and staff training to promote the integration of a code of ethics (Mpinganjira, Roberts-Lombard, Wood, & Svensson, 2016).

A study among UK businesses revealed that 70% of respondents indicated stakeholders knew about the code (Whyatt, Wood, & Callaghan, 2012). Notably, a similar proportion of 61% of respondents stated that the code was not helpful in solving ethical dilemmas. Analysis of the former finance house Lehman Brothers' code of ethics exposed that employees did not integrate it into the corporate culture. The code served the purpose of legal protection instead of inspiring behavior (Stevens & Buechler, 2013). Ethical documents become meaningless if unsupported by other organizational elements (Hurley et al., 2013).

Insights gained from an experiment may explain the limited success of codes of ethics. Researchers investigated individuals' behavior under three conditions, namely no regulation, voluntary regulation, and full regulation (Gino et al., 2013). Participants who choose not to participate in voluntary regulation produced more unethical behavior than participants under the full or no regulation conditions; a finding which the researchers termed "license to cheat" (Gino et al., 2013, p. 2195). Managers subscribing to voluntary guidelines may view them as a license for deviant behavior in other areas (Gino et al., 2013). Insights into managers' perception of events in conjunction with CSR provide support for the "license to cheat" argument. Researchers explored how a company's CSR engagement affects managers' perception and revealed that CSR activities lead managers to believe in the righteous conduct of their organization, without considering possible unethical implications (Fooks, Gilmaore, Collin, Holden & Lee, 2013). Managers perceived CSR as a competitive weapon and a tool to influence regulation (Fooks et al., 2013).

Many leaders fail to develop commitment to business ethics and are unable to embed their code of ethics into operations (Whyatt et al., 2012). A survey among 114 banks worldwide indicated that most banks engaged in deflective decoupling, a process whereby firms implement policies to a degree that leaves value creation unchanged (Furrer et al., 2012). Meta-analytic research found that the existence of a code of ethics does not influence ethical behavior (Treviño et al., 2014).

Ethical behavior in banks. Financial institutions often provide employees with high benefits to generate commitment and satisfaction. A money-oriented reward system may cause unethical behavior (Beus & Whitman, 2015). Support for this argument comes from a study regarding the underlying motivation for corruption. Morality is the basis of human social relations (Kouchaki, Smith-Crowe, Brief, & Sousa, 2013). Cooperative behavior is rooted in a deep concern for the welfare of others, which allows individuals to develop relationships and trust (Weisel & Shalvi, 2015). Cooperation may not always be used to benefit others, giving rise to corruption (Weisel & Shalvi, 2015).

Researchers explored settings that lead individuals to work together in a way that violated moral rules. Attempting to investigate the collaborative roots of corruption, the researchers designed a die-rolling experiment outlining the choice between collaboration and honesty (Weisel & Shalvi, 2015). Results showed that where both participants financially benefited from lying, collaborative unethical behavior rose by 489% compared to honest behavior (Weisel & Shalvi, 2015). Unethical behavior, or corruption, was up 96% where only one participant received financial gain (Weisel & Shalvi, 2015). Insights from this experiment are especially troublesome considering a financial environment. Empirical evidence shows that a concern for money increases self-serving employee behavior (Beus & Whitman, 2015). Employees working in environments that foster the concern for money adjust their behavior to maximize financial gain (Beus &

Whitman, 2015). Another study confirms these findings by demonstrating that exposure to money triggers individuals' unethical intentions (Kouchaki et al., 2013). Another experiment showed that the desire for financial success and status in banking employees leads to increased dishonest behavior (Cohn, Fehr, & Maréchal, 2014). Findings from these studies reveal the urgent need for banks to create an environment that encourages ethical behavior, without incentives for financial gain or even to force others to become partners in unethical conduct.

Organizational leaders may facilitate unethical behavior for the sake of organizational goals (Campbell & Göritz, 2014). Corrupt organizations create a mutually beneficial link between organizational goals and employment (Campbell & Göritz, 2014). Managers in these firms differentiate between reality and the code of ethics and emphasize success, results, and performance (Campbell & Göritz, 2014). Some authors argued that corruption signals the moral development stage of organizations (Fein & Weibler, 2014). Organizations are a collection of individuals, which undergo moral development stages (Fein & Weibler, 2014). Organizational conduct reflects employees' moral development stage. Low stages of individuals' moral development relate to high levels of corruption (Fein & Weibler, 2014).

Money and unethical behavior. Research about how money affects ethical behavior indicates that money leads individuals to act in a more selfish manner while decreasing the concern for others (Beus & Whitman, 2015). Attempting to increase the understanding of how money affects individual behavior over time, researchers conducted a within-person study to verify whether the salience of money led to changes in behavior. These researchers found empirical evidence of an increase in self-serving behavior (Beus & Whitman, 2015). Results did not support hypotheses relating to a decline in cooperative behavior (Beus & Whitman, 2015). Findings from their study confirmed that monetary rewards lead to changes in employee behavior. Employees working in environments that foster the concern for money adjust their behavior to maximize financial gain (Beus & Whitman, 2015). Another study investigated whether the mere exposure of money leads to corrupt behavior. The combined findings of four studies revealed that money exposure alone can initiate unethical intentions and behavior in individuals (Kouchaki et al., 2013). Particularly, the researchers found evidence for the exposure of money leading to a business decision mindset, which leads to corrupt behavior; concluding that organizations signaling monetary cues in their internal environment might activate unconscious unethical behavior in employees (Kouchaki et al., 2013).

Corporate culture in banks. Inseparable ties with money and financial gain in banking validate a deeper review of the corporate culture in banks. The banking industry has undergone a crisis of trust (Llewellyn, 2014). One issue driving erosion of trust in banking is the corporate culture (Llewellyn, 2014). The move from relationship-based to transaction-based banking, internal incentive structures, a short-term focus, lack of governance, and large size of organizations are features of conventional banks that spur deviant behavior (Llewellyn, 2014).

Numerous scandals in the banking industry have created the impression that the corporate culture in banks tolerates unethical behavior (Cohn et al., 2014). Researchers aimed to address this claim through empirical evidence and conducted a behavioral experiment among banking professionals. Participants had to toss a coin and report the outcome online (Cohn et al., 2014). Individuals in the treatment group were previously reminded about their occupational role, whereas individuals in the control group were reminded about their leisure time (Cohn et al., 2014). Results indicated that 26% of banking employees reminded about their workplace misreported higher results (Cohn et al., 2014). A follow-up experiment among nonbanking employees showed no effect of the occupational role on unethical behavior (Cohn et al., 2014). The researchers found that the desire for social status through financial success lead banking employees to cheat (Cohn et al., 2014). A former Goldman Sachs director resonates the researchers' findings. Sharing insights on how the corporate culture, the industry expert described the prevailing *take-the-money-and-run* mentality as irresponsible and unsustainable (Smith, 2012). Other researchers viewed the exposure to money as the root of unethical intentions (Kouchaki et al., 2013).

Attempting to increase the understanding of the corporate culture in banks, researchers examined the possibility of a risk culture. Drawing on a sample of 128 banking employees working for an international bank, the researchers conducted an experiment to empirically test the assumption that employees in banks behave riskier compared to other industries (Cohn, Fehr, & Maréchal, 2015). Results indicated that banking employees do not behave riskier than peers do from other industries (Cohn et al., 2015). When reminded about their occupational role, banking employees even tended to behave more risk averse than employees from other industries (Cohn et al., 2015).

Considering the combined findings of their behavioral experiments, the authors conclude that unethical behavior in banks might be the result of a questionable unethical culture instead of a risk culture (Cohn et al., 2015). This study addressed this presumption by investigating strategies to create an ethical organizational environment, thereby influencing organizational culture. I discussed ethical climate as a representative construct of ethical culture above.

One researcher attempted to verify whether the unethical reputation of bankers withstands empirical tests. Using two samples of 23 bankers and 274 individuals not related to banking, the researcher investigated whether bankers responded differently to ethical dilemmas (Rusch, 2015). Although results revealed deviations in behavior, gender differences explained these deviations (Rusch, 2015). The researcher found no evidence suggesting that bankers responded differently to ethical dilemmas compared to individuals from other professions (Rusch, 2015). This research supports the notion that the organizational context plays an integral role in triggering unethical behavior (Cohn et al., 2014; Kouchaki et al., 2013). Research on creating an ethical organizational climate to influences ethical behavior, such as this study, is relevant.

Philosophical perspectives on ethical behavior. Investigating ethical behavior requires the clarification of the concept (Fein & Weibler, 2014). Many authors define ethical behavior as individual behavior judged against generally accepted norms (Askew et al., 2015). Other authors caution that the notion of “generally accepted” norms varies between organizations, countries, and contexts (Fein & Weibler, 2014). Defining ethical behavior in the context of this study requires insights into industry practices. An investigation of how rating agencies use techniques to maintain institutions deemed as essential to the capital market provides an example. Researchers analyzed decisions made by three major credit rating agencies in the United States from 2001-2011. Rating agencies initially provided ratings to safeguard the integrity of information to the public (Clark & Newell, 2013). The researchers found that, over time, the rating agencies started to decouple their actions from ethical parameters of objective and neutral judgment (Clark & Newell, 2013). Even though regulators realized the malpractices, market participants continued to act as if the rating decisions were legitimate (Clark & Newell, 2013). The researchers refer to this industry-wide phenomenon as complicit decoupling (Clark & Newell, 2013). Decoupling on an organizational level refers to a phenomenon where formal structure and guidelines do not match actual practices (Clark & Newell, 2013). Based on these industry insights, I define ethical behavior on an organizational level in the context of this study as conduct where communicated intent is in line with actual practices in the absence of decoupling.

Another study helps to clarify ethical behavior on an individual level in the context of this study. Quantitative analysts (quants) are individuals who possess the important role of creating and pricing complex financial instruments (West, 2015). Market participants often lack the mathematical understanding required to assess the ethicality of these financial instruments (West, 2015). Quants often operate in an environment free from ethical constraint, which leads to a sense of moral detachment (West, 2015). Tertiary programs in mathematical finance rarely incorporate ethics and young quants enter the corporate world without moral guidance (West, 2015). Insights into a particular occupational role do not apply to the general workforce in the financial industry, but may include some valuable clues.

Moral detachment echoes the concept of moral disengagement. Individuals would usually feel distress when acting contrary to their internal moral guideline (Martin et al., 2014). This self-regulatory process ensures behavior in line with socially accepted moral standards. Moral disengagement takes place when individuals bypass the negative emotions associated with acting contrary to internal moral standards to pursuit their own interests (Fida et al., 2015). The way individuals perceive their organizational environment influences their inclination to engage in moral disengagement (Fida et al., 2015).

Ethical behavior and ethical climate. The corporate environment plays an integral part in fostering ethical or unethical behavior. Organizations' social settings, systems, and policies influence employee behavior (Victor & Cullen, 1988). Employees in organizations emphasizing ethical values behave ethically because the corporate culture shapes ethical behavior (Birtch & Chiang, 2014). Getting employees to report unethical behavior depends on an ethical climate reinforced at multiple levels (Mayer, Nurmohamed, Treviño, Shapiro, & Schimke, 2013). Similarly, environments have the potential to contribute to a firm's corporate social irresponsibility (Kreig, Brouthers, & Marshall, 2015).

Various researchers have confirmed a link between ethical climates and ethical behavior (Simha & Cullen, 2012). The definition of ethical behavior varies considerably among these studies. Some researchers consider ethical behavior as whistle-blowing;

others associate ethical behavior with the aversion to paying a bribe, extra-role behavior, misreporting, or risk-taking (Simha & Cullen, 2012). Not enough evidence is available to conclude an existing relationship between ethical climate and ethical behavior. Studies also showed inconsistent results. Researchers conducting five different studies found a positive relationship between caring ethical climates and ethical behavior (Simha & Cullen, 2012). Other researchers reported a negative relationship between caring ethical climates and ethical behavior (Stachowicz-Stanusch & Simha, 2013). A recent study revealed that the perception of an ethical climate leads to higher moral decision-making when employees face business dilemmas (van Gils, Hogg, van Quaquebeke, & van Kippenberg, 2015).

The influential power of ethical climates has been evident throughout the literature. The environment shapes an understanding of what is morally acceptable (Schneider, 1975). Ethical climates foster ethical behavior in employees (Victor & Cullen, 1988). The multitude of influences makes the intentional direction of ethical behavior difficult; guiding human behavior might only be possible to a certain extent. Ethical infrastructure can prevent individuals from engaging in self-directed unethical behavior but may motivate other types of unethical behavior (Martin et al., 2014). Perceptions of ethical climates can lead employees to disengage morally about common behaviors (Martin et al., 2014). Moral disengagement is a way of reasoning that leads individuals to behave unethically without feeling distressed (Knoll, Lord, Petersen, & Weigelt, 2016). Researchers caution that organizations displaying unethical conduct must not be classified as unethical organizations (Martin et al., 2014). Instead, academics should acknowledge human nature and that individuals' motivation can initiate and justify unethical behavior (Martin et al., 2014).

Research on Organizational Trust

Considering the wider social context is essential when analyzing organizational trust (Siebert, Martin, Bozic, & Docherty, 2015). Trust is an essential element of economic transactions (Algan & Cahuc, 2013). The propensity to trust advances educational, institutional and economic quality (Bjørnskov & Méon, 2013). Researchers found a strong relationship between trust and economic performance across and within countries (Algan & Cahuc, 2013). Trust levels in the United States range from 60% to less than 20% across different states. Attempting to relate trust and economic growth, researchers matched trust levels and per capita income (Algan & Cahuc, 2013). Statistical analysis revealed a strong correlation between trust and economic performance, which remained consistent across countries and geographic areas (Algan &Cahuc, 2013). Trust enhances the quality of legal institutions and education, which further aids economic development (Bjørnskov & Méon, 2013).

Corporate trust violations have left public trust greatly diminished. A long-term study over 12 years revealed that trust violations tend to originate from faults in the organizational system, rather than unethical employees (Hurley et al., 2013). Trust violations often occur because the corporate culture prioritizes one stakeholder group over another (Hurley et al., 2013). Building trust requires a focus on sustainability deeply integrated within the corporate culture (Ioannou, 2012). Additionally, the corporate strategy, leadership, stakeholder engagement, and transparency must signal sustainability

(Ioannou, 2012). Organizations with a strong focus on sustainability outperform peers in the long-run (Eccles et al., 2014).

Researchers recommend organizations to use informal control mechanisms in addition to formal rules when attempting to regain trust (Eberl, Gieger, Aßländer, 2015). Informal norms, such as cultural norms, provide more flexibility compared to formal rules and can guide employee behavior (Eberl et al., 2015). Trust in employees serves as a relationship anchor and allows organizations to tap into their social capital (Sorenson & Rogan, 2014). Other researchers found that managers' trustworthy behavior enhances the quality of work life (van der Berg & Martins, 2013).

Trust and banking. Trust is essential to financial markets as individuals provide money in exchange for promises (Sapienza & Zingales, 2012). Trust in the banking industry has been severely damaged (Järvinen, 2014). Mergers and acquisitions resulted in global finance institutions with high growth rates and assets, accompanied by a decline of concern for shareholders' capital (Armstrong, 2012). The financial crisis revealed the importance of trust for the banking industry (Bülbül, 2013). A study across industries revealed that trust in banking was no more important than in other industries (Nienaber et al., 2014); however, trust in this sector had been declining over the past two decades (Nienaber et al., 2014). Incentives to engage in risky investments lead to the deterioration of governance and trust (Armstrong, 2012). Banks' corporate culture and internal systems allowing untrustworthy behavior may have led to the public's loss of trust (Nienaber et al., 2014). Searching for evidence supporting this claim, researchers conducted a trust survey among 1034 American households. Results confirm that trust affects individuals' finance decisions (Sapienza & Zingales, 2012). The level of trust was lowest (1.62) among participants who planned to divest their money, compared to participants who planned to leave their portfolio unchanged (2.13) or increase their investment (2.90) (Sapienza & Zingales, 2012). Trust had a significant effect on financial intentions even after the researchers controlled for the participants' expectations on stock market performance (Sapienza & Zingales, 2012).

Household members who decided to withdraw money from banks and store it as cash accounted for 11% of the sample (Sapienza & Zingales, 2012). This action was related to participants' trust in banks and bankers (Sapienza & Zingales, 2012). The majority (51%) of participants perceived managers' greed or poor governance to be the source of the financial crisis (Sapienza & Zingales, 2012). This survey demonstrates that many people blame finance institutions' corporate culture for the financial crisis.

The current state of regulation was no longer sufficient to produce trust because of bankers' inclination to avoid restrictions (Nienaber et al., 2014). Evidence from current banking practices supports this alarming statement. Investigating trust development between financial advisors and clients, researchers found that trust increased with interaction (Söderberg, Sallis, & Eriksson, 2014). Unlike clients, advisors perceived that higher levels of trust reduced their clients' risk preferences (Söderberg et al., 2014). Another study supports these results by confirming that trust reduces perceived market risk (Dahlstrom et al., 2014).

Trust within financial institutions influences customers' perception of trust. Banks focusing on building trust signal trustworthiness to stakeholders and gain reputation

(Hurley et al., 2014). Assessing young adults' level of trust in banking and financial institutions revealed that 81% of respondents had little or no trust in banking (Shim, Serido, & Tang, 2013). Trust must be restored to enable society to progress (De Bondt, 2013). The fact that banking leaders have yet to face their most doubtful customers underlines this request. Ethics represents an alternative to regulation as it allows influencing behavior at low cost. The trustworthiness of banks is crucial for sustainable customer relationships and relevant to the wider banking network (Bülbül, 2013). Consequently, industry leaders urge peers to focus on organizational culture and ethics to restore a solid and trusted financial system (Flint, 2013).

Trust and organizational outcomes. The interplay between trust and ethical behavior is complex. Trust research has increased alongside a rise in trust violations in society (Ferrin, 2013). Low levels of trust lead to high corruption and further decline of trust (Uslaner, 2013). Banks incorporating trustworthiness into core processes regain a reputation of trust across stakeholder groups (Gillespie et al., 2014; Hurley et al., 2013). Compared to large banks, community banks maintained higher levels of trust or regained trust more effectively because of stakeholder concern (Hurley et al., 2014). Shortcomings of large banks include benevolence, integrity, and communication (Hurley et al., 2014). Organizational trust covers personal and institutional domains as employees create trust for employees to establish predictability (Siebert et al., 2015). Organizational trust implies that the institutional system reflects trust (Hurley et al., 2014; Siebert et al., 2015). Changes in the organizational climate can influence trustworthiness (Mayer, Davis, & Schoorman, 1995).

Employees act in a trustworthy manner in corporate environments that send consistently trustworthy signals (Hurley et al., 2013). A recent study supported this statement by revealing that organizational justice enhances employees' trust and commitment (Guh, Lin, Fan & Yang, 2013). Employees with high levels of trust are committed and have little intention to leave the company (Sinclair, 2013). Increased levels of trust have positive implications for organizational performance (Bakiev, 2013). Another study showed that corporate trust positively affects intellectual capital (Shih & Funes, 2013).

Trust influences inter-organizational relationships. Researchers investigated trust development during mergers and acquisitions (Lander & Kooning, 2013). The trustworthy behavior of one party initiated trusting beliefs in the other party (Lander & Kooning, 2013). Subsequent trusting attitudes and behaviors emerged (Lander & Kooning, 2013). Trust and distrust coexist and varied across the personal, outcome, and process domains (Lander & Kooning, 2013). Management can prevent short-lived trust violations to turn into a breach of trust by addressing them (Lander & Kooning, 2013). Repeated corruption leads to trust among corrupt agents (Jancsics, 2014). This insight suggests that corruption and trust coexist.

Value congruence is an important mechanism to fuel corporate trust (Hurley et al., 2014). Where the organizational system indicates conflicting or incongruent elements, trust violations occur (Hurely et al., 2013). Conflicting elements are apparent, for example, where corporate policies favor one stakeholder group over the other (Hurley et al., 2013). Introducing new values targeted at the corporate culture and processes is essential in repairing organizational trust (Gillespie et al., 2014). Curing an unbalanced system requires organizations to realign elements of the organizational infrastructure (Hurley et al., 2013).

Excessive levels of trust can have negative consequences. Employees with very high levels of trust may reduce their diligence believing that others have applied sufficient levels of care when gathering and processing information (Stevens, MacDuffie, & Helper, 2015). Other problems include excessive interaction and avoidable obligations, which may lead to exploitation (Stevens et al., 2015). When the level of trust is either too high or too low, managers must focus on a reorientation of trust that goes beyond trust repair (Stevens et al., 2015). Reorientation may include structural changes and adjusting objectives and incentives (Stevens et al., 2015).

Trust and ethical climates. Organizational routines and procedures that signal ethical values are essential to creating an ethical corporate culture (Bachmann, Gillespie, & Priem, 2015). An ethical infrastructure helps to protect the organization from unethical behavior (Bachmann et al., 2015). Researchers began to examine the relationship between ethical climates and trust. The limited number of studies found theoretical and empirical evidence for a positive relationship between trust and ethical infrastructure (Martin et al., 2014). Researchers investigated the moderating effect of a trust climate regarding the relationship between individual trust and job-related outcomes, including job satisfaction, commitment, job security, motivation, and engagement (Jiang & Probst, 2015). While the researchers found significant relationships between individual trust in management and all outcome variables, significant moderation effects of a trust climate were revealed for job security and burnout (Jiang & Probst, 2015). Benevolent climates have a positive effect on trust in the supervisor and organization (Simha & Stachowicz-Stanusch, 2015). Egoistic climates had a negative effect on supervisory and organizational trust (Simha & Stachowicz-Stanusch, 2015).

Philosophical perspectives on trust. Researchers define trust in an organizational context as a psychological state that displays the intention to be vulnerable in relation to positive expectations of another party's behavior or intentions (Rousseau, Sitkin, Burt, & Camerer, 1998). Risk and interdependence are necessary for trust to develop (Rousseau et al., 1998). Other researchers contested this broadly accepted definition of trust because it invites vulnerability and risk-taking (Cohen & Dienhart, 2013). This conception of trust is unable to reveal the difference between organizations built on trust and those adopting a transaction cost perspective (Cohen & Dienhart, 2013). Instead, trust should be perceived as an obligation: Trusting one party invites this party to accept an obligation able to create and deepen a trust relationship (Cohen & Dienhart, 2013). Trust among individuals leads to risk-taking (Mayer et al., 1995). Findings about declining perceptions of market risk and higher risk preferences among banking professionals indicate support for this proposition (Dahlstrom et al., 2014; Söderberg et al., 2014).

Researchers developed a model of organizational trust (Mayer et al., 1995). According to this model, an individual must possess the ability, benevolence, and integrity to be trustworthy (Mayer et al., 1995). Organizations can encourage and restrain trust (Rousseau et al., 1998). Trust affects employees' level of corporate citizenship behavior (Mayer et al., 1995). Control mechanisms, in contrast, can undermine trust creation (Rousseau et al., 1998). Context influences prerequisites of trust (Mayer et al., 1995). Organizational procedures signaling ethical values and promoting ethical behavior are an important step to restore trust (Bachmann et al., 2015). This argument links the concept of ethical climates to organizational trust and underpins the importance of a trustworthy organizational infrastructure.

Various researchers confirmed a link between ethical climates and ethical behavior (Simha & Cullen, 2012). The definition of ethical behavior varies considerably among these studies. Some researchers consider ethical behavior as whistle-blowing; others associate ethical behavior with the aversion to paying a bribe, extra-role behavior, misreporting, or risk-taking (Simha & Cullen, 2012). None of the researchers considered ethical behavior in light of moral disengagement. Not enough evidence is available to conclude an existing relationship between ethical climate and ethical behavior.

Studies also indicated inconsistent results. Researchers conducting five different studies found a positive relationship between caring ethical climates and ethical behavior (Simha & Cullen, 2012). Other researchers reported a negative relationship between caring ethical climates and ethical behavior (Stachowicz-Stanusch & Simha, 2013). This study focused on investigating effective strategies to create an ethical organizational environment.

Transition

Bank leaders face the challenge of re-establishing trust. Trustworthy corporate behavior follows ethical behavior within organizations. I identified the specific business problem as banking leaders' lack of strategies to create an ethical organizational environment. Ethical climates can foster trust and ethical employee behavior. The ethical climate construct was a valuable framework to examine the ethicality of the internal infrastructure of banks. The qualitative approach was best suited to investigate the strategies banking leaders use to create an ethical organizational environment. Specifically, the case study design helped to gain a deep understanding of factors affecting an ethical environment in an organizational context. I derived the research question and interview questions from the specific business problem. Operational definitions, assumptions, limitations, and delimitations of this study were provided. Insights gained from this study help banking managers to understand how to create ethical organizational environments and foster trust.

Section 1 outlined the foundation of the study. The objective of Section 2 is to elaborate on the research design in more detail. I will discuss the role of the researcher, participants, and elaborate on the population and sample. Departing from the purpose statement, research method, research design, data collection, data analysis, reliability and validity issues will be discussed. I will state applications of ethical research for this study.

Section 2: The Project

This section includes the steps to achieve the goal of the research project. I derived the implementation of this research from the purpose statement. I commence this section with the purpose statement, followed by a discussion about the role of the researcher and participants. I present the research method, research design, and population and sampling next. The paragraph on ethical research includes measures taken to ensure the ethical protection of participants. I provide information on data collection instruments, data collection technique, data organization technique, data analysis, and reliability and validity in the remainder of this section.

Purpose Statement

The purpose of this qualitative exploratory single case study was to discover strategies that banking managers use to create an ethical organizational environment. Managers from a bank located in the United Arab Emirates served as the targeted population. This population was appropriate for the study because of the banks' ethical approach through the inclusion of ethical values and commitment to society. Findings from this study help banking leaders to foster ethical organizational environments in a manner that will enhance ethical employee behavior. The resulting positive social change would be an increase of customers' trust in banks that behave ethically. Ethical banking behavior aids positive socioeconomic development and benefits the communities served.

Role of the Researcher

Data collection is central to a research project, and the researcher's role includes gathering empirical evidence to describe a phenomenon or develop a theory (Haneef, 2013). Mitigating researcher bias to maintain objectiveness and to ensure rigorous research is a concern throughout the research process (Elo et al., 2014; Zupic & Čater, 2014). Achieving this goal starts with identifying the researcher's personal worldview shaped by values and experiences to recognize and bracket possible bias (Peredaryenko & Krauss, 2013). Drawing on my personal values, I strongly believe in the ethicality of businesses as a prerequisite for sustainability. This perception may color the interpretation of results. I mitigated this bias by developing and adhering to my interview protocol. Serving as a guide during the data collection process, the interview protocol outlined the interview process and questions (Yin, 2014). Avoiding leading questions and member checking are tools to mitigate researcher bias (Doody & Noonan, 2013; Reilly, 2013). I crafted interview questions carefully to avoid leading the respondent to a specific answer. Additionally, I provided participants with my interpretation of the interview for verification. No relationship existed between participants and me. An interest in the dynamics of corporate culture and the implications of the global financial crisis lead me to pursue this research project.

Conducting research about human beings raises ethical considerations. The ethical principles as outlined in the Belmont Report helped to ensure ethical research. As described in the Belmont Report, I conducted this study in a just and beneficent manner with respect for all individuals involved. Participants could choose whether to participate in the study, and they were assured they would not be harmed in any way (U.S. Department of Health & Human Services, 1979).

Participants

Selecting appropriate research participants requires consideration of the research question (Wahyuni, 2012). Defining eligibility criteria allows the researcher to include participants in line with the purpose of the study (Bernard & Gravlee, 2014). A researcher must acknowledge the inseparable ties between case and context when deciding on selection criteria (Sangster-Gormley, 2013). The research question for this study related to strategies that banking managers use to create an ethical organizational environment. Participants eligible to take part in the study were banking managers who were involved in ethical considerations affecting the organizational environment.

Informal relationships often facilitate referrals to potential participants (Wahyuni, 2012). Researchers have used third party referral to access eligible participants (Dasgupta, 2015; Thomas, 2015). I attended industry events as a strategy to gain access to managers who met the eligibility criteria. Networking allowed me to become acquainted with the local banking industry. I used networking to gain access to a bank that successfully adopted an ethical business approach. I obtained a letter of cooperation from the bank prior to seeking participants. The letter of cooperation outlined the permission to conduct the research, confirmed confidentiality, and stated the responsibilities of the bank.

Frequent communication, or networking, is an essential part of establishing working relationships (Kyvik, 2013). Building trust and rapport are prerequisites to gaining honest answers during data collection (Doody & Noonan, 2013). Attempting to establish a trustworthy research relationship, I presented my intended study to a manager of an eligible organization. The organization's vice president showed interest to serve as my community partner and signed a letter of cooperation.

Research Method and Design

Research Method

Research approaches vary according to their research paradigms, which is the fundamental worldview that guides the thinking framework of the researcher (Whyuni, 2012). A research method within a research approach outlines the procedures and structure of the research project (Reale, 2014). The interpretivist worldview considers reality as a creation of social actors (Whyuni, 2012). Qualitative methods relate to the interpretivist paradigm and allow investigating complex human topics (Lucas, 2014). The qualitative researcher seeks to understand reality through interaction with the research subject (Haneef, 2013). The aim of qualitative research is transferring findings from one setting to another using subjective interpretation (Haneef, 2013). Subjective inquiry of research participants' experiences revealed how practitioners created an ethical organizational climate. The qualitative approach was an appropriate choice for my research.

Quantitative methods relate to the positivist worldview, which presumes an objective reality independent of the researcher (Whyuni, 2012). Positivist researchers seek to analyze statistically the effects of independent variables on dependent variables (Babones, 2015). The aim of quantitative research is to generalize to a larger population using deductive reasoning (Haneef, 2013). Statistical analyses would not have revealed strategies that banking leaders use to create ethical organizational environments. The quantitative approach was not suitable for this study.

Mixing qualitative and quantitative approaches during the same research inquiry represent the mixed methods approach (Zachariadis, Scott, & Barrett, 2013). Mixed methods help to address complex research problems, which cannot be completely understood using a single research approach (Venkatesh et al., 2013). The mixed methods approach aims at providing a descriptive and prescriptive model of the researched phenomenon (Whyuni, 2012). Investigating the research problem of this study did not require the use of both qualitative and quantitative approaches simultaneously. The discussed research options revealed that the qualitative approach was the most appropriate option for this study.

Research Design

The research design outlines the research methods required to address the fundamental research question (Wahyuni, 2012). Qualitative researchers can choose from a variety of research designs, including grounded theory, case study, phenomenology, and ethnography designs (Petty, Thomson, & Stew, 2012). Grounded theory is a design that aims at developing a theory about a social process, action, or interaction (Petty et al., 2012). Researchers using grounded theory seek to understand fully the relationship between variables to derive a theory (O'Reilly & Parker, 2012). The grounded theory design is useful in instances where existing theory cannot advance the understanding of a phenomenon (O'Reilly, Paper, & Marx, 2012). Ethics in organizations is a field with ample management theory available, which did not warrant the choice of a grounded theory design.

The case study design allows the researcher to gain a deep understanding of a phenomenon through exploring a case (Yin, 2014). Case study research draws on multiple sources of evidence within a predefined system to explain real-life (Cronin, 2014). A researcher employing the case study design seeks to understand what is distinctive about a case (Petty et al., 2012). I explored how an organization successfully implemented an ethical organizational environment within an industry criticized for unethical behavior. This goal made the case study design an appropriate choice for this study.

Phenomenology allows understanding a phenomenon from the lived experiences of participants (De Felice & Janesick, 2015). Reaching the essence of the participants' experience requires the researcher to eliminate personal views of the phenomenon (Petty et al., 2012). The phenomenological design is suited for research questions that explore experience and meaning (Gill, 2014). Investigating research participants' experiences was not the purpose of this study. The phenomenological design was not suited for this study.

The aim of ethnography is to discover common patterns of language, belief, and behavior among a cultural group (Petty et al., 2012). Studying cultural patterns is a time-consuming endeavor and involves prolonged observations and interviewing (Eno & Dammak, 2014; Petty et al., 2012). Additionally, assuming that self-reports are a true reflection of behavior is debatable (Jerolmack & Khan, 2014). I did not intend to investigate strategies to establish an ethical environment from a cultural perspective. The ethnographic design was not suited for this study. Having considered various designs associated with the qualitative research method, I chose the case study design as appropriate research design for this study.

Data saturation affects the quality and validity of a case study (Morse, 2015). Clearly defined case boundaries are the prerequisite for reaching data saturation and help to assess decreasing relevance in newly collected data (Yin, 2014). Other aspects to ensure data saturation include mitigating personal bias, using triangulation, and paying attention to the richness of data (Fusch & Ness, 2015). I identified the case boundaries and strategies to mitigate personal bias, which allowed for data saturation. I will elaborate on further aspects influencing data saturation in the next section.

Population and Sampling

A targeted population is a selection of subjects that meet criteria in line with the purpose of the study (Wahyuni, 2012). The purpose of this case study was to explore strategies that banking managers use to create an ethical organizational environment. Departing from the purpose statement, the targeted population consisted of managers who have successfully implemented strategies to create an ethical environment within the case organization. Selection criteria to identify participants with the required level of knowledge helped to screen candidates (Robinson, 2014; Yin, 2014). I derived the inclusion criteria for this study as managers who had an influence in crafting and implementing strategies affecting ethicality in the organization and who possessed English proficiency. Managers associated with the human resource department, dedicated governance department, and board of directors had the level of strategic knowledge required to answer the interview questions. Practical considerations influence the sample size in a qualitative study, but a range of participants can ensure the necessary flexibility (Robinson, 2014). I intended to gain access to multiple managers from each department, resulting in four to eight research participants.

Sampling is the process of deciding on a strategy to include suitable subjects in the study (Uprichard, 2013). Sampling strategies for qualitative methods include convenience sampling, purposive sampling, and snowball sampling (Petty et al., 2012). Convenience sampling allows for selecting easily accessible cases (Robinson, 2014). Researchers using purposive sampling focus on relevance and derive selection criteria in line with the purpose of the study (Barrat, Ferris, & Lenton, 2015). During snowball sampling, participants refer the researcher to other potential participants (Petty et al., 2012). Researchers have successfully applied a combination of purposive and snowball sampling in which a purposive sample is initially selected followed by a snowball technique (Wahyuni, 2012). Selecting participants with relevant knowledge was essential to answering the research question, which lead me to the adoption of the purposive sampling method. I applied a combination of purposive and snowball sampling technique to ensure adequate access to participants.

Data saturation is an important factor in qualitative research as it influences the validity of a study (Fusch & Ness, 2015). Unlike quantitative studies, qualitative studies' validity and data saturation are not linked to sample size (Fusch & Ness, 2015). Qualitative data saturation is the process of developing rich data through rigorous inquiry and crafting theoretical categories by considering scope and replication (Morse, 2015). There is a link between data saturation and triangulation, as data saturation is complete when no new data categories emerge (Marshall, Cardon, Poddar, & Fontenot, 2013). I drew on multiple sources of evidence and consider the decline of new data categories as a sign of data saturation. Obtaining rich data requires an appropriate sample and questions suited for multiple participants (Morse, 2015). I chose the purposive sampling technique to ensure the collection of relevant data. Additionally, I phrased interview questions to apply to a variety of participants.

Ethical Research

Ensuring research participants' informed consent enhances the transparency and trustworthiness of a study (Robinson, 2014). I adhered to the requirements for informed consent as stipulated by the U.S. Federal Regulations. Individuals became participants for this study after submitting their legally effective consent to participate (U.S. Department of Health & Human Services, 2010). I completed a National Institute of Health (NIH) training course on "Protecting Human Research Participants" to ensure knowledge about protecting human participants in research. Appendix A shows the completion certificate for this course.

Ensuring voluntary participation is an essential element of ethical research (Robinson, 2014). Participants could withdraw from the study at any point without detriment by verbal notice. I did not offer any incentives to participate in the study. Participants knew from the consent form that participation was voluntarily and that they could withdraw from the study at any time. To ensure the confidentiality of participants and the case organization, I did not mention names or other identifiable information but referred to the case company and participants by using a pseudonym. I retained the data for this study on a hard drive locked in a safe container for the duration of 5 years to protect the confidentiality of participants. I shared a summary of the findings with the case company after obtaining final approval. The Institutional Review Board (IRB) approval number for this study was 10-24-16-0443814.

Data Collection Instruments

Qualitative researchers are the primary instrument for data collection and inseparably linked to their research (Mohammed, Peter, Gastaldo, & Howell, 2015; Peredaryenko & Krauss, 2013). I was the first source of data collection and obtained data from semistructured interviews and company documentation during the data collection process. My aim was to explore how banks create an ethical environment to ensure ethical behavior. Conducting interviews with managers and reviewing internal documentation allowed me to get some rich understanding of the ethical climate in the case company. Other researchers have successfully used this combination of data collection techniques to gain insights about ethicality and trust in organizations (MacKenzie, 2014; Owonikoko, 2016).

Using multiple sources of empirical evidence allows determining the consistency of findings (Yin, 2014). One source of empirical data came from interviewing managers of the case company. Interviews refer to a data collection method that helps to discover peoples' meaning related to morality and expectations of a phenomenon (Anyan, 2013). I adopted the semistructured interview technique. Semistructured interviews consist of predetermined questions, but the researcher is free to clarify issues that arise during a response (Doody & Noonan, 2013). Another source of data consisted of documentary information. Documentation helps to understand the organizational context and can take on many forms, such as administrative documents, event reports, and internal records (Poulis, Poulis, & Plakoyiannaki, 2013). I adhered to the interview protocol during the data collection process. A sound interview protocol helps to achieve a comfortable interaction with the research participant and contains information about the general procedure in addition to interviewing questions (Doody & Noonan, 2013). I included the interview questions in Appendix B.

Conducting qualitative research in a systematical manner is essential in discovering the truths about the phenomenon (Marshall & Rossman, 2015). Measures that enable replicability of the study and following the interview protocol enhance reliability (Taylor, 2013; Yin, 2014). I adhered to the interview protocol to increase the reliability and validity of my study. Additionally, I returned my interpretation of the interview to each participant for verification. This measure of verification, or member checking, increases the reliability of the data collection process (Reilly, 2013).

Data Collection Technique

Drawing on multiple sources of evidence enhances the validity and reliability of case study research (Morse & McEvoy, 2014). I conducted semistructured interviews and gathered secondary data to address the overarching research question. During interviews, researchers collect oral information from the interviewee in a conversational fashion guided by their mental agenda (Yin, 2014). Semistructured interviews allow the researcher to gain insights into the context of the phenomenon, seek clarification, and provide the interviewee with the opportunity of detailed responses (Doody & Noonan, 2013). Exploiting the benefits of interviewing requires the researcher to maintain a high level of preparation, manage bias, and demonstrate adequate communication skills (Doody & Noonan, 2013). The advantages of gathering secondary data relate to availability and breadth of context (Yin, 2014). Disadvantages associated with secondary data include possible access restrictions and bias (Yin, 2014).

I employed member checking to enhance the reliability of the data collection process. Member checking is the process of sending transcribed data back to the research participants and asking them to verify the accuracy of the interpretation (Elo et al., 2014; Morse & McEvoy, 2014). Each participant received the interpretation of the interview by e-mail with the request to verify. Participants were free to comment on the interpretation or schedule a follow-up member checking interview.

An interview protocol serves as a guide throughout the data collection process (Jacob & Furgerson, 2012). The protocol includes prompts to collect additional information and reminds the researcher about what to say before and after the interview (Jacob & Furgerson, 2012). Adhering to the interview protocol will provide structure during the data collection process (Taylor, 2013). Additionally, using an interview protocol increases the reliability of the study (Yin, 2014). I ensured rigorous data collection by adhering to the interview protocol.

I sent the interview invitation and consent form to the case company’s vice president and referred members of staff. I scheduled interviews with managers interested in participating in the study. My personal iPhone 5s served as the recording device. Additionally, I tape-recorded interviews using a ZOOM H1 Handy Recorder as a backup solution. I had used both devices for interviews before and was satisfied with the recording quality and reliability. I asked participants to sign the consent form before starting the interview. During the interview, I followed the interview questions and asked probing questions for clarification. I concluded the interview by thanking the participant and asking for a referral to other potential participants. The participants received my interpretation of the interview via e-mail, and I asked them to verify what I had written. A pilot study aims at refining the intended research process (Yin, 2014). Since I based the development of questions and procedures on sound theoretical and practical considerations, a pilot study was not required.

Data Organization Technique

Prerequisites to focus on an efficient interview include communicating confidentiality, working equipment and a backup plan in case of technical issues (Jacob & Furgerson, 2012; Mohammed et al., 2015). I recorded the interviews using two devices in case one device would fail to operate, and I made notes on the interview protocol. Once the interviews were complete, I transferred the audio data to my personal computer. I saved two versions of each audio file. The duplicate version served as a backup version on a separate hard drive. I transcribed the audio data and saved the information on a Microsoft Word document. I assigned pseudonyms for participants and the case company to obscure data. Researchers need to maintain transparency by saving and labeling data ready for inspection (Cronin, 2014). I noted the collection date on secondary sources. I stored all data, including electronic recordings, secondary data, and interview notes in a locked container for 5 years and destroyed it afterward.

Data Analysis

Ensuring the consideration of the most complete information available requires the researcher to engage in triangulation (Morse & McEvoy, 2014). Data triangulation increases the validity of a study and aids data saturation (Fusch & Ness, 2015). Among the four different types of triangulation, including data source triangulation, researcher triangulation, theory triangulation, and methodological triangulation, the latter was most appropriate for this study. Methodological triangulation refers to employing multiple research methods, which helps to decrease the weaknesses associated with using one research method (Bekhet & Zauszniewski, 2012). I correlated data from different data collection methods, which included interview transcripts and documentation, during the data analysis stage. Data from documentation included written information that helped to communicate shared values with employees and other case-specific evidence.

Researchers engaging in qualitative data analysis can proceed according to four general strategies: focusing on theoretical prepositions, inductive investigation, case description, and rival explanations (Yin, 2014). I employed a combination of inductive investigation and case description. The initial data analysis phase required searching for reoccurring patterns across all sources of evidence (Yin, 2014). I printed interview transcripts, compared transcripts with documentation, screened all available data and labeled relevant insights. Additionally, I continued writing notes to myself to keep track of my thought process and help recognize emerging themes. Coding and comparing each piece of evidence helps to identify consistencies across data (O'Reilly et al., 2012). Once coded, a researcher can organize coded data into categories and themes (Pierre & Jackson, 2014). I developed codes and subcategories of codes. Progressing through the data, I investigated if new data pieces correlated with previously identified codes. Employing an inductive approach, I looked for reoccurring patterns across data and investigated possible consistencies among patterns. Displaying the relation between different codes on a mind map assisted me in the search for emerging themes.

Computer-assisted qualitative data analysis software (CAQDAS) cannot substitute the researcher as primary analysis instrument but provides guidance and assistance during the data analysis stage (Yin, 2014). Different CAQDAS packages are available, including ATLAS.ti™ and NVivo™ (Sotiriadou, Brouwers, & Le, 2014). Both software options aid the analysis of qualitative data, although case study researchers tend to choose NVivo™ software over ATLAS.ti™ (Woods, Paulus, Atkins, & Macklin, 2015). Comparing NVivo™ and ATLAS.ti™, NVivo™ has the added feature of assigning data to an additional data category, which produces a matrix of subordinate codes (Woods et al., 2014). I used NVivo™ 11 software due to the advanced data categorization feature. I completed the data analysis during a two-week trial session of the software package.

Coding helps to decontextualize data and screen for emerging themes (Pierre & Jackson, 2014). Qualitative data analysis requires immersing oneself in the data and systematically comparing theory and data in a repetitive process (Cronin, 2014, Yin, 2014). I correlated emerging key themes of my data analysis to existing literature and conducted literature searches to establish if recently published articles correlated or contradicted with my findings. I sorted and monitored emerging themes by noting all codes, subcategories, and themes on a code list.

Reliability and Validity

Validity in qualitative research refer to elements that enhance the trustworthiness of a study (Elo et al., 2014). Research elements that enhance quality, or trustworthiness, include to dependability, credibility, transferability, and confirmability (Reilly, 2013). Dependability signals the extent to which the reader can relate to the findings and refers to the replicability of the study (Yin, 2014). Tools to enhance dependability include a detailed description of the research process, provision of interview questions, and member checking (Eno & Dammak, 2014). I ensured dependability of the study by outlining the process of data collection and analysis. Additionally, I provided each interviewee with the interpretation of the interview for verification.

Validity in qualitative research includes credibility, transferability, and confirmability of findings. Achieving credibility requires the researcher to outline the rationale for choosing a research design and to use triangulation of different sources (Hyett, Kenny, & Dickson-Swift, 2014; Yazan, 2015). I increased the credibility of this study by outlining the rationale for choosing the case study design over other designs. I used methodological triangulation to gain rich understanding of the phenomenon.

Confirmability of findings is high if the researcher derived implications from data and ensures that results reflect the participants' rather than the researcher's perspectives (Reilly, 2013). Confirming results with participants, triangulation, and maintaining research memos are ways to ensure confirmability in qualitative research (Eno & Dammak, 2014). I used member checking, methodological triangulation, and research memos to ensure confirmability of this study.

The extent to which results are transferable to other settings outlines the transferability of a study (Reilly, 2013). Transferability in qualitative research is closely linked to data saturation and requires the researcher to provide details about sampling method, case organization, and participants (Fusch & Ness, 2015). I provided detailed descriptions of the case company and participants. Additionally, outlining the rationale for choosing the sampling method enhanced the transferability of the study. Assessing the transferability of findings is subject to the reader's judgment (Elo et al., 2014). I provided suggestions about transferability but refrained from stating that findings are transferable or generalizable to other settings.

Data saturation involves the decline of new information and a repetition of existing data during the research process (Marshall et al., 2013). Increased understanding of the phenomenon occurs as data within a category starts to overlap and aggregate, signaling data saturation (Morse, 2015). The researcher can track saturation by noting major codes on a saturation list (Fusch & Ness, 2015). I developed a code list during the data analysis stage to monitor emerging data patterns and to keep track of repetitive patterns as a sign of data saturation.

Transition and Summary

Section 2 included a discussion on the necessary steps to achieve the objective of this study. I restated the purpose statement, which guided the selection of research method and design. Following the qualitative paradigm, I justified the case study design as appropriate for this study. Purposive and snowball sampling helped to identify suitable participants. I used multiple methods of data collection, including interviews and documentation. Member checking, methodological triangulation and documentation of the research process enhanced the reliability and validity of the study.

Section 3 includes this research project's application for professional practice and implications for social change. I present the findings of the study and relate them to knowledge and current research in the field, and provide recommendations for action and further research.

Section 3: Application to Professional Practice and Implications for Change

Introduction

The purpose of this qualitative single case study was to explore strategies that banking managers use to create an ethical organizational environment. Banking managers from an ethical bank located in the United Arab Emirates who were involved in ethical considerations affecting the organizational environment, served as participants for this study. I conducted interviews with managers associated with different departments across the organization, including training and development, social responsibility, audit, and human resources. Analysis of all perspectives resulted in four main strategies that the organization used to create an ethical organizational environment. The first strategy aims at connecting corporate values with measurable factors. Establishing transparency through structures and processes was the second most prominent strategy. Staff engagement emerged as the third strategy. The fourth strategy included leadership role-modeling.

Presentation of the Findings

The overarching research question for this study was: What strategies do banking managers use to create an ethical organizational environment? Insights to answer this research question came from face-to-face semistructured interviews and follow-up interviews with five participants. My investigation of the topic drew on interview interpretations and company documentation. The case company provided audio and visual communication materials to demonstrate how the organization articulated values to staff. Using an inductive approach to analyze data, I coded and categorized data until major themes emerged. NVivo software helped to code, organize, and relate multiple sources of data. I used mind-mapping technique to illustrate the connection between different codes and themes.

Data analysis and triangulation of different data sources revealed four major themes, namely connecting values with measurable indicators, employee engagement, transparency, and leadership role-modeling. These four themes translate into the following major strategies: Connecting corporate values with measurable indicators, providing opportunities for employee engagement, establishing transparency through corporate structures and processes, and demonstrating leadership role-modeling.

Table 1 illustrates the occurrence rate for each theme. The themes summarize what managers considered the most important strategies in developing an ethical organizational environment. The alignment between research findings, the conceptual framework, and literature demonstrate the reliability of the study.

Table 1

Frequency of Themes

Theme	*n*	rate of frequency %
Connecting Values with Measurable Indicators	58	37,42
Employee Engagement	48	30,97
Transparency	31	20,00
Leadership Role-Modeling	18	11,61

Note. *n* = frequency

Theme 1: Connecting Values with Measurable Indicators

The most prominent strategy was connecting corporate values with measurable indicators. This process aimed at translating soft, or intangible, corporate values into hard, or tangible, measurable factors to ensure accountability. Connecting soft and hard approaches to create an ethical organizational environment does not correspond with findings from the literature review and represents an unexpected insight. Implementing this strategy involved continuously communicating the corporate values through story-telling and deriving behavioral indicators based on the corporate values. All participants told stories that characterized the organizational culture. One participant explained the importance of story-telling: “We consistently need to tell stories because they allow us to instill values. Stories help to model behavior.”

Story-telling is a culturally and contextually sensitive way of illustrating an identity (McMahon & Watson, 2013). Researchers identified story-telling as an effective tool to increase employee engagement (Gill, 2015). This finding explains the case company's high level of employee engagement described in Theme 2 below.

Connecting corporate values to measurable factors involved deriving behavioral indicators. The organization included these behavioral indicators in the performance appraisal system, which was used to assess employees' performance regularly. Additionally, corporate values were stipulated in the code of conduct, employee handbook, induction program, and employee training. Scholars are now recognizing the importance of integrating soft and hard factors. Some authors suggest integrating both domains to enhance knowledge management and sustain a competitive advantage (Huang, Gardner, & Moayer, 2016). Shared values and a supportive environment are prerequisites for connecting soft and hard factors (Huang et al., 2016). Other researchers have identified the importance of linking the HR strategies to performance management systems to create a sustainable organizational culture (Galpin et al., 2015).

Institutionalizing social norms is a prerequisite for ethical climates and involves the process of turning social thought into action (Victor & Cullen, 1988). Connecting corporate values with measurable factors represents the process of institutionalizing social norms and aligns with the ethical climate theory. Continuous communication of values and a family-like environment allowed the case company to successfully integrate soft and hard systems in pursuit of a competitive advantage.

Theme 2: Employee Engagement

Another major strategy was providing opportunities for employee engagement. Existing literature confirmed a link between employees' positive attitude toward their organization and the creation of an ethical climate (Curtis, 2015; Guerci et al., 2015; Martin et al., 2014; Shafer, 2015; Sorenson & Rogan, 2014). All participants explained the friendly and engaging corporate culture, which resulted in a family atmosphere. A dedicated department organized informal staff gatherings on a regular basis. These staff gatherings aimed at enhancing social interactions and bonding among employees across the organization. Additionally, staff events were themed with corporate values. A feedback and initiative system supported engagement on administrative issues. Employees were given the opportunity to initiate and complete projects in cross-functional teams. Research has shown that employee engagement increases with positive peer relationships and a favorable working environment (Anitha, 2014). The use of story-telling to communicate corporate values and model appropriate behavior, as discussed in Theme 1, facilitates employee engagement (Gill, 2015). Similarly, connecting soft and hard factors, as outlined in Theme 1, aids employee engagement (Jenkins & Delbridge, 2013).

Another major determinant of an ethical organizational climate results from socialization and an individual's history in the organization (Victor & Cullen, 1988). This firm-specific factor to enhance ethical climates aligns with the case company's focus on formal and informal employee interaction. Participants 2, 4 and 5 pointed out that the tenure level in the organization was high because of the family atmosphere: "This is my ninth year here. I definitely feel like a family member here." "Most of our people have been working here for […] 45, 40, 35, 20, 15 and 10 years." "If there is a nice environment in the organisation, there is no need to change the organisation."

Theme 3: Transparency

Establishing transparency through structures and processes was the third most prominent strategy to foster an ethical organizational climate. The case company's focus on transparency resonates with current literature in the field. Ethical banks display an increased focus on transparency in comparison with conventional banks (Kosack & Fung, 2014; Paulet et al., 2015; Tischer, 2013). Leaders of conventional banks are aiming to increase transparency to regain customer confidence (Manganaris, Beccalli, Dimitropoulos, 2016).

All respondents mentioned the transparent outline of the organization. "There is a lot of transparency in the decisions that are taken." "The [organizational structure] helps us to ensure that transparency is there. And people can report what they find without fear." "[I]n Islamic banking, we have to take part in the risk. This is why we have more transparency and more shared risk. We deal with clarity."

The case company had various processes in place to allow employees to indicate dissatisfaction or unethical behavior without fear. Processes ensuring transparency included an independent whistle-blowing policy, fraud policy, gift policy, and grievance system. The organizational structure supported transparency through a dedicated grievance department, employee relations department, and independent audit department. An independent audit department meant that this department reported to an external audit committee. Similarly, employees could report unethical behavior by calling an independent number. Additionally, the case company formed committees to review major decisions, which included employees from different organizational areas.

While connecting values with measurable factors indicates the onset of institutionalizing social norms, transparency in processes and structure resemble advanced institutionalization and shape the organizational form. Shared values are an important control mechanism in professional organizations, where the individual's interactions with the organization are difficult to monitor (Victor & Cullen, 1988). The focus on transparency in the case company signaled an open corporate culture.

Theme 4: Leadership Role-Modeling

Positive leadership role-modeling was the fourth most prominent factor influencing an ethical organizational climate in the organization. This strategy confirms existing literature on banking leaders acknowledging that the corporate culture holds the key to regaining customer trust (Flint, 2013; Wallace et al., 2013). All respondents noted the positive effect of top management role-modeling. Participants perceived this factor as the most detrimental influence to an ethical climate. The organization's leader was a role-model in demonstrating the values of respect and inclusion. Most stories told to communicate the organization's values originated from positive leadership behavior. Leadership engagement included participation in social events and committee positions. A participant summarized the importance of leadership role-modeling as: "Every organization is a shadow of the person who is leading it. We see a lot of role-modeling happening from senior management." Another participant added: "This [the stories told by the CEO] delivers the soft side of the organization. This is gradually delivered to top management and then to staff. It flows down from the top."

Top management's essential role in creating an ethical environment confirms insights gained from existing literature (Eccles et al., 2014; Shafer 2015). Role models facilitate the acquisition of ethical behavior and ethical leadership encourages ethical leadership in subordinates (Brown & Treviño, 2013). The way ethical leadership flows from the top to employees is a new area of research and needs further investigation (Wang, Xu, & Liu, 2016).

Leadership role-modeling can be viewed as another firm-specific factor to influence an ethical climate. Unique organizational characteristics determine ethical climates (Victor & Cullen, 1988). Positive leadership role-modeling served as a stimulus and accelerator of socialization.

Insights on the Role of Trust

Existing literature suggested trust to be an influential factor of sustainable and ethical business practices. This argument was not supported by findings of this study. Trust was mentioned in the case company's vision statement but not explicitly communicated to staff. All participants agreed on the existence of trust within the organization. Two participants perceived trust as translating words into action, which they viewed essential in regaining customer trust. This statement resonates the perception of industry experts (Flint, 2013).

The determinants and importance of trust within the case company were not clear. One participant perceived trust as the interplay between soft and hard approaches to values management: “Trust is having the corporate values in place and ensuring a strong structural system to support our values.” Other participants viewed trust as prerequisite for establishing a family-like corporate atmosphere and cross-functional team work: “The bonds between the CEO and employees creates trust. An ethical environment would not be possible without trust.” “When working on projects, […] we trust each other and that the intention is the success of the project.” Exploring the determinants and manifestation of trust in ethical banking was beyond the scope of this study but warrants further research.

Applications to Professional Practice

Findings from this study are relevant to banking managers focusing on establishing an ethical organizational environment. The specific business problem underlying this study identified that some banking managers lack strategies to create an ethical organizational environment. Attempting to provide some guidance on how to solve this business problem, I provided insight into the creation of an ethical organizational environment in an ethical bank. This bank has won numerous awards for its outstanding corporate culture and business practices. Participants in this study, scholars, and industry leaders agree on the importance of demonstrating trustworthy business practices as a first step toward regaining customer trust in banking (Flint, 2013, Wallace et al., 2013). The major strategies derived from this study provide guidance on how to implement an ethical organizational environment as a prerequisite for ethical employee behavior. First, the most prominent finding highlight the importance of connecting soft approaches of values communication with measurable, hard, indicators.

While values communication, especially through story-telling, is essential in initiating an ethical environment, the process is not complete without connecting monitoring the adherence to values by measurable indicator. Including behavior indicators that resemble corporate values into performance assessments is an effective way of connecting soft and hard approaches to values management. Banking managers will find this strategy useful as it provides a more tangible and manageable approach to creating an ethical environment.

Insights gained from this research show the interplay between different factors influencing an ethical environment, including values communication, employee engagement, transparency, and leadership role modeling. Creating an ethical environment is not an isolated task but must be integrated and supported through different organizational areas. Especially the role of top management behavior was revealed as a crucial factor to maintain and communicate the ethical vision of the organization. Both employee engagement and transparency fueled an open organizational culture and provided the base for ethical behavior. This finding demonstrates that transparency is not only externally-focused to demonstrate ethical organizational behavior to customers and other stakeholders. Transparency signals to employees that the organization does not support equivocal practices and provides a safe way to report unethical behavior.

Implications for Social Change

This research has implications for positive social change. Findings provide a guideline to banking managers on how to create an ethical organizational environment. The financial crisis in 2007 has demonstrated the detrimental consequences of risky banking practices. Ethicality translates from within an organization outside the organization. Banks operating based on ethical principles will promote confidence and trust in banking. A trustworthy banking industry is essential to wider economic transactions and will foster business activity. Ethical banking practices aim at developing the communities served.

Recommendations for Action

The underlying axiom of findings from this study reveal the importance of working with the corporate culture, not attempting to change it. Connecting soft and hard approaches to values management starts with defining corporate values. Deriving corporate values is a first opportunity to understand the foundations of the corporate culture. Values should be derived from stakeholders to make sure employees adopt the corporate values. Stipulating values based on external influences will make the adoption of values by the corporate culture more difficult.

Transparency and employee engagement can be achieved by establishing an effective feedback system across departments. Annual employee surveys, systems to assess employees' satisfaction following induction and training, and a safe whistle-blowing policy are some recommendations to implement transparency and employee engagement.

Leadership role-modeling has a profound influence on the corporate culture and is an effective way of demonstrating how to live the corporate values. Leaders need to provide avenues for employees to recognize leadership role-modeling. Leadership presence during employee gatherings, informal interaction, and regular e-mail communication are recommendations to communicate leadership role-modeling.

The purpose of this study was exploring strategies that banking managers use to create an ethical organizational environment. I received access to an award winning ethical bank, operating based on religious principles. The practices and findings described mirror best-practice examples and will be useful to a variety of audience. First, banking managers focusing on ensuring ethical organizational behavior will find these recommendations helpful because they provide practical guidelines on how to create an ethical environment. Second, policy makers, such as corporate governance institutions and banking associations can draw on the findings listed here to inform their policies and ensure a consistent direction across their network. Third, findings from this study will be useful for any manager aiming to create an ethical organizational environment. While findings were based on an organization operating within the banking sector, the essence of creating an ethical environment is applicable to any organization.

I plan to provide a summary of findings to the case company and a local corporate governance institution. I will be available to present my findings during some corporate governance events and will inform my professional network about the major insights gained from this research.

Recommendations for Further Research

I questioned banking managers of an ethical bank in the United Arab Emirates about the ethical environment of their organization. Findings were limited to the local banking setting and views expressed are unlikely to resemble perspectives of employees in other industries or geographical areas. Further research can address this limitation by investigating whether research findings are consistent with other geographical settings. The underlying framework for this research was ethical climates. Further research can reveal whether findings are applicable to ethical climate in other organizations and industries. I collected data during a short time frame of three weeks and findings represent a snapshot of corporate conditions. Ethical climates are evolving constructs and change over time. Further research can investigate the characteristics of ethical climates at different stages of the corporate life cycle, such as start-ups or well-established organizations.

The most prominent insight into creating an ethical environment related to connecting soft and hard approaches to managing corporate values. This concept is complex and relatively few publications are available on this topic. Further research needs to define this concept in more detail, such as underlying mechanisms and success factors.

All participants referred to the family-like corporate atmosphere when questioned about their ethical climate. Determinants, underlying dynamics, and benefits of such a corporate family culture warrants further investigation. Future research can explore the relationship between a family atmosphere and tangible indicators, such as employee turnover, employee satisfaction, and financial performance.

A surprising insight gained from this study was how the case company started the process of creating an ethical organizational environment. The case company initiated a survey to find out what defined the organization from an employee's perspective. Based on this employee feedback, the organization derived five corporate values. The organization's leaders undertook great efforts to understand and build upon its existing culture; the focus was not on changing the corporate culture. This process contradicts with the commonly accepted process of corporate change management and represents a new avenue for research.

Reflections

I preconceived data collection to be a timid process given cultural differences between me and the research participants. Contrary to my expectations, I was received in the most open and informative manner. Participants proudly shared their insights without hesitation. I will curtail any prejudice in future and approach cultural interactions in a more trusting manner.

This doctoral study demonstrated the invaluable insights gained from questioning practitioners. Many strategies revealed in this study did not directly follow from the literature review. Searching academic publications to craft a hypothetical outline of actual corporate conditions can be deceptive. Input from practitioners will reveal the true dynamics of a phenomenon.

Conclusion

The starting point for this doctoral study was to reveal how banks can become trustworthy organizations. Trustworthiness resembles ethical behavior and cannot be stipulated from external actors but must come from within an organization. Ethical behavior starts with employees and the ethical climate theory prove to be a useful lens to investigate factors influencing an ethical organizational environment.

Insights gained from this study revealed that corporate values must be constantly communicated and tied to measurable factors. The underlying axiom of findings reveals that working with the corporate culture is a fundamental element of successfully creating an ethical organizational environment. Organizational practices aimed at improving transparency, employee engagement, demonstrating leadership role-modeling and connecting soft and hard approaches to manage values will fuel an ethical organizational environment.

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Appendix A: NIH Certificate of Completion

Certificate of Completion

The National Institutes of Health (NIH) Office of Extramural Research certifies that **Svenja Nitsche** successfully completed the NIH Web-based training course “Protecting Human Research Participants”.

Date of completion: 05/17/2014

Certification Number: 1469226

Appendix B: Interview Questions

I would like to ask you some questions about the climate in your organization. Please answer the following in terms of how it really is in your company, not how you would prefer it to be. Please remember, your responses will remain strictly confidential.

1. What values would you like your employees to consider when making decisions?
2. How do you ensure your employees adopt the corporate values?
3. How do you ensure ethical behavior in your organization?
4. How would you like employees to solve ethical dilemmas?
5. What strategies did you use to create an ethical organizational environment?
6. How did employees respond to the different strategies to create an ethical organizational environment?
7. What barriers hinder the creation of an ethical organizational environment?
8. How would you describe the role of trust in your organization?
9. What additional information would you like to share that we did not address already?