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THE ETHICAL ORIENTATION OF ADVERTISING EXECUTIVES:

THE RELATIONSHIP AMONG ETHICAL CLIMATE,

SEX ROLE IDENTITY, AND SELECTED

DEMOGRAPHIC AND

JOB VARIABLES

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DEDICATION

To my parents who gave me the gift of an inquiring mind

And

To my Sons, Hunter and Seth,

who supported me throughout this process.

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INTRODUCTION AND PROBLEM STATEMENT

Background of the Study

The study of ethics in business is one of the most important issues for scholarly research in the twenty-first century. The question "How Ethical Are Businessmen?" posed as the thesis title of a 1961 study by Reverend Raymond Baumhart is perhaps more relevant today than when the article was written almost five decades ago because of the rash of corporate scandals that have occurred since the beginning of the 21st century. As Baumhart pointed out then, a breakdown of corporate ethics is usually the result of a lack of ethical leadership by top management. Without supervisory executives articulating and demonstrating a moral code of behavior, individuals in the organization will be left to their own devices, potentially leading to inconsistent and immoral decision making (Baumhart, 1961, p. 158).

The 2008 sub-prime meltdown on Wall Street that contributed to the demise of Bear Stearns, Lehman Brothers and Merrill Lynch, the Madoff Securities' $50 billion Ponzi scheme, insider trading that brought down Galleon Group Hedge Fund in 2009, and earlier scandals involving Enron, WorldCom, Tyco and numerous other corporations have refocused the attention of government

and the public on issues of corporate ethics. Corporate misconduct damages a company's reputation and solvency, and erodes the public's faith in free enterprise and capitalism.

Every industry has its own unique set of ethical transgressions. According to Bigel (1998), the financial planning industry is susceptible to the unethical practices of excessive "churning" of investments and, the recommendation of unsuitable investments, both of which generate increased commissions for the broker. D'Aquila (1997) researched internal financial accountants and found that they are often pressured to prepare fraudulent financial reports which inflate organizational performance in order to increase the company's stock price, justify executive compensation, and/or conceal a company's sudden decline in profitability. Budner's (1984) study of marketing professionals cited the sale of inferior products and inaccurate labeling as common ethical violations among marketing professionals.

Because of its ubiquity and immense influence over society, the advertising industry is constantly scrutinized by the public and government agencies for ethical, as well as legal, violations. The investigation of ethics in advertising historically has focused on the creation and content of the message, including false and misleading claims and deliberate targeting of vulnerable groups, such as children, with advertising for inappropriate or harmful products.

Although advertising cannot be blamed for all of society's ills, it does reflect and reinforce existing perceptions and behavior. When mirroring society

by casting ethnic actors in stereotypical roles, ethical questions arise because it appears that the advertisement condones and tolerates social injustices. "Taking an example from earlier history, advertising did not create racism, but many would say the industry contributed to it when pandering to racial stereotypes" (Drumwright and Murphy, 2004, p. 12).

Business ethics also refers to the decisions made within the context of the organization, and how those decisions affect the organization's stakeholders, its employees, competitors, clients and society. For instance, in the pursuit of profits, advertising agencies in the past enthusiastically represented tobacco companies, even though cigarettes were being investigated by the government for a causal link between smoking and fatal diseases. Today, advertising agencies are complicit in promoting products that harm the consumer in other ways. Witness the current ad campaign for freecreditreport.com, an internet company that redirects site visitors from a government sponsored site that provides free credit reports to a credit monitoring service, which, with no disclosure in the commercial, converts site visitors to customers who are subsequently charged a $14.95 monthly fee. This sort of deception in advertising is the basis for the industry's poor perception by the public and its own members (Lieber, 2009).

Such practices, which are driven by motives of financial gain, have contributed to the poor perception that the public has of advertising. It is not surprising therefore that advertising and its practitioners are rated as low to average in honesty and ethical standards in ethics polls. The 2008 Gallup poll,

measuring public opinion about professionals in 21 public service industries, rated advertising professionals number 20, beating out car salesmen for the last place on the list. Just ten per cent of the respondents gave them a "very high" or "high" ranking (Gallop Poll, 2008). Furthermore, advertising practitioners themselves do not take their commitment to social responsibility very seriously, focusing more on the organization's bottom line.

Although spotty in nature, most early studies of ethics in advertising ("Ad Execs," 1989, Beatty, 1996, Hunt and Chonko, 1987, "Industry Ethics," 1988, Moon and Franke, 2000, Rotzoll and Christians, 1980) suggested that advertising executives do not exhibit a high ethical orientation in their business practices. Krugman and Ferrell (1981), found that advertising personnel on the client side thought their peers on the agency side were less ethical, even though advertising agency executives believed that top management's standards were the same or higher than their own. Hunt and Chonko 's 1987 study found that only 44 percent of their sample of agency personnel believed that top management was concerned about ethical problems (p. 22).

A study of advertising business ethics conducted by the Advertising Club of New York in 1988 concluded that most executives correctly identified the hypothetical situations posed as either ethical or unethical. In contrast, Pratt and James (1994), using scenarios to evaluate advertising practitioners' attitudes towards unethical practices such as lying to the client and bribery, determined that

advertising practitioners could use stricter ethical guidelines. This was confirmed in other studies by James, Pratt and Smith (1994), Davis (1994), and Drumwright and Murphy (2004), all of whom found that advertising professionals showed little concern for ethical issues. Given that most advertising contains both an informational and a persuasive component, the pejorative term, the "Madison Avenue mentality," describes a mindset that fosters unethical behavior by suggesting that anything is right if the public can be convinced that it is right. Thus, it appears that advertising executives feed negative preconceptions about advertising by being more concerned about their actions *appearing* to be ethical than about their legitimate morality (Greenberg & Baron, 1997).

A review of the research by Drumwright and Murphy (2004) indicates that advertising executives encounter ethical dilemmas frequently, primarily in the areas of the content and creation of the message and the agency/client relationship. Advertising executives "must perform in a manner which maximizes their client's economic goals as well as maintain a sense of social responsibility..." (Surlin, 1977, p. 1). They walk a fine line in order to satisfy the needs of the client, follow company rules, and act in a manner that contributes to the overall profitability of the advertising agency, which ensures their own employment and the agency's survival. Advertising executives tend to believe that it is their job to do what the client wants, and not judge the behavior or its consequences. The "client is always right" mentality means that advertising practitioners may exhibit

either "moral muteness," the unwillingness to voice ethical concerns when it would be appropriate to do so, and/or "moral myopia," an inability to discern or see moral issues (Kiley, 2004).

Drumwright et al. (2004) found that although "moral muteness" and "moral myopia" were pervasive, they were not universal. Occasionally, agency personnel exhibit ethical sensitivity and use "moral imagination," to create positive solutions for ethical dilemmas. Moral imagination occurs in advertising agencies that encourage moral seeing and talking (Drumwright et al., 2004, p. 15). These agencies have ethical norms that are clearly communicated to employees. Open communication creates an ethical climate that promotes independent moral judgment and rejects the ethically dubious attitude that "the client is always right, right or wrong" (Drumwright et al., 2004). Such agencies heed the advice of Maurice Levy, CEO of the Publicis Group, who advised senior managers "to dramatically change our attitude, our behavior and the way we work" (Patrick, 2006, B 3).

Efforts to elevate the industry's standing date back to 1924 when the American Association of Advertising Agencies' (4 A's) first adopted its Standards of Practice of the American Association of Advertising Agencies (Appendix C). The code enjoins member agencies to avoid unethical competitive practices which will undermine the advertising profession. This study responds to the essence of that code, which expresses and implies a standard of behavior that is based on

honesty in competition and advertising messages. Furthermore, this research investigated beyond those standards and looked at the organizational behavior of advertising agencies as it pertains to relationships with clients, competitors. employees and the public.

Besides its self-regulating entities, there are also business and government agencies that oversee the activities of advertising agencies. Most prominent are the National Advertising Division of the Council of Better Business Bureaus, which monitors advertising for truthfulness and aims to build public confidence in advertising, and the National Advertising Review Board, which serves as the appeals mechanism for disputes between advertisers and other parties.

Government regulators include the Federal Trade Commission, which controls false and deceptive advertising, the Federal Communications Commission whose power to grant broadcast licenses can be used to prohibit the telecast of offensive or dishonest advertising, and the Food and Drug Administration, which regulates pharmaceutical advertising. Primarily, these government agencies aim to safeguard against false, illegal, and unsubstantiated advertising.

Ethics have always been a difficult concept with which to deal. Unlike legal transgressions which are easily identifiable, ethical dilemmas are more difficult to recognize and resolve. The inherent paradox is that what may be legal may indeed be unethical. For instance, although it is illegal to advertise cigarettes

to minors, it is legal, but unethical, for cigarette manufacturers to promote cigarette brands by distributing sample packages to college students at campus social functions where there may be under aged students in attendance. Similarly, it is legal for an advertising agency to represent a cigarette manufacturer, although many might say it is unethical to do so. Obviously, distinguishing between what is ethical and what is unethical requires a different set of critical thinking skills than just obeying the law.

Furthermore, ethics, or the concept of what is right and wrong, exists within a cultural context. For instance, contrast the reaction of Toyota's CEO, Akio Toyoda, during the 2010 Toyota automobile crisis in which millions of Toyota cars were recalled due to sudden gas pedal acceleration, with that of then Ford Motor Company's CEO, Jacques Nasser, during the 2000 Ford Explorer rollover crisis. It took Mr. Toyoda almost two weeks to publicly respond to his company's problems, whereas Ford ran a newspaper ad just two days after its recall. Mr. Nasser also appeared in several television commercials updating the public on the situation (Sanchanta, 2010). In the case of Toyota, it appears that preserving the company's pride was more important that admitting a mistake to customers. In the case of Ford, crisis management emphasized a quick response in order to show that the company was taking responsibility for the situation.

According to Ferrell, Fraedrich and Ferrell (2005), an ethical issue in business is "a problem, situation, or opportunity that requires an individual, group,

or organization to choose among several actions that must be evaluated as right or wrong, ethical or unethical" (p. 31). Ethical behavior in business includes respect for the dignity and rights of employees, customers and communities. Ethical issues involve dishonesty and unfairness, conflict of interest, fraud, discrimination in employment, violation of employee and customer privacy, infringement of patents and intellectual property (Ferrell et al., 2005, p. 38). Advertising executives face these and other ethical issues, which are unique to the profession, many of which have arisen as a result of the changes that have occurred in the industry since the 1980's.

The advertising industry dates back to 1869 with the founding of N.W. Ayer, the first advertising agency. For the next 100 years, the industry was populated by independently owned agencies. However, by the 1970's, most of advertising's independent entrepreneurs were ready to leave the business and enjoy the profits from founding and growing their businesses (Cappo, 2003, p. 13). Within a decade, the profession transformed itself from a highly entrepreneurial industry, composed of independent, creative, and highly competitive shops, into an oligopoly of four publicly owned advertising behemoths. Except for two agencies which went out of business, 18 of the 20 largest independent agencies that existed in 1981 have been absorbed by one of the four conglomerates: WPP Group, Omnicom Group, Interpublic Group of Companies and Publicis. (Cappo, 2003, pp. 13-14). These global conglomerates

have swallowed up numerous small and mid – size agencies in order to satisfy their goal of offering a full palette of creative and marketing services to their large multinational clients.

This consolidation has created a ”big business” environment in which top advertising executives are more concerned with financial, accounting, and investment banking issues than with creative output. Public ownership of advertising conglomerates, globalization, increased use of consultants in account reviews, revised compensation methods, spin off of the media function into separate companies, account conflicts, competition for creative talent, and an increase in ethnic minority practitioners have created ethical dilemmas that are different than the problems confronted in the past when most ethical issues related to the creation and delivery of the message (Drumwright et al., 2004, Hyman, Tansey & Clark, 1994; Martin, 1994, Zinkhan, 1994).

Whereas, historically, ethics in advertising had been examined largely from a ‘macro’ perspective which looked at advertising’s effects on society, the current “big business” nature of the industry requires an investigation of ethics at the ”micro” level, where ethical behavior is gauged by how well the advertising agency fulfills its responsibilities to its clients, competitors, employees, and investors The ethical dilemmas that occur in these circumstances involve: using bribery to solicit clients, theft of talent, plagiarism, employment discrimination, deception in client billings, media expenses and deadline fulfillment, “pay-for-play,” and fraudulent accounting practices (Appendix E).

Problem Statement

Historically, the advertising industry and its practitioners have been viewed as "spin masters," capable of conjuring up false and inflated claims for all sorts of clients. Up until the 1980's, negative perceptions were perhaps the industry's greatest barrier to achieving respectability in the public's mind. Since the 1980's, the industry has undergone massive consolidation which has eliminated most of the independent owner operated agencies, replacing them with a handful of international conglomerates. Each of these huge conglomerates is a publicly owned entity that concentrates on bottom line performance, often at the expense of top line creativity. Accountability and integrity are often sacrificed for profitability (Cappo, J., 2003).

Maintaining agency profitability is especially difficult in an environment in which advertising executives confront numerous economic threats and a loss of trust by their clients. Economically, agencies are threatened by the increasing negotiating power of their clients who prefer to purchase services on an a la carte basis. In addition, clients are demanding alternatives to the traditional 15% media commission compensation system (Ducoffe et al., 1996, p. 10) in which agencies get paid for placing advertisements, regardless of the quality or quantity of their creative efforts. Clients and the public have come to distrust advertising practitioners, a perception that has been stoked by advertising's leaders' shift in attention from creativity to profitability.

The advertising industry now requires leaders who are talented in making both ads and money. Evidence abounds that the financial pressures of "big business" can corrupt business leaders. Therefore, what is the relationship between the ethical climate of the agency and the ethical orientation of advertising executives who lead subordinates in their efforts to create honest and effective advertising, attract and retain clients, recruit and retain talent, and satisfy shareholder interests?

Ethics in business is far more complicated than just the relationship between individual ethics and the organization's ethical climate. Clearly, it is necessary to investigate other influences on ethical behavior. The interactions of personality variables such as sex role identity, and demographic variables such as age, education and gender, and situational variables such job status, job tenure, and organizational size on the ethical decision making process are the subject of the current research, which aims to explain ethical behavior within the organizational context of the advertising agency.

Theoretical Framework

The unit of analysis in this research is individual ethical orientation in the context of the advertising agency. Individual ethical orientation is a psychological construct that refers to the cognitive skills that a person uses to resolve ethical dilemmas. Rest and colleagues (1986) suggested that ethical orientation has a direct effect on ethical decision making and ethical behavior. Within the

organization, an individual's ethical orientation can be mitigated by organizational forces. According to Romain and Munuera, (2005), companies can encourage ethical behavior through communication, ethical sensitivity programs, rewards; a company code of ethics, the absence of supervisory pressure on subordinates to compromise their ethical values, and ethical awareness exhibited by managers. These conditions create an ethical climate that encourages individual ethical behavior.

Personal factors that may help to shape an individual's ethical orientation are sex role identity, and selected demographic and job variables. Sex role identity refers to the extent that a person internalizes traits that stereotypically describe either masculine or feminine behavior. Sex typed persons exhibit high congruity between their biological gender and their sex role identity, imitating those with whom they believe they share attributes. Thus, girls tend to emulate a loving, non-aggressive mother while boys associate with a dominating, strong father (Hetherington and Franke, 1967, as cited in Spence and Helmreich, 1978, p. 37). This implies that there are differences in the moral reasoning of stereotypical masculine and feminine individuals. However, other factors, such as education, experience, and peers, may also influence ethical reasoning, thus confounding the issue of gender's relationship to ethical decision making.

Many studies have examined the relationship between gender and moral reasoning without producing conclusive evidence that there are differences in ethical orientation based on biological gender. Kohlberg's theory of moral

development, which uses a justice framework for moral reasoning, has been challenged by Gilligan (1982) who maintains that women operate out of a concern for others. As women assume more important roles in business, the issue of gender differences in ethical orientation becomes more important in the examination of ethical orientation and decision making.

Previous researchers have studied the connection of demographic and job variables to moral reasoning. Research by Kelly, Ferrell and Skinner (1990) into the relationship of selected demographics and ethical behavior of marketing researchers found that age, gender, and job tenure are positively correlated to ethical behavior.

Although the literature is rich with studies examining the relationship of a few selected variables to individual ethical reasoning, no study has investigated the relationships of multiple personal (sex role identity, age, education, gender) and job (organizational ethical climate, job status, job tenure, organizational size) variables to individual ethical orientation in the context of the advertising industry. Furthermore, most previous studies have used scenarios to assess respondents' perceptions of ethical issues (Drumwright et al., 2004, p. 8). The present research utilized standardized quantitative instruments that yielded more objective results. The theories that make up the theoretical framework of this research are Victor and Cullen's concept of Organizational Ethical Climate, Sandra Bem's theory of Sex Role Identity, and Lawrence Kohlberg's theory of Cognitive Moral Development.

Organizational Ethical Climate

Ethical climate is a component of organizational culture which refers to a set of shared values and beliefs that permeates an organization. It is a multi-dimensional force that guides many aspects of individual motivation and behavior. Victor and Cullen (1988) defined ethical climate as "the normative systems that guide organizational decision making and the systemic responses to ethical dilemmas" (p. 123). It is the perceptions by individuals of what the organization considers to be ethically right. It "refers to the stable, psychologically meaningful perceptions members of organizations hold concerning ethical procedures and policies existing in their organizations…" (Wimbush, Shepard and Markham, 1997, p. 1705). According to Victor and Cullen (1989), ethical climate serves many purposes. It helps employees identify issues that the organization considers ethically pertinent. It prescribes the actions to be taken in an ethically challenging situation. Ethical climate is relevant in decisions that affect the well-being of the organization's stakeholders. Factors such as "maximizing one's own self interests, maximizing joint interests or adherence to universal principles" (Cullen, et al., 1993, p. 667) create a socio moral atmosphere that has a contextual influence on employees' ethical decisions. By virtue of its influence on behavior, ethical climate is instrumental in shaping a company's reputation.

Most writers on the subject of business ethics agree that top management sets the ethical tone of the organization. Chonko and Hunt (1985) described how leadership shapes individual behavior, creating a corporate ethical climate.

> First, top management can serve as a role model by not sending ambiguous messages (i.e. verbally endorsing one set of standards while practicing another). Second, top managers should discourage unethical behavior by promptly reprimanding unethical conduct. Third, corporate and industry codes of conduct should be developed, promoted, and enforced (p. 341).

Chonko, Hunt and Howell (1987) found that when senior executives actively promote high ethical standards, the advertising agency tends to conform to the professional code of ethics formulated by the American Advertising Federation.

As pointed out by D'Aquila (1997), professionals function in complex environments where decisions are often driven by competing, but equally compelling, alternatives. Individuals need guidance, and top management, through its actions and reward system, define the ethical issues that are considered important.

In the context of the advertising profession, ethical climate "grows from two sources: the attitude and behavior of the agency's leaders and, to some extent, the cultures of its clients. It is created day by day, person by person, interaction by interaction" (Robertson, 2002, p.12). Because of its impact on individual decision making within the organization, ethical climate is considered an important determinant of individual moral reasoning.

Sex Role Identity

Sex role identity refers to the characteristics, values and behaviors that society regards as appropriate for persons of each biological sex. Derived from gender socialization theory, it posits that society treats boys and girls differently, thereby promoting behaviors and self-images that perpetuate stereotypes about gender. Masculinity focuses on an instrumental orientation, as expressed by "goal directedness, self confidence, analytical decisiveness, independence, high achievement motivation, competitiveness and assertiveness" (Galea and Wright, 1999, p. 91), whereas the feminine domain exhibits warmth, caring, communicativeness, emotion, and concern for others (Bem, 1974). A sex typed individual adopts "the culturally sanctioned roles of men and women in a given society…" (Carothers and Allen, 1999, p. 376). Androgyny is a domain which includes both masculine and feminine characteristics.

Sex role identity assumes that men and women bring different values to their work roles (Korabik and McCreary, 2000). As the number of female leaders in advertising increases, it is expected that the feminine trait of concern for others will lead to heightened ethical awareness. Thus, sex role identity is a research variable that may help to explain ethical orientation among advertising executives.

Cognitive Moral Development

Cognitive Moral Development (CMD) theory studies the intellectual processes of determining the right course of action in a given situation.

Jean Piaget (1932) laid the groundwork for CMD theory in his study of the moral development of children. He identified two distinct stages of moral development which occur in a predictable sequential order and result from the child's interaction with the social environment. Kohlberg's (1969, 1976, 1981) theory of cognitive moral development builds on Piaget's "staged" approach by proposing that individual ethics develop progressively from childhood to adolescence. Each of the three main levels of moral development consists of two stages that are described in terms of content and social perspective (Appendix H).

In Kohlberg's theory, moral development begins at the pre-conventional level in which the individual's behavior is reactive to external consequences; to the conventional level, in which one conforms to the expectations of others in order to gain acceptance and approval; to the principled level, the highest and least often attained degree of moral development, in which individual behavior is determined by internalized ethical principles based on universal rights and values. It is at this level that ethical theory operates, in which the concepts of right and wrong become operational.

CMD theory is an appropriate theoretical tool for this study because it suggests that managers who demonstrate highly developed levels of moral cognition tend to be more sensitive to ethical issues than managers with lower levels of moral cognition.

Demographic and Job Variables

Age and Education

Both Kohlberg and James Rest (1979, 1986, 1993), a Kohlberg disciple and the developer of the Defining Issues Test, an instrument that was used in this study, considered age and education to be important determinants of cognitive moral reasoning Kohlberg found that education had the most influence on moral development in individuals with two or more years of college education (Wilson, Rest, Boldizar and Deemer, 1992).

Research by others has shown a positive correlation between levels of education and moral reasoning. Elm, Kennedy and Lawton ((2001) found that graduate students showed higher levels of moral reasoning than undergraduates, Luthar and DiBattista, (1997), found that younger managers tend to assign less importance to trust and honor, and more importance to money and advancement than older executives. These findings suggest that age and education act jointly to influence cognitive moral development. Thus, they are considered important research variables in this study.

Gender

Gender has been studied extensively for its relationship to ethical behavior (Aquinis and Adams, 1998; Fritzsche, 1988; Gilligan, 1982, Glover, Bumpus, Sharp and Munchus, 2002; Kidwell, Stevens and Bethke, 1987; Loo, 2003; McCuddy and Peery, 1996; Robbin and Babin, 1997; Schminke, 1997; Tsalikis

and Ortiz-Buonafina, 1990). In the present research, gender differences in ethical orientation are attributed to gender socialization accomplished through institutions such as family, education and society's role expectations. Since women face more obstacles in the pursuit of their careers, their ethical orientation and decision making process appear to be more complex than those of their male counterparts (Fritzsche, 1988), who focus on individual success, financial rewards and professional status. As Fritzsche (1988) hypothesized, women's heightened ethical sensitivity may be due to the fact that they have experienced more discrimination in the workplace than their male counterparts. According to Glover, Bumpus, Sharp and Munchus (2002) women's other directedness makes them more ethical leaders, capable of fostering ethical behavior in subordinates.

Numerous researchers (Akaah, 1989, Chonko and Hunt 1985, Fritzsche, 1988, Murphy and Laczniak, 1981, Surlin, 1977) have noted that it is relevant to study the differences between female and male managers in the advertising and marketing sectors, particularly as women gain more power in the advertising industry. A 2005 survey conducted by the American Association of Advertising Agencies showed that there were 265 women in senior management positions at the 400 plus member agencies. (Bosman, 2005). As of this writing, major agencies such as Deutsch, Inc., Saatchi & Saatchi, N.Y., Ogilvy and Mather, and The Kaplan//Thaler Group are headed by women. With women ascending to top positions in the advertising industry, it is relevant to examine the relationship of the leader's gender to the advertising agency's ethical climate.

Job Status and Tenure

Job status and tenure in industry were selected as variables because past research (Schneider, 1987, Victor and Cullen, 1988) suggests that they impact ethical decision-making. Both variables are also related to age and gender. The correlation to age is based on the assumption that seniority is usually attained as one gets older. The relationship to gender results from the fact that women still do not have the power or visibility in the industry to effect organizational behavior. Furthermore, research suggests that work related variables were important in the moral development of individuals with two or less years of college education (Wilson et al. 1992).

Significant research in the area of how the behavior of superiors affects the ethical decision making of subordinates (Chonko and Hunt, 1985; Ferrell and Gresham, 1985; Trevino, 1986), indicates that supervisors have considerable influence over the actions of their staff. However, other studies (Akaah and Riordan, 1989, Davis, 1994, Drumwright, 2004, Zey- Ferrell and Ferrell, 1982; Zey-Ferrell, Weaver and Ferrell, 1979), failed to show a relationship between top management's actions and those of lower level managers. Therefore, this issue is worthy of further investigation.

Organization Size

Organization size was selected as a research variable because it potentially affects ethical decision-making in several ways. In large firms, with many layers of management, it is easier for individuals to escape personal responsibility for their behavior. In small firms, top management is more visible, communicating and demonstrating values on a level that is close to employees. As Drumwright et al. (2004) noted, the advertising agencies that encouraged moral seeing and talking tended to be small, privately held agencies or autonomous units of larger agencies with a single location.

The present research studied the degree of relationship among advertising executives' perceptions of their organizations' ethical climate, their sex role identity, age, education, gender, job status, tenure in industry, and organizational size to the ethical orientation of advertising executives.

Research Questions

1. To what degree is there a relationship between perception of the agency's ethical climate (caring, law and code, rule, instrumental, independent) and the sex role identity (feminine, masculine, androgynous) of advertising executives?
2. To what degree is there a relationship between sex role identity (feminine, masculine, androgynous) and selected demographic (age, education,

gender) and job (status, tenure in industry, organizational size) variables of advertising executives?

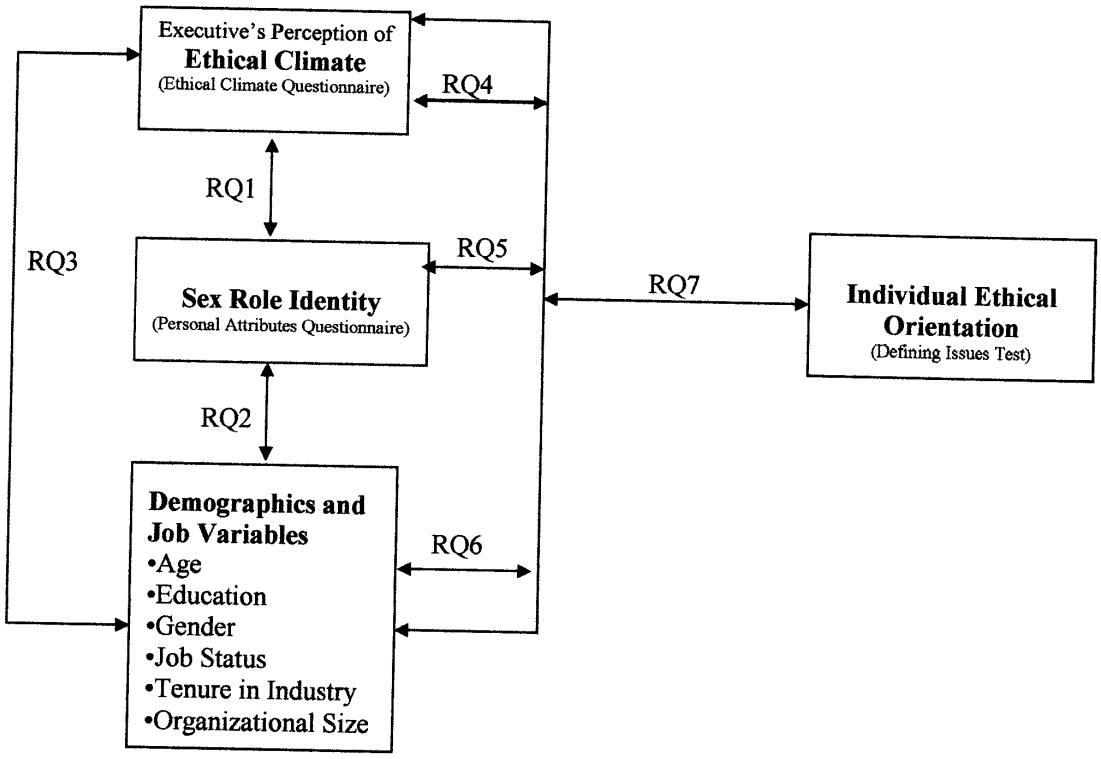
3. To what degree is there a relationship between perception of the agency's ethical climate and selected demographic (age, education, gender) and job (status, tenure in industry, organizational size) variables of advertising executives?
4. To what degree is there a relationship between perception of the agency's ethical climate (caring, law and code, rule, instrumental and independent) and the ethical orientation of advertising executives?
5. To what degree is there a relationship between sex role identity (feminine, masculine, androgynous) and the ethical orientation of advertising executives?
6. To what degree is there a relationship between selected demographic (age, education, gender) and job (status, tenure in industry, organizational size) variables and the ethical orientation of advertising executives?
7. To what degree is there a relationship between perception of the agency's ethical climate, sex role identity, (feminine, masculine, androgynous), selected demographic (age, education, gender) and job (status, tenure in industry, organizational size) variables, and the ethical orientation of advertising executives?

A graphic representation of the research variables appears below.

Research questions are identified as RQ's 1-7 in the diagram.

FIGURE I

Diagram of Research Variables



Delimitations

The subjects were advertising agency executives in the 1) client service functions, specifically: a) account management, b) new business, c) media planning and buying; and 2) creative functions, specifically a) creative directors, b) art directors, c) copywriters. The subjects were owners, presidents, and department managers at advertising agencies of varying sizes from large international holding companies to small and independent agencies located within the United States. Cultural issues and the extended time required to study participants located outside the United States precluded including members of the international advertising community.

Limitations

Since the questionnaire contains scenarios that require personal judgment, the subjects may not have been totally truthful in their responses, potentially demonstrating a self reporting bias. As Dillman (1978) suggests, the fear that the information gathered may have future repercussions on their careers could inhibit their honesty and compromise the study's validity. There is the potential that the responses reflected desired attitudes towards sex role orientation and corporate culture, rather than actual observations or feelings. The research attempted to reduce the tendency towards the potential for self reporting bias by guaranteeing anonymity; however, honesty and accuracy could still have been compromised.

Definition of Terms

Corporate Culture: Culture is a system of values, history and traditions that define the organization and guide the behavior of its members. The elements of culture are the conditions in which the organization operates, its beliefs, its heroes who represent the company's greatest achievements, its rituals that demonstrate expected individual and group behavior, and its communication network that preserves the culture.

Ethical Climate: Ethical climate evolves from the employees' perceptions of the company's policies and practices regarding ethical issues. It is an environmental force within corporate culture which helps employees identify ethically sensitive situations and choose their response.

As used in this study, ethical climate refers to the advertising agency executive's perception of the agency's ethical climate type and what is expected of the employee in terms of service to client, teamwork, honesty, and respect for the individual.

Ethics is generally defined as the principles that govern an individual's conduct as manifested in choices between acceptable and unacceptable behavior. Early Greek philosophers believed that there are moral absolutes which are learned through life experiences. Others claim that ethics apply within a situational context, suggesting that an individual possesses several ethical domains which influence decision making depending upon the circumstances and setting of the ethical dilemma.

As used in this study, ethics refers to the advertising industry's professional code, the Standard of Practice of the American Association of Advertising Agencies (1990) which states that advertising agencies have a social obligation to their clients, the public, the media and to each other, to be a positive force in business by competing ethically and creating honest and decent advertising.

Gender Socialization Theory: A psychological construct that posits that boys and girls are treated differently by society, thereby producing men and women, diametrically opposed versions of the same species. For the purposes of this study, gender refers to the characteristics, roles and responsibilities of females and males. Gender socialization refers to the forces that produce stereotypical male and female behavior.

Job Category: The department or functional area in which the individual's job is performed. For the purposes of this research, advertising jobs were divided into two categories: creative and management, including account management and media.

Job Tenure: The amount of time that an individual has worked for a company. For the purposes of this study, job tenure refers to the manager's rank and number of years in the present job.

Sex: How one thinks of oneself in terms of whether one is sexually and romantically attracted to members of the same or opposite sex. Sex includes individuals who describe themselves as bisexual, heterosexual, homosexual,

transgendered and transsexual. For the purposes of this study, sex is a multi-dimensional concept that includes both biological and psychological concepts.

Sex Role Identity: The extent to which one is described as possessing either instrumental (male) or expressive (female) characteristics. As used in this study, masculine traits, such as self-assertion, pertain to an instrumental sex role identity. Female characteristics, such as concern for others, are associated with an expressive sex role identity. The concept of androgyny pertains to a neutral sex role identity in which a person exhibits a high preference for both masculine and feminine personality traits.

Span of Control: The optimum number of subordinates that a manager supervises. As used in this study, span of control refers to the number of employees who directly report to the respondent. It is an indicator of one's level of responsibility which is indicated in the Demographic and Job Variables Questionnaire of the proposed research.

Purpose of the Study

The purpose of the study was to examine individual ethical decision making within the context of the advertising industry. This study was not intended to predict behavior. Rather, it aimed to explain the personal characteristics and situational factors that influence the ethical orientation of decision makers.

Individuals develop their ethical systems early in life in response to external forces such as family, school and community. Age, education and experience appear to be moderating forces in the moral decision making process. Teaching ethics helps individuals to identity ethical issues, and provides the tools to resolve them. Ethical individuals are able to see beyond the short term and their own self interests. They do not engage in bribery or fraudulent accounting practices. Similarly, they do not create false and misleading advertising; discriminate against employees, or cheat clients.

Since all areas of advertising, including client services, creative strategy, and organizational behavior involve ethical decision making, teaching ethics to advertising students and professionals can potentially lead to a profound improvement in the agency to agency, agency to employee and agency to client relationships. Ultimately educating managers in ethical decision making can make the whole organization, and industry, more ethical. The benefits extend from improved company morale and loyalty to profitability.

As numerous studies have shown, ethical companies are also successful companies (Nappi, 1990). Do Unto Others, a South African agency that is obsessed with ethics, is proof that by adopting a business philosophy that revolves around trust, integrity and professionalism, an advertising agency can grow and attract high profile accounts. (Amm and Sher, 2006).

Chapter Summary

The increasing concern with organizational ethics leads to an examination of leadership and its influence on individual ethical orientation. Evidence supports the conclusion that organizational and individual ethics are inseparable. It appears that individual ethical orientation is impacted by top managers and the ethical climate which they create.

Research indicates that in the advertising industry, an ethical climate is created by managers who encourage open communication about ethical dilemmas. When this is absent, individuals rely upon their own ethical orientation in matters that concern clients and the advertising agency. Too often, this results in decisions that compromise ethics for profitability. Thus it is surmised that ethical and transparent leadership can create environments in which moral judgments are guided by what is right for all constituencies affected and served by the advertising industry.

This study examined the individual and organizational factors that influence moral reasoning in the work context.

The reader is directed to the research questions on pages 22-23 for an iteration of the relationship of the variables in the study.

CHAPTER II

THEORETICAL FRAMEWORK AND RELATED LITERATURE

Introduction

This chapter provides a discussion of the theoretical framework and related literature, which examined ethical climate, sex role identity, cognitive moral development, and the demographic and job variables that were used in this study. The conceptual framework for this study includes Victor and Cullen's theory of Ethical Climate Type, Sandra Bem's theory of Sex Role Identity and Lawrence Kohlberg's theory of Cognitive Moral Development.

Ethical Climate Type

The concept of ethical climate originated with Lewin's studies in the 1930's in which he "created three kinds of social climates in the classroom in order to determine what effect different leadership styles had on …behavior" (Schneider and Reichers, 1983, p. 21). The units of theory in ethical climate are the organization and the individual. As originally conceptualized, research focused on the individual's perception of the corporate ethical climate.

Early studies (Frederiksen, Jenson and Beaton, 1972; Lewin, Lippert, and White, 1939) did not measure climates at all. Instead, climates were inferred from

experimental manipulation (Schneiders and Reichers 1983) Glick (1985) claimed that previous studies (Gavin & Howe, 1975; James, 1982; Jones & James, 1979; Schneider, 1975) made the mistake of inferring the organization's climate based on an aggregate of individual perceptions. Glick proposed that organizational climate is a composite of numerous organizational variables that describe the context for individuals' behavior.

Victor and Cullen (1987) introduced the concept of ethical climate in order to explain how the organizational environment impacts ethical decision making. They theorized that individuals adjust their behavior to fit their perception of the company's ethical environment. They sought to apply Kohlberg's findings for individual moral reasoning to the behavior of groups. Building upon the work of Kohlberg, Victor and Cullen created a two dimensional typology of ethical climates (Appendix F) that matched Kohlberg's levels of moral development (egoism, benevolence and principled) with the locus of analysis (individual, local, cosmopolitan) used in decision making. The locus of analysis refers to the source of standards for acceptable and unacceptable behavior. The source could be 1) the individual's moral beliefs; 2) local, whereby the source for ethical guidelines is the organization; or 3) cosmopolitan, whereby the source is external, such as a professional organization. Furthermore, Victor and Cullen believe that the locus of analysis changes based on the individual's level of moral development (Fritzsche, 2000).

Victor and Cullen developed the Ethical Climate Questionnaire (ECQ) (1986) in order to get respondents' perceptions of how co-workers made ethical decisions. The instrument is based on the premise that the social context of the organization is pivotal in determining how employees act. The Questionnaire consists of 36 questions, each of which is directly linked to a locus of analysis, or ethical climate type. They used the ECQ in a study of 872 people at four different types of companies to determine how workers perceive their organization's ethical climate. They postulated that individuals receive cues about organizational norms regarding ethical situations from the company's ethical climate, and that employees learn how to behave in the organization through a socialization process in which rewards and punishment reinforce behavior.

Victor and Cullen's studies, based on individuals' observations of their work environments, resulted in the conceptualization of five ethical climate types. The first climate to emerge from the typology is the Professional, or Law and Code, climate, in which the company's primary concern is to abide by the law and follow professional standards. The Caring ethical climate is characterized by the perception that the company's primary concern is for everyone's welfare, both within and outside of the organization. This climate cultivates an atmosphere in which employees look out for their colleagues' well being. The third climate is Rules which emphasizes adherence to company rules. Reliance upon rules is typically associated with large bureaucratic organizations where rules and policies expedite and simplify decision making. The Instrumental climate type refers to an

environment in which individuals are motivated by company and self interests, regardless of the consequences. The fifth climate type is Independence, in which individuals are encouraged to act on their own moral principals, unfettered by outside influences.

Each ethical climate presents the potential for ethical transgression. The Professional climate, which urges employees to abide by the law, does not take into consideration the intellectual process whereby the individual evaluates the differences between the legal and ethical consequences of a decision. The Caring climate type can lead to an environment in which employees conceal the wrong doings of their co-workers in order to protect them. The Rules climate type is only as ethical as the rules of the company are. In the Instrumental climate type, the degree of ethical behavior depends upon the ambitions of the individual employees. These ambitions can run the gamut from altruism to greed. Finally, in the Independence climate type, individual ethical standards determine ethical decisions. It is possible in this environment that individuals with poorly developed moral systems can make decisions that damage other parties, both inside and outside of the company. Both the Instrumental and the Independence climate types imply the lack of a cohesive company policy that can guide employees through an ethical quandary.

Victor and Cullen's work is supported by various studies that suggest that individuals follow and internalize the values espoused and demonstrated by the organization in which they work. Observed practices and perceptions strongly

influence behavior. McKenna (1993) studied fraudulent financial accounting by management accountants in organizations with different perceived ethical work climates and found that loyalty to the employer was more important than acting ethically, thus suggesting a Caring climate type. D'Aquila (1997) found that accountants who perceived an ethical tone in top management were more likely to behave ethically. This suggests a Professional climate type. Sims (1992) concluded that the actions of top managers, and the cultures that they establish and reinforce, strongly influence the behavior of lower level managers, producing a discernable pattern of organizational behavior. Wimbush et al. (1997) found that the Instrumental climate was most associated with unethical behavior. However, Forte's (2001) study of managers in a variety of industries found no significant relationship between perceived ethical climate and moral reasoning. Bowditch and Buono (1997) found that "Organizational members view their situation depending on their expectations, which are based on the type of psychological contract formed at entry, organizational socialization processes, and their own prior experiences and perceptions of the larger environment" (p. 300).

Stone and Henry (2003) used a modified version of the ECQ in their study of information technology ethical work climates and found that IT workers' ethical decisions were related to the ethical standards of the work group. Peterson (2002) used the original 36 item ECQ in a study of MBA graduates to explore the relationship between unethical employee behavior and the nine dimension model from which the five ethical climate types are derived.

Obvious questions that emerged from the previous research are: "What is the relationship between advertising executives' ethical orientation to their perceptions of ethical climate?" "What is the relationship of advertising executives' perception of ethical climate to their ethical orientation?"

Sex Role Identity

The concept of sex role identity refers to the individual's acceptance of information about the self that is based on cultural stereotypes of masculinity and femininity.

The Bem Sex Role Inventory (BSRI, 1974) assesses the psychological qualities of femininity and masculinity, and measures the degree to which a person associates with traits that are considered appropriate for his/her gender. Sandra Bem contends that women have been subordinated in society and business because of three assumptions or "lenses:" 1) androcentrism: males are presumed to be superior to females; 2) gender polarization: male and female characteristics are separate and distinct traits, and 3) biological essentialism: biological differences account for gender inequalities. Her ultimate conclusion was that androgyny, a concept she developed, represents a domain in which masculinity and femininity are complementary rather than opposites. Androgynous individuals possess both masculine and feminine traits and can be described as competitive and aggressive (masculine traits), and as sensitive and other directed, (feminine traits). Such individuals may be better able to adapt to different

situations and perform better in the workplace. The implications for this research are that female leaders integrate both female and male traits, such as compassion and analytical skills, and bring multi-dimensional attributes to their work roles.

Female androgynous managers have been found to be more successful than their feminine counterparts (Cames et al, 2001; Shannock, 2000). This is confirmed by a study of Swiss medical school graduates (Buddeberg-Fischer, Klaghofer, Abel and Buddeberg, 2003) which concluded that both gender and personality traits are important in successful career planning. The study found that the students who were furthest along in completing their graduation requirements were females who scored high on the instrumentality scale.

According to Hoffman and Borders (2001), flaws in the BSRI are that: 1) it lacks clarity about whether it measures one's universal perceptions of M and F traits or just one's self description, thus questioning its construct validity; and 2) its manual recommends using an outdated distortion prone median-split scoring method.

Spence and Helmreich (1978) developed the Personal Attributes Questionnaire (PAQ) in reaction to criticism of the concept of gender schema as a bipolar construct. They sought to measure socially desirable traits which are stereotypically associated with either males or females, thus defining the psychological core of masculine and feminine personalities (Spence and Helmreich, 1978). Self perceptions affect a person's professional aspirations and achievement, and Spence and Helmreich found that early socialization

experiences predispose girls to expectations that they will occupy subordinate positions as adults.

Kohlberg claimed that moral judgment and sex role self concept developed concurrently. As children gain gender consonance, they conform to the ethical behavior of same sex role models. However, at the highest level of principled morality, conventional behavior may conflict with individual moral behavior (Leahy and Eiter, 1980). Therefore, as one achieves the post conventional stages of decision making, one's behavior can be determined by independent thinking rather than by role expectations.

Skoe, Cumberland, Eisenberg, Hansen, and Perry, (2002), found that women and feminine persons view moral conflicts more seriously than men or masculine persons. Based on Gilligan's findings regarding the differences in ethical orientation between men and women, this suggests that the feminine "care" orientation is more ethically sensitive than the 'justice' orientation which dominates male thinking. Galea and Wright (1999) found that sex role identity is not a strong predictor of whether one will use the care or the justice perspective in formulating moral judgments.

Street, Kimmel and Kromrey's (1995), study on college students and faculty, found that traditional gender roles such as the masculine man and the feminine woman remain unchanged since the time the BSRI and PAQ were developed almost 30 years earlier. However, in a study that used the PAQ to determine female employees' perceptions of the successful manager, Vinnicombe

and Val, (2002) suggest that perceptions of leadership qualities are moving away from purely masculine personality traits towards androgynous traits.

The present study asks "What is the relationship of advertising executives' sex role identity to their perception of ethical climate?" "What is the relationship of advertising executives' sex role identity to their ethical orientation?"

Cognitive Moral Development

Kohlberg's theory of Cognitive Moral Development has been utilized in most models of ethical decision making in business (Ferrell and Gresham, 1985, Hunt and Vitell, 1986; Jones, 1991), mainly because its logic and its concept of sequential stages of moral development make it easy to describe a person's operational level of moral reasoning.

Kolhberg's model is based on four premises, 1) moral judgment is based on cognitive reasoning; 2) each stage represents a qualitative difference in ethical thinking; 3) cognitive moral development proceeds according to a constant sequence of stages, 4) individuals choose to solve problems at their highest level (Kohlberg, 1969). Furthermore, Kohlberg maintained that human behavior is a dynamic force that is constantly evolving, and while the environment provides the setting for that development, there are other factors that contribute to how individuals respond to situations.

CMD theory posits that individual moral development proceeds through three levels in which the individual advances from moral thinking that is

dependent upon the approval of others to independent judgment that is based on independent principled thinking.

Each level in Kohlberg's schema consists of two stages. Level one is the Preconventional Level in which Stage I attributes ethical behavior to the desire to avoid punishment. In Stage 2 of Level 1, the individual acts in his/her own interests. Proceeding to Level two, the Conventional Level, Stage 3 describes moral behavior as motivated by the desire to be perceived as a good person. Stage 4 in the Conventional Level credits respect for laws and society for individuals acting morally. Level 3 is labeled the Postconventional Level. It consists of stages 5 and 6. In stage 5, moral behavior is exhibited because of the individual's concern with the rights and welfare of others. At stage 6, the individual is guided by self chosen moral principles which take into consideration the rights of others. Stage 6 represents a terminal stage that is attained by a very small number of people. Not all of the levels are attained or operational in all people. Only when a person has reached the principled level, the highest level of moral development, can the individual invoke a value system that determines what is right and wrong in a given situation (Appendix H).

James Rest, developer of the Defining Issues Test, studied ethical reasoning from the perspective that morality is based on fairness and justice. He maintained that individuals use a combination of stages in the moral reasoning process, with one stage being dominant. The stages progress from an outward orientation to the development of a sense of obligation to others and an

independent moral code. These stages take into account four other determinants of ethical behavior: 1) determining the action's effect on oneself and others, 2) choosing the most ethical action, 3) placing moral values over selfish interests, and 4) pursuing the moral choice regardless of barriers (Brower, 2000). Rest found that the average DIT score improved with each increase in educational level. That has led several theorists to suggest that managers and executives can be trained to use cognitive moral development skills to resolve ethical dilemmas (Fraedrich, Thorne, and Ferrell, 1994).

Carol Gilligan has criticized Kohlberg's research because it used an all male sample, leading to an interpretation of morality as justice. Her treatise, In A Different Voice: Psychological Theory and Women's Development (1982), claims that the two sexes develop differently and that there are two perspectives to the moral equation: caring and justice. In her staged approach to moral development, females progress from egocentric concerns to a sense of responsibility to others, seeking inclusion and an avoidance of hurt, while male moral development is shaped by an adherence to rules.

The concept that moral reasoning is based on justice, a masculine trait, and the counter argument that care and relationship are important in moral development, suggest that there is a relationship between moral development and gender. However, Carothers and Allen (1999, pp. 375-376) question this relationship and suggest that what appears to be gendered behavior is really attributable to social, personality, occupational and work environment factors.

This study asks "To what degree is there a relationship between advertising executives' ethical orientation and their perception of ethical climate of the advertising agency?"

Demographic and Job Variables

The individual demographic and job variables that will be examined in the proposed study are age, education, gender, job status, tenure in the industry, and organization size.

Age

Age has been found to correlate with an individual's moral development. Kohlberg's model of moral development maintains that ethical reasoning improves as one matures chronologically. Thousands of studies, in the United States and abroad, using Kohlberg's interview measurement techniques, and the more objective DIT measure, have confirmed the linkage between age and moral development (Trevino 1992, p. 6).

Numerous other studies have found that older people have more experience with ethical dilemmas and accept ethical standards more readily than their younger counterparts (Izzo, 2000, Serwinek, 1992 as cited in Roman and Munuera, 2005). Davis (1994) found that older, more experienced advertising professionals were strongly influenced by ethical considerations. CMD research overwhelmingly suggests that moral reasoning improves with age. The research

posed the question: "What is the relationship between age and ethical orientation of advertising executives?"

Education

Rest (1979) found that age and education are directionally correlated to individual decision-making. "When Rest tests groups stratified by age and education, he finds a steadily increasing average DIT score" (Bay, 1999, p. 6), showing a positive linear relation between these two variables. In Roman and Munuera's ((2005) analysis, although age was shown to have an effect on ethical behavior, a higher level of education, as measured by years rather than specialization, was inconsequential. Therefore, the literature is less consistent about the effect of education on ethical orientation.

This research asks: "To what degree is there a relationship between age, education, and ethical orientation of advertising executives?" "To what degree is there a relationship between age and education to the advertising executives' perception of the agency's ethical climate?"

Gender

Extensive research (Aquinis and Adams, 1998; Fritzsche, 1988; Gilligan, 1982, Glover, Bumpus, Sharp and Munchus, 2002; Kidwell, Stevens and Bethke, 1987; Loo, 2003; McCuddy and Peery, 1996; Robbin and Babin, 1997; Schminke, 1997; Tsalikis and Ortiz-Buonafina, 1990) has been conducted on the relationship

of gender to moral reasoning. Sufficient evidence exists to posit that women in business behave differently than their male peers (Chonko & Hunt, 1985; Ferrell & Skinner, 1988; Gilligan, 1982; Kidwell et al., 1987; Loo, 2003). As summarized by Barnett and Karson (1989), these findings suggest that

> … women are 1) more concerned about relationships than men, 2) define themselves through relationships, as opposed to men, and most importantly: 3) select actions in terms of supporting relationships and/or being approved by others, as opposed to men, who follow absolute rules and principles that are separate from relationships (p. 748).

Many studies have historically shown that women have different ethical orientations and levels of sensitivity to ethical issues than men. Yet Luthar (1997) notes a continuing debate about this subject by first citing studies that found no differences (Derry, 1989, Fritzsche, 1988; McNichols and Zimmerer, 1985), and then referencing those that suggest that women are more ethical (Arlow, 1991; Betz et al., 1989; Borkowski and Ugras, 1992; Ruegger and King, 1992). Reiss and Mitra (1998) found partial support for the hypothesis that gender accounts for differences in ethical behavior within the organization. Aquinis and Adams (1998) found that stereotypical perceptions of female managers as being more ethical are mitigated by organizational structure, and the manager's position and use of influence.

The researcher sought to shed more light on: "What is the relationship between gender and ethical orientation of advertising executives?" and "What is

the relationship of the advertising executives' perception of ethical climate to the executives' gender?"

Job Status

Previous studies have noted relationships between job status and ethical orientation. In a study of information systems personnel, Banerjee, Jones and Cronan (1996) found that the disparity between the ethical orientations of executive vs. non-supervisory personnel was situational. In this study's marketing scenario, in which the employer violated privacy practices when requesting that data obtained for government purposes should be copied for future use by the company, non supervisory personnel were less ethically oriented in their responses. Referring again to the study by Aquinis and Adams (1998) that addressed the disparity between male and female managers in organizations, they found job status has a stronger effect than gender on female managers' perceptions about the organization.

It is also relevant to examine the relationship between gender and status and their combined effect on ethical climate. Women have come a long way since the 1970's when there were hardly any female senior executives at advertising agencies. There was discernable progress throughout the 1980's and the 1990's. In 1995, the American Association of Advertising Agencies estimated that women held more than 50% of account management positions (Goldman, 1995). In 2003, women accounted for 65.8 percent of the work force in advertising agencies.

However, they held 76.7 percent of all clerical positions and only 47% of middle and upper management positions, a figure that is almost unchanged today (Bosman, 2005). Therefore, although women have been making steady strides in climbing the corporate ladder in advertising agencies, they still are not on a par with men in terms of influence and power.

Job Tenure

Research on job tenure's effect on ethical behavior is mixed. Studies by Akaah, (1996); Barnett and Karson, (1989); Victor and Cullen, (1988); and Weeks, Moore, McKinney and Longenecker, (1999), indicated a positive correlation between these two variables. Banerjee, Jones, and Cronan, (1996), found that males and longer tenured workers show lower ethical standards. Pennino ((2000) found that "P" scores decreased as employees gained more tenure. Both Forte (2001) and D'Aquila (1997) found that there was no statistically significant relationship between job tenure and ethical decision making.

Organization Size

Research into the interaction between organizational size and moral reasoning (Maes, Jeffery, and Smith, 1998), shows that the larger the organization, the more likely ethical standards suffer. Appelbaum et al. (2005), citing Bauccus and Near (1991), suggested that larger firms with tremendous resources, operating in dynamic environments, are likely to commit unethical acts.

Furthermore, Lasson and Bass (1997) found that in larger organizations where there was less supervision of individual workers, the frequency of unethical behavior increased. In Pennino's (2000) study, subjects from large firms had lower "P" scores than their counterparts at smaller companies. However, D'Aquila found that firm size did not significantly influence the ethical choices of financial accountants.

Overstreet (1983) did not find a relationship between size of advertising firms and ethical concerns; but more recent research by Drumwright et al (2004) noted that the work context did influence ethical consciousness. This study asked: "How has the rise of mega agencies in the last 25 years affected the moral reasoning of advertising executives?"

Chapter Summary

The studies cited in the literature review indicate that individual decision-making in business is influenced by several factors, of which ethical climate appears to be an important component (Barnett and Vaicys, 2000). The ethical tone, set by the organization's leaders, helps the employees decide which ethical issues are considered important. The individual responds in a manner that is a combination of unique and prescribed behavior.

The literature implies that ethical climate has a strong moderating effect on the ethical judgments of organizational members (Barnett and Vaicys, 2000). Research indicates that ethical orientation is related to sex role identity, age,

education and gender. Males and individuals with high masculine characteristics are more tolerant of questionable ethical organizational behavior, than are longer tenured workers, women, and individuals with high feminine characteristics. Although older, longer tenured workers are expected to be more ethical, this can be compromised by an organizational structure that is large and not "rules" oriented. In addition, other factors, such as job security and seniority, give longer tenured workers a false sense of security that can lead to ethical complacency.

In summary, multiple factors impact individual ethical decision making. Research suggests that linkages exist between ethical climate, sex role identity, selected demographic and job variables, and ethical orientation.

CHAPTER III

METHOD

Introduction

This chapter describes the research method and instruments which were used to measure the degree of relationship among advertising executives' perceptions of their organizations' ethical climate, their sex role identity, age, education, gender, job status, tenure in industry, and organizational size to the ethical orientation of advertising executives.

Research Method

A mail survey and convenience samples were used to collect data. Correlation analysis was used to determine the relationship among the variables. The mail survey enabled the researcher to reach a large sample population consisting of respondents from agencies of all sizes and located throughout the country. Such diversity enhanced the researcher's ability to generalize the findings. Second, as Dillman (1978) asserted, individuals tend to be more honest in mail responses since they are impersonal and offer an assurance of anonymity. Third, the data from a mail survey can be analyzed more objectively than telephone or personal interviews (Ibid., 1978). Finally, a survey permits individual perceptions to be expressed in a measurable way. The main

disadvantages of a mail survey are that it asks standardized questions, limiting the depth of exploration into selected topics, and response rates tend to be low. In addition, a survey must be of a manageable length since too many questions will further diminish the response rate.

Convenience samples were used to supplement the response rate from the mailings. The pilot study indicated that the mailings would not yield a satisfactory number of responses for a study of this size where the number in the population exceeds 26,000. Therefore, the researcher attended seven professional and trade meetings where the surveys were distributed by the researcher, with occasional assistance from an attendee of the meeting. Ultimately, of the 187 acquired, usable responses, almost 33% were obtained from the mailings and almost 37% were obtained from the convenience samples. The remaining 30% of the responses were attained from respondents who were referred to the researcher by professional contacts. It should be noted that all responses were anonymous, and the researcher made no attempt to identify any such responses.

Population and Setting

The mail respondents' names were obtained from the 2008 Adweek Directory published by VNU Business Media. The researcher randomly selected the names of senior managers at advertising agencies of all sizes located throughout the United States. The names were sorted by job title, organizational size and gender. Job titles that were selected were chairman, president, account

manager, media director, production manager, creative director, copywriter, and art director. The agencies ranged in size from one person shops to worldwide agencies with billions of dollars in billings.

In determining the appropriate sample size, consideration was given to tolerance for sampling error, population size, and variances within the population. Using the statistical formula for calculating the sample size, with the standard deviation unknown, the researcher estimated the standard deviation of the population at 50, a number that is probably higher than the actual standard deviation of the pilot study. The calculation produced 384 as the number for the sample size. Salant and Dillman (1994, p. 55) recommend using a sample size of 378 in order to achieve a 95% confidence level for a population consisting of 25,000 subjects. This is also within the boundaries stipulated by Cohen (1988) and Wunsch (1986).

A total of 478 surveys were distributed to potential respondents, 55% of whom were male and 45% of whom were female. According to data from ALC, a direct mail house that manages the subscriber list of "Adweek", the gender profile of their database of advertising executives consists of 54% male and 38% female, and 8% unidentified. The selected recipients were separated into two strata based on gender. The stratified random sample achieved almost equal representation of men and women, which allowed the researcher to test for co-variance between gender and ethical orientation.

Subjects

In this study, the unit of analysis was advertising executives of full service advertising agencies. A full service advertising agency is defined as one that provides creative and media services. Creative services include creation of advertisements for electronic, interactive, print and outdoor media. The media function refers to the purchasing of time and space in media, and scheduling the placement of the advertising messages. All of the subjects who were mailed the survey hold a supervisory position in the areas of either account management, creative services, production or media.

Instruments

As stated in Chapter I, this research utilized standardized quantitative instruments to determine the correlation among the variables. Such instruments reduce the risk of researcher bias. The instruments that were used were a shortened version of Victor and Cullen's Ethical Climate Questionnaire, consisting of 11 representative sample questions chosen by the authors (1989, p. 56); the short version of Helmreich and Stapp's Personal Attributes Questionnaire; the three scenario version of James Rest's Defining Issues Test; and a Demographic and Job Variables Questionnaire created by the researcher.

Victor and Cullen's Ethical Climate Questionnaire

The study focused on the individual's perception of the organization's ethical climate. Victor and Cullen"s (1988) Ethical Climate Questionnaire (ECQ) is the most widely used instrument to measure organizational ethical climate (Fritzche, 2000). As measured by the ECQ, ethical climate refers to the organizational norms used in the decision making process.

The original 36 item questionnaire surveyed workers in four firms: a telephone company, a small printing company, a savings and loan association and a manufacturing company. The instrument that was used in this study to measure the advertising executives' perceptions of ethical climate consists of 11 sample statements from the complete ECQ (Victor and Cullen 1988, pp. 111-113). Each statement is identified with one of the five ethical climate types (Professional, Caring, Rules, Instrumental, and Independence), which were derived from their two dimensional typology (Appendix F). The selected items and instructions were replicated exactly as they are used in the ECQ. Respondents were asked to rate the truth of each statement along a six point Likert scale which was used to indicate the respondent's degree of agreement or disagreement with statements about a company's ethical climate. The responses range from 0 – 5. "Considerably False" statements received a response of zero; statements ranging from "Mostly False" to "Completely True" received a response of 1-5. Therefore, each response has a value ranging from 0 – 5. Depending on the number of

questions that relate to it, each Ethical Climate can have a maximum score of zero to twenty. The score for each Ethical Climate was calculated by multiplying five by the number of questions that apply to that Ethical Climate. Thus, the Independence climate, which has only one question associated to it, has a maximum score of five, while the Caring climate, which has four questions associated to it, has a maximum score of 20. This is the same scoring system that was used by Victor and Cullen in their study of 872 people from four different organizations in their seminal study (Victor and Cullen, 1989, p. 56). The responses were entered into and tallied by SPSS 16.0

Victor and Cullen performed numerous validation studies of their instrument. A 1993 study of their research on 12 organizations, yielding 1,167 responses, confirmed that individuals can indeed perceive ethical climate (Victor et al., 1993, p. 675) and that it guides organizational decision making in regard to ethical dilemmas. Victor and Cullen provided information concerning the validity of their instrument showing Cronbach alpha reliability of .60-.82. McKenna's (1993) analysis of the internal consistency of the EQC concluded that the average level of agreement among questions that pertained to the same ethical climate type ranged from 39% to 86%. More recently, the criterion validity of the ECQ has been verified by Peterson (2002) and Stone and Henry (2003) who showed that the ethical climate types identified by Victor and Cullen are correlated to ethical or unethical behavior.

Spence, Helmreich and Stapp's Personal Attributes Questionnaire

The Personal Attributes Questionnaire (PAQ) is based on the concept of gender identity and refers to multi-dimensional psychological aspects of how one thinks objectively of gender. The original full version of the PAQ contains 55 bipolar items that differentiated male and female characteristics. This study used the 16 item short version of the PAQ, which was adopted as the official version of the instrument in 1978. The premise of the PAQ is that stereotypical traits can distinguish masculine (instrumental) from feminine (expressive) personality types.

This 16 item version of the PAQ contains eight questions that are stereotypically associated with masculine traits and eight questions that are stereotypically associated with feminine traits. The masculine items refer to action oriented behavior, while the feminine items refer to emotional traits indicating a concern for others. Each item in the shortened form was selected on the basis of its correlation to the scale to which it was assigned. Correlations between scores on the long and short versions of the instrument for a sample of college students were .93, .93, and .91 for M, F, and M – F respectively (Spence and Helreich, 1978). Cronbach alphas for a sample of students who were given the short form were .85, .82, and .78 for M, F, and M –F respectively. Thus, despite its brevity, the short version of the PAQ exhibits satisfactory reliability.

The PAQ uses a median split technique to compute scores. As stated by Spence and Helmreich (1978, p. 32), the eight item scales are scored from 0 -4. Responses were indicated on a 5 point Likert type scale in which choices A and B

indicate degrees of agreement with negative statements on the left side, and C, D and E indicate degrees of agreement with positive statements on the right side. Therefore, the values for the responses are A = 0, B = 1, C = 2, D = 3 and E = 4. Responses to M scale items are keyed in a "masculine" direction and responses to the F scale in a "feminine" direction. Two additional categories, androgynous and undifferentiated, can result from the median split scoring method. Total scores, which ranged from 0 -32 for each category, were obtained by summing the scores for each of the categories. The median score for this study was 16.

Respondents were asked to indicate where their self perceptions fit between two diametrically opposed statements and then were classified according to their score above or below the median. The scoring formula is shown as follows:

Feminine > 16 and Masculine > 16 equals Androgynous (M-F)

Feminine > 16 and Masculine < = 16 equals Feminine (F)

Feminine < = 16 and Masculine > 16 equals Masculine (M)

Feminine < = 16 and Masculine < = 16 equals Undifferentiated

Thus, individuals were considered Androgynous typed if they scored above the median in both feminine and masculine scores; Feminine if their femininity score was above the median and their masculine score was below the median; Masculine if they scored above the median on the masculine scale and below the median on the feminine scale; and Undifferentiated if both masculine and feminine scores were below the median.

Spence and Helmreich (1978) used several different populations to establish the norms and validate the PAQ. In their initial sample, male and female college students fulfilled expectations by being conventionally sex-typed (34% of the males were masculine and 32% of the females were feminine). In a study on female varsity athletes, the athletes scored slightly higher on M and M – F than female non-varsity students. In a study of male and female Ph.D. scientists at a major university, the scientists scored higher on the M and M – F sex types than non-science college students. Furthermore, among female scientists, the largest group was androgynous (40%).

Hill, Fekken and Bond (2000) have cited numerous studies on the PAQ which have yielded a Cronbach alpha reliability of .51-.85 for the Instrumentality scale, and from .65-.82 for Expressivity. Studies on both young and adult participants have all yielded similar results in which female respondents score higher on the expressivity (F) scale and male respondents score higher on the Instrumentality (M) scale. Its criterion validity has been supported by Holt and Elias (1998). Furthermore, the PAQ appears to hold up cross culturally based on studies that used samples of Lebanese, Israeli and Brazilian participants (Hill et al., 2000, p. 236).

The PAQ was an appropriate instrument to use for this study because of its brevity, its broad implications for gender identity, and its ability to measure several attributes, (self-confidence, emotional stability, industriousness,

leadership, logic and responsibility), that are related to business (Aguinis and Adams, 1998).

James Rest's Defining Issues Test

The Defining Issues Test, devised by James Rest (1979), and derived from Kohlberg's model of Cognitive Moral Development, was used to measure the ethical decision-making qualities of advertising executives in this study.

The DIT has been widely used to study the ethical orientation of hundreds of thousands of subjects of different demographic groups, professions and cultures (Rest and Narvaez, 1994). It is an appropriate instrument for this study because it categorizes moral development in staged progression and addresses the cognitive process in moral decision making.

The original long form of the DIT consists of six ethical dilemmas (three in the short version), which are presented as vignettes with a list of 12 responses. Respondents indicate the importance they place on considerations that impact their decision. There are five grades of importance ranging from Great to No. The test provides a quantitative "principled" ("P") score that indicates the percentage of time the subject uses principled moral reasoning. This places the individual's moral reasoning along a continuum, reflecting the highest levels of moral reasoning's frequency.

The validity of Kohlberg's theory and Rest's instrument are supported by longitudinal studies that showed improved "P" scores as individuals gain greater

ability to interpret their environment and make decisions. Criterion validity has been established in studies by Rest (1979, 1986) who found that Ph.D. students scored significantly higher than other college students. The test – retest reliability of the DIT has been studied extensively. Davison and Robbins (1978) found that for the three story short form, correlations range from .6 to .7. Armstrong's (1984) study of 1,080 subjects showed a .91 correlation between results from the short and long forms of the instrument. Elm and Weber, (1994); and Rest and Narvaez, (1994) have reported Cronbach alpha reliability scores for the DIT in the .70 to .80 range.

The short version of the DIT was used in order to keep the survey manageable and to enhance the response rate. Results were scored by the researcher by entering the responses into SPSS. Rest's DIT manual (1990) provides instructions for scoring the responses to the three scenarios. Each scenario has twelve questions. After answering those questions, the respondent is directed to choose the four most important answers, which are ranked 1) most important, 2) second most important, 3) third most important, and 4) fourth most important. Points are given in a descending value, beginning with four points for "most important," to those answers which correspond to responses that the DIT considers appropriate for fifth and sixth stage moral decision making. No points are given for any other responses. For each scenario, the score can range from 0 - 9 because in each of the scenarios in the short form of the DIT, there are only three Principled items to choose from for the "important" answers. SPSS added

the scores from the three scenarios to get a "raw score." The maximum raw score an individual can attain on this form of the DIT is 27. Following the instructions in the DIT Manual (1990), SPSS then divided the raw score by .3 to get the P Score. The number used in the denominator represents the number of scenarios used in the study as explained in the DIT Manual, p. 3.5.

Demographic and Job Variables Questionnaire

The respondent questionnaire (Appendix O), developed by the researcher, consists of 14 closed ended questions with ordered choices. This type of question provides a uniformity of responses which facilitates coding and analysis (Babbie 1990). The items were designed to elicit personal data about the respondents' age, gender, educational level, job status, tenure in industry and organization size. The choices are presented in a hierarchal order. The questions were designed to be sufficiently specific to obtain the required information, yet general enough so that the respondent was not asked to give information that could be perceived as too personal or embarrassing.

The Questionnaire was submitted to a jury for review to determine if the questions were understandable and valid. The jury consisted of accomplished scholars with a terminal degree in Business Education. Each is a seasoned professional and experienced educator. Their areas of expertise include accounting, management and marketing. Based on the recommendations of the jurors, some minor modifications in the researcher's questions were made and two

items that specifically address the size and billing practices of the advertising agencies were added. A list of the jurors and a brief biography of each juror is included in Appendix P.

Data Collection

The data collection method used for the mail survey process consisted of three steps that are similar to the Total Design Method (TDM) proposed by Dillman (1978). A "teaser letter" in the form of a consent form, (Appendix Q), was sent to the names obtained from the 2008 Adweek Directory. Seven to 10 days after the mailing of the "teaser," a complete survey packet, consisting of a cover letter (Appendix R), a second copy of the consent form, and a complete questionnaire, consisting of four sections, Demographic and Job Information Questionnaire, (Appendix O), the short form of Spence, Helmreich and Stapp's Personal Attributes Questionnaire, PAQ, (Appendix J), the Ethical Climate Questionnaire, (Appendix N), and the short form of James Rest's Defining Issues Test (DIT), plus the privacy disclosure (Appendix S), and a return self-addressed, stamped envelope, was mailed to all of the prospective participants. Estimated survey completion time was 30 - 45 minutes.

The cover letter briefly described the purpose of the study and explained why the subject had been selected. Anonymity and confidentiality were assured. Two weeks after the original mailing, a reminder email (Appendix U) was sent asking non respondent recipients to return the survey.

In order to attain a response rate as close to the requisite 50% of the sample number, convenience samples were also used. The researcher surveyed advertising executives at several professional meetings conducted by major advertising trade associations and regional advertising clubs, in addition to those respondents solicited at the suggestion of the researcher's professional contacts.

Pilot Study

A pilot study was conducted to ascertain the response rate and assess the validity and reliability of the main study. A small sample of 30 subjects, (Light, Singer and Willet, 1990) was used to accomplish this goal. Since this study involved correlation research, consisting of eight independent variables which were aggregated into four groups (ethical climate, sex role identity, personal demographics and job variables), and one dependent variable, (individual ethical orientation), the researcher followed the guidelines of McMillan and Schumacher (1989) who recommend using a minimum of 30 subjects. Following Dillman's (1978) Total Design Method, 30 advertising executives, stratified into two groups of 15 each, based on gender, and randomly selected from the 2008 Adweek Directory were selected for the pilot study. Subjects selected for the pilot were not part of the full mailing used for the final data analysis. The results of the pilot and the full study appear in Chapter IV.

Data Analysis

Pearson product moment correlations were performed to test the relationships between the independent variables, ethical climate type (ECQ scores), sex role identity (PAQ scores), and selected demographic and job variables; and individual ethical orientation (DIT "P" scores). One way analysis of variance, (ANOVA), chi square tests, and *t* tests were performed to determine the significance of the relationships among and between the independent variables and between individual ethical orientation and the independent variables. Multiple regressions were performed to assess the contribution of the variables to the final DIT "P" scores. The correlation matrix of the research variables is depicted in Figure 2 on pages 146-147.

Each of the seven research questions, (refer to pages 22-24**),** was analyzed using either one way analysis of variance, (ANOVA), chi square, or *t* tests. Pearson product moment correlation analysis was used to determine the relationship among the Sex Role Identity, Ethical Climate, selected Demographic variables, (age, education, gender), and selected Job variables, (job status, job tenure, organization size), and P Scores.

Summary

In summary, this chapter explained the research method, the population and sample, and the instruments that were used in this study. The findings and discussions appear in Chapter IV, following.

CHAPTER IV

FINDINGS AND DISCUSSION

Introduction

This chapter presents the findings and results of the study. While the preceding chapter discussed the research method, this chapter will focus on the results of the study, the analysis of the data and the significance and strength of the relationships among the variables.

Preliminary Data Analysis

Prior to the analysis of correlations among the variables in the full study, a number of preliminary analyses were performed on the results of the pilot study in order to give context to the data. The pilot study was conducted in order to determine the feasibility of the survey and measure the consistency of the responses.

Two important findings that emerged from the pilot study eventually influenced how the full study would be conducted. First, it was apparent from the low response to the pilot study that potential respondents would require an incentive to persuade them to participate; and second, the response to a mailing alone would not achieve the target 50% response rate. Of the 30 surveys that were sent to advertising executives as part of the pilot study, only one survey was returned. In order to enhance the response rate, the researcher contacted the Ad

Council, the Advertising Club of New York, and several professional acquaintances who agreed to distribute the survey to advertising practitioners, all of whom were unknown to the researcher. In addition, the researcher attended a meeting of the Long Island Ad Club and distributed 25 questionnaires to qualified attendees. In total, 55 surveys were distributed for the pilot study and 12 were returned for a total response rate of 22%, a relatively minimal response.

The Frequency Analysis of Primary Demographic and Job Variables of respondents in the pilot study indicated that the majority of the subjects were mature workers (45 and older), predominantly male, and well educated, with 75% holding at least a bachelor's degree. Over 40% of the managers hold middle or senior level positions with ten or more years of experience. Another insight was that ethical orientation tended to decline as executives ascended the management ladder. Small and large advertising agencies were equally represented among the respondents.

It was apparent that in order to achieve a robust response for this study, a variety of methods of data collection that included mailings, personal contacts and convenience samples would be necessary. Prior to the full data collection phase, the researcher determined that the contingency plan to use convenience samples should be implemented as soon as possible. The researcher reached out to advertising agencies, advertising trade organizations and personal contacts in order to organize convenience samples. The researcher contacted the American Association of Advertising Agencies (4A's), the largest and most prestigious

professional organization in the industry, the Ad Club of New York, and human resource managers of nine advertising agencies. Although these contacts expressed some initial interest in the project, ultimately no convenience samples materialized from these efforts. Thus, the convenience samples that were used in the study consisted of advertising trade meetings and meetings of regional advertising clubs. The results of this mixed method of data collection are shown in Table 5.

Furthermore, an incentive plan was implemented which consisted of 1) a New York lotto ticket that was sent to every recipient of the survey, regardless of mode of contact; and 2) an offer for a gift card was made to selected participants based on the timeliness of their responses to the mailing. This additional incentive was used only for the mailing since this was the group that manifested the most resistance to participating in the survey.

Population, Sampling Frames and Method

The population from which the sampling frames were drawn consisted of advertising executives within the United States. According to the American List Counsel, the direct mail house that manages the mailing list of Adweek magazine, there are approximately 26,000 executives at the 4,604 full service advertising agencies in the United States. Three methods were used to reach a sample within this population.

The first method was a mailing to executives whose names were randomly selected from the Adweek mailing list. These surveys were coded numerically with an LX prefix (L = lottery ticket, X = gift card).

The second method consisted of the researcher distributing the survey to individuals at professional conferences who identified themselves as advertising executives. These individuals received the survey in person and were asked to complete it on site. Those who accepted the survey indicated a willingness to complete it. Therefore, the lottery ticket was given as a "thank you" to every participant. The surveys, which were distributed at the meetings, were coded with the initials or name of the organization that sponsored the event. In order to assure anonymity, no individual names were provided.

The third method was to contact advertising executives who were professional colleagues of the researcher during the period when she had worked in the industry. These contacts were invited to provide the names of other advertising executives, who were then contacted with the referrer's permission. It was expected that the personal referral would predispose these individuals to participate. These surveys were coded numerically with only the L prefix, (lottery ticket).

Data Collection

Mailings

As depicted in the table following, the mail campaign was conducted in several waves beginning in May, 2009 and continuing throughout the summer. In total, 240 surveys were mailed to advertising executives whose names were selected randomly from the 2008 Adweek Directory. Sixty-one usable surveys were received for a return rate of 25.4%. The response rates from the mailings are summarized in Table 1.

Table 1

Timetable for Administration of Survey Mailings

Mailing	N Sent	N Returned	Response %
May	30	4	(13.3)
June	78	19	(24.4)
July	71	29	(40.8)
August	61	9	(14.8)
Undeliverable		12	(5.0)
Total	240	73	(30.4)

In total, 240 surveys were mailed to randomly selected advertising executives; 61 completed surveys were returned for an overall response rate of 25.4% usable surveys. In addition, 12 undeliverable packets were returned. The unusable responses accounted for 5% of the mailings.

The entire mailing consisted of the cover letter, consent form, the four part survey, a plain #10 envelope for the return of the consent form, which was

returned with the survey in a postage paid return envelope. Both incentives were included with this mailing. Because the mailings were staggered, every group was given the chance to win the gift card for the selected responses #'s 5, 45 and 60, and four gift cards were awarded to respondents in California, Florida, Indiana, and New York.

The researcher chose to use a mixed mode strategy for the follow-up to non-respondents. Thus, an email, with the survey attached, was sent to every individual who had not responded within two weeks after each mailing. As Dillman (2000) and Schaefer and Dillman (1998) suggest, a mixed mode strategy can help to reduce the number of non-responses. The effectiveness of this method was supported by research conducted by Kaplowitz, Hadlock and Levine (2004) who found that emailed surveys can achieve a comparable response rate as those delivered by surface mail. Furthermore, the delivery and response usually are faster.

Where the email address was unavailable, the potential recipient was contacted by telephone. In three cases, the researcher discovered that the recipients' addresses had changed and the undeliverable surveys were not returned. In another two cases, it was apparent from the conversation with the recipient that the envelope had been discarded and was never opened. Four participants who had been emailed eventually returned the completed survey.

This summary indicates the difficulty in garnering results through a mail

survey process, particularly one in which the survey is lengthy and contains sensitive questions.

Missing Data

In order to check for non-response bias from the mail segment, the researcher performed an analysis that tests Oppenheim's hypothesis that non-respondents' data will more closely resemble late respondents' than early respondents (1966, p. 34). Early respondents were defined as those who responded within two weeks after the mailing went out and before email reminders were sent. Chi square tests were conducted to determine if there was a significant difference between data obtained from the mailings and the actual data for this sample. The level of significance for the differences between demographic and job variables of the early and the late responders exceeded .05 in every category tested indicating that there was little dissimilarity between early and late responders for these two variables. The results are depicted in Table 2.

Table 2

Comparison of Demographic and Job Variables Between Early Versus Late Respondents
Early (N=46) Late, (N=15) Respondents

Characteristic	Early N	Early (%)	Late N	Late (%)	χ^2	*df*	*p*
Age					2.100	3	.552
Under 30	3	(6.5)	0	(0.0)			
30 – 45	11	(23.9)	2	(13.3)			
45 – 60	26	(56.5)	11	(73.3)			
Over 60	6	(13.0)	2	(13.3)			
Gender					0.045	1	.833
Male	29	(63.0)	9	(60.0)			
Female	17	(37.0)	6	(40.0)			
Education					2.865	4	.581
2 Year College	2	(4.3)	0	(0.0)			
4 Year College	30	(65.2)	9	(60.0)			
Graduate Program	11	(23.9)	3	(20.0)			
Post Graduate	2	(4.3)	2	(13.3)			
Professional Degree	1	(2.2)	1	(6.7)			
Management Level					2.882	2	.237
First Line	12	(26.1)	1	(6.7)			
Middle	5	(10.9)	1	(6.7)			
Upper	28	(60.9)	12	(80.0)			
Missing/NA	1	(2.2)	1	(6.7)			
Number of Employees					1.147	3	.766
None	1	(2.2)	0	(0.0)			
100 or Less	25	(54.3)	7	(46.7)			
101 – 500	7	(15.2)	3	(20.0)			
More than 500	12	(26.1)	2	(13.3)			
Missing/NA	1	(2.2)	3	(20.0)			

$p < .05$ for significant difference between early and late responders.

As can be seen in Table 2, the difference between the P Score means of the early and late groups is minimal (34.59 versus 36.43), especially when compared relative to their standard deviations (13.60 and 16.41 respectively). While a slight (1.84) rise was noted in the P Score means for the late responders, it is unclear whether this would occur if there were a larger late response sample. A two tailed *t* test was conducted for significance of independent means. With $p < .05$, the results failed to attain statistical significance.

Table 3

Summary Statistics of P Scores By Timeliness of Response (N =61)[a]

	P Score					
Time of Response	N	*M*	*(SD)*	*t*	*df*	*p*
Early	45	34.59	(13.60)	-.420	57	.676
Late	14	36.43	(16.41)			

[a] Note. Data were missing for one participant in each group

$p < .05$ for significant difference between early and late responders.

Given the discussion regarding demographic and job variables, and the results of the *t* test, it appears that there is no significant non-response bias from the mailing function in this study.

Convenience Samples

The researcher's contingency plan to use convenience surveys to augment the response rate was implemented immediately because of the low response to the pilot study mailing. The researcher attended seven meetings of advertising organizations, of which five were professional conferences and two were advertising club events. Table 4 summarizes the response rate from the convenience samples.

Table 4

Summary Statistics of Responses From Convenience Samples

Meeting	N Distributed	N Returned	%
Mirren New Business Development Conference For Advertising Agencies	10	6	(60.0)
New Jersey Ad Club	35	22	(63.0)
New York Women in Communications	10	10	(100.0)
American National Advertisers' Marketing Accountability and Effectiveness Conference	15	7	(47.0)
Billboard Music & Advertising Conference	15	5	(33.3)
Advertising Women of New York	12	4	(33.0)
Ad Club of Westchester	44	15	(31.8)
Total	141	69	(48.9)

Professional Conferences and Meetings

A total of 141 surveys were distributed at professional conferences and advertising organization meetings. The researcher distributed the survey to individual attendees during networking breaks, and requested that the survey be completed by the end of the meeting, if possible. The researcher supplied a postage paid return envelope in case they were not able to do so. In these cases, the researcher obtained the participant's business card and followed up with reminder emails beginning a week after the conference. This method generated a total of 69 responses for a 48.9% response rate. This high rate of response may be attributable to the fact that people who attend professional meetings tend to demonstrate a greater level of involvement in their industry and are concerned about improving individual and company practices. The face to face contact also helped to persuade people to respond.

Personal Contacts

An additional source of responses came from the researcher's business contacts. Seven professional associates provided the names of 73 advertising practitioners who were unknown to the researcher. These practitioners were all sent the questionnaire packet and responses were received from 39 advertising executives for a 53.4% response rate. The researcher also sent the survey to 15 of her former advertising colleagues, of which 12 responded for an 80% response rate. At no point did the researcher use more than one mode of contact to reach a

prospective participant, thereby avoiding the possibility of multiple responses from the same person.

Finally, with the permission of a selected agency owner, the researcher conducted a convenience survey at an advertising agency where she had worked over two decades ago. Nine surveys were distributed, and five were returned, for a 56% response rate; small, but helpful.

The results for the three modes of collecting data are shown in Table 5.

Table 5

Summary Statistics for Data Collection Methods

Method	N Distributed	N Returned	Valid Percent	Cumulative Percent
			%	%
Mailing	240	61	(25.4)	(30.7)
Undeliverable		11	(4.58)	(5.53)
Returned/No Response		1	(1.64)	(0.50)
Conferences	141	69	(48.9)	(34.7)
Personal Contacts	97	57	(58.8)	(28.6)
Total	478	199	(41.6)	(100.0)

As anticipated, personal contacts yielded the highest rate of return with 58.8% of the individuals who were contacted through personal contacts returning their surveys. Conferences proved to be the second most effective method with 48.9 % of individuals contacted completing the survey.

Findings

The following sections pertain to the testing of the relationships between the study's three independent variables, (Ethical Climate, Sex Role Identity, and Demographic and Job Variables) and the dependent variable (Ethical Orientation).

Tables 6 and 7 depict the demographic and job variables results, followed by Tables 8-14, which depict the Ethical Climate results, followed by Tables 15 – 22, which depict the Sex Role Identity results, followed by Tables 23 -31 which depict the P Score results. Calculations in these Tables reflect the total of 187 usable responses. In addition, eleven surveys were returned as undeliverable, and one additional survey was opened and returned by the recipient who indicated that she was unable to participate. The researcher counted these 12 surveys as returned but unusable. They were not included in any statistical calculations**.** Thus, 199 surveys were returned, of which 187 were usable for statistical analysis.

Respondents are described demographically in Table 6. About 52% of the respondents were male and 48% were female for almost an even gender split. Almost 39% of the respondents were age 45 or younger, and slightly over 61% are over age 45, indicating a mature sample of respondents. The respondents represent a well educated population in which over 64% had a four year college education; more than 20% have completed some form of graduate education; and over 9% have a post graduate or professional degree. The high level of education corresponds to their status in their organizations in which over 55% of the respondents are at the middle or senior level of management.

Table 7 depicts the job variables of the respondents. The job variables that were selected for analysis were Years in Current Position, which was chosen to represent tenure or number of years with current agency; Status in Organization which indicates the manager's span of control and thereby number of employees who are influenced by this manager's behavior. Tenure and Status are important variables because they explain the degree of power that a manager has to influence the behavior of subordinates and in creating the ethical tone of the organization.

Number of Employees and Number of Offices, together describe the size of the advertising agency, which is an important variable in understanding ethical climate.

Almost half (49.2%) of the respondents were employed in their current position for less than 5 years. This is a reflection of the high rate of job turnover in the advertising industry due to account losses, clients cutting advertising budgets or agency mergers. Senior level managers represent the largest group of executives, with 84 individuals, or 44.9% of the respondents at that level. Of these senior level managers, 36 were identified as individuals whose titles include: Owner, CEO, President, Partner or Principal. Ten of these senior executives were women and 26 were men.

Forty-seven per cent of the respondents are employed by advertising agencies that have 100 or fewer employees. This corresponds to a Bureau of Labor Statistics report that states that nine out of ten companies in the advertising

industry employ fewer than 20 people (Bureau of Labor Statistics, 2008-09, *Career Guide to Industries*).

Table 6

Frequency Analysis of Respondents' Demographic Variables (N = 187)

Characteristics	*N*	*(%)* Usable Responses
Gender		
Male	97	(51.9)
Female	90	(48.1)
Age		
Under 30	22	(11.8)
30 – 45	50	(26.7)
45 – 60	71	(38.0)
Over 60	42	(22.5)
Missing	2	(1.1)
Education		
High School	2	(1.1)
Business School	2	(1.1)
2 Year Community College	6	(3.2)
4 Year College	120	(64.2)
Graduate Program or Master's Degree	38	(20.3)
Post Graduate Degree	15	(8.0)
Professional Degree	2	(1.1)
Missing/No Response	2	(1.1)
Total Usable	187	(100.0)

Table 7

Frequency Analysis of Job Variables of Respondents (N = 187)

Characteristics	N	(%)
Years in Current Position (Tenure)		
1-5	92	(49.2)
5-10	35	(18.7)
More Than 10 Years	57	(30.5)
Missing		
No Response	1	(.5)
Not Applicable	2	(1.1)
Status in Organization		
First line Manager	64	(34.2)
Middle Manager	20	(10.7)
Senior Manager	84	(44.9)
Missing		
No Response	8	(4.3)
Not Applicable	11	(5.9)
Organization Size		
Number of Employees		
None	1	(.5)
100 or Less	88	(47.1)
101 – 500	30	(16.0)
More Than 500	49	(26.2)
Missing		
No Response	10	(5.3)
Not Applicable	9	(4.8)
Number of Offices		
None	3	(1.6)
1 -5	114	(61.0)
5 – 10	10	(5.3)
More than 10	42	(22.5)
Unknown	7	(3.7)
Missing		
No Response	5	(2.7)
Not Applicable	6	(3.2)
Total	187	(100.0)

Ethical Climate Type

Table 8 summarizes the participants' observations about their organizations' Ethical Climate type.

Table 8

Summary Statistics for Ethical Climate (N = 182)[a]

Ethical Climate Type	*M*	(*SD)*	Possible Range	Actual Range
Professional	7.30	(2.39)	0 - 10	1 - 10
Caring	13.20	(3.23)	0 - 20	3 - 20
Rules	7.16	(1.93)	0 - 10	0 - 10
Instrumental	5.14	(2.32)	0 - 10	0 - 10
Independence	3.58	(1.13)	0 - 5	0 - 5

[a] Note. Data were missing for five participants

The predominant Ethical Climate identified by the respondents was a Caring environment (M = 13.2). As Victor and Cullen (1989, p. 60) point out, a climate that is low in Caring can be demotivating, which can lead to increased turnover. This presents an interesting dichotomy since Caring was the ethical climate observed most frequently by this study's sample; yet the advertising industry has an almost 50% turnover rate over a five year period. Apparently, in the advertising industry, a Caring climate ensures neither job security nor company loyalty. Additionally, an organization that is perceived to be high in

Caring may promote unethical and illegal behavior in cases where the employees believe that such behavior can benefit the organization and its employees. This may help to explain the occurrence of bribery in the solicitation of clients, "pay-for play" practices in account reviews, and plagiarism in the creation of advertising messages. If these tactics can help the organization by leading to improved profitability or performance, they are considered acceptable, regardless of their consequences.

There is no significance in the perception of any of the other Ethical Climate types by advertising executives. The score for the Professional climate (M = 7.30) suggests that advertising agencies may lack individual codes of conduct, or when existent, they may not be clearly articulated. Furthermore, it appears that most advertising agencies may not completely abide by the Standards of Practice of the American Association of Advertising Agencies, the most influential trade organization. The low score for the Independence climate (M = 3.58) strengthens the impression that advertising executives tend to do whatever the client requests, perhaps without exercising their own ethical decision making in situations regarding message creation, assignment of talent to the account, and gift giving to the client.

Table 9

Summary Statistics of Ethical Climate by Age of Respondents (N = 182) [a]

	Ethical Climate									
Age	Professional		Caring		Rules		Instrumental		Independence	
	M	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
Under 30 (N = 22)	7.00	(2.29)	13.82	(2.92)	7.45	(2.32)	5.73	(2.23)	2.95	(1.00)
30-45 (N = 50)	6.96	(2.24)	12.66	(3.12)	6.98	(1.82)	5.52	(2.02)	3.36	(1.06)
45-60 (N = 71)	7.37	(2.63)	13.21	(3.24)	7.17	(1.80)	4.62	(2.60)	3.69	(1.23)
Over 60 (N = 39)	7.77	(2.18)	13.54	(3.49)	7.23	(2.10)	5.28	(2.09)	4.00	(.89)
Total (N=182)	7.30	(2.39)	13.20	(3.23)	7.16	(1.93)	5.14	(2.32)	3.58	(1.13)

[a] Note. Data were missing for five respondents.

Findings for Relationship Between Ethical Climate Types and Age

Table 9 indicates that the 45-60 age group has the largest standard deviation in its perception of the Instrumental (SD = 2.60) and Independence (1.23) ethical climate types. This would indicate that there is little consensus among these respondents regarding those two ethical climate types. The over 60's displayed most agreement in their perception of the Independence climate type (SD = .89). Also significant is that the over 60's displayed the most inconsistency

of all the age groups' perceptions of all of the ethical climates in their perception of the Caring climate (SD = 3.49). Another observation that emerges from this analysis is that the under 30's and the 30-45 age group display considerable agreement in their perception of the Independence climate type (SD = 1.00 and SD = 1.06 respectively). Overall, every age group perceived a low degree of Independence in their ethical climate, suggesting that factors outside of the individual, such as desire to please the client and concern for job security, may inhibit autonomous decision making.

One way analyses of variance (ANOVAs) indicated that age is significantly related to respondents' perceptions of the Independence Ethical Climate Type. There is no significant relationship between perception of any other Ethical Climate Type and Age, (See Table 9 A following).

Table 9 A

One Way ANOVAs of Ethical Climate Type and Age (N = 182) [a]

Ethical Climate Type	F	*df*	*p*
Professional	.970	3,178	.408
Caring	.878	3,178	.454
Rules	.330	3,178	.803
Instrumental	2.189	3,178	.091
Independence	5.620	3,178	.002*

[a] Note. Data were missing for five respondents.
* $p < .05$

If, as Rest (1979, p. 247) suggested, older individuals are more morally sensitive, then it is reasonable to expect that age would be a factor in one's perception of ethical climate. If work, like education, can be construed as a source of continuing moral development, then age, which signals the number of years at work, would be expected to be positively correlated to ethical climate. This is borne out in the significance of the relationship between Age and the Independence climate. Furthermore, although the perception of the Instrumental climate did not attain a level of statistical significance, it is possible that with a larger sample, the perception of this climate would also exhibit a positive relationship to Age.

Findings for Relationship Between Ethical Climate Types and Education

The Caring ethical climate type was perceived more frequently than any other ethical climate type, regardless of the respondents' educational level. The Professional ethical climate type was the next most frequently observed environment. However, the scores for the Professional climate, for every level of education, except the one with professional degrees, were approximately 50% lower than the scores for the Caring climate, (see Table 10).

Table 10

Summary Statistics of Ethical Climate by Education of Respondents (N = 180) [a]

	Ethical Climate									
	Professional		Caring		Rules		Instrumental		Independence	
Education	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
High School N =2	5.50	(2.83)	13.50	(4.95)	5.50	(2.12)	6.00	(.00)	3.50	(.71)
Business School N =2	7.50	(2.12)	14.00	(.00)	7.50	(2.12)	3.00	(2.83)	3.00	(.00)
2 Year College N =6	8.50	(1.64)	15.00	(2.37)	8.50	(1.37)	4.67	(2.52)	3.67	(.58)
4 Year College N = 116	7.33	(2.29)	13.43	(3.38)	7.11	(1.99)	5.45	(2.10)	3.49	(1.13)
Graduate N =38	6.79	(2.65)	12.34	(2.51)	7.24	(1.81)	5.71	(2.61)	3.32	(1.19)
Post Graduate N = 14	7.86	(2.71)	13.14	(3.66)	7.14	(1.92)	4.40	(2.07)	3.90	(.74)
Professional N=2	8.50	(0.71)	9.00	(1.41)	6.50	(3.54)	4.00	(2.83)	2.50	(2.12)
Total 180	7.25	(2.37)	13.19	(3.22)	7.17	(1.94)	5.36	(2.23)	3.47	(1.11)

[a] Note. Data were missing for seven respondents

One way analyses of variance (ANOVAs) indicated that there is no significant relationship between education and perception of any of the Ethical Climate Types, (see Table 10 A following).

Table 10 A

One Way ANOVAs of Ethical Climate Type and Education (N = 180)[a]

Ethical Climate Type	F	*df*	*p*
Professional	.765	6,173	.598
Caring	1.476	6,173	.189
Rules	.789	6,173	.580
Instrumental	.963	6,173	.452
Independence	.714	6,173	.639

[a] Note. Data were missing for seven respondents.
$p < .05$.

It is reasonable to expect that more highly educated individuals are more ethical than lesser educated persons (Trevino, 1986). As noted in Table 6, almost 94% of the sample had at least a four year college education. Therefore, it would seem that Education and the Instrumental climate, which is most often associated with unethical behavior because it is the climate in which organizational members look out for their own interests, (Wimbush, 1994) would be inversely related. Furthermore, given the relatively high level of education of the sample, one might similarly expect a negative relationship between the Rules environment and

Education, suggesting that the less educated one is the more one perceives a Rules environment. However, neither of these expectations, nor any other significant relationship between Ethical Climate and Education, was discovered in the study. Thus, it appears that people who are more educated are less cognizant of the Instrumental and Rules environments, in particular, and the other ethical climates in general. Perhaps, in these cases, group norms overshadow individual judgment, thus obscuring individuals' intellectual abilities to evaluate their environments objectively.

Findings for Relationship Between Ethical Climate Types and Gender

Summary statistics for Gender and the five Ethical Climate Types are found in Table 11. A series of *t* tests were conducted for perception of Ethical Climate Type based on gender. The results of *t* tests indicated that there was no significant relationship between the perception of any Ethical Climate Type and Gender (see Table 11 A). Of interest, however, is the observation that the variability of reported Caring for the female respondents ($SD = 3.58$) was significantly greater, $F(1, 166.27) = 5.412$, $p = .021$, than that of the males ($SD = 2.79$), which, as the literature suggests, was to be expected.

Table 11

Summary Statistics of Ethical Climate by Gender of Respondents (N =182) [a]

		Ethical Climate									
		Professional		Caring		Rules		Instrumental		Independence	
Gender	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
Male	93	7.52	(2.22)	13.63	(2.79)	7.11	(2.05)	4.90	(2.32)	3.63	(1.17)
Female	89	7.06	(2.55)	12.75	(3.58)	7.21	(1.80)	5.39	(2.31)	3.52	(1.08)
Total	182	7.29	(2.39)	13.19	(3.19)	7.33	(1.92)	5.14	(2.31)	3.58	(1.12)

[a] Note. Data were missing for five respondents.

Although the evidence is inconclusive regarding the role of gender in moral decision making, research indicates that women may be more ethically sensitive and engage in unethical behavior less frequently than men. A possible explanation for this is that women are more fearful of the consequences of unethical behavior. Furthermore, since women are neither numerous nor powerful enough to shape ethical climate, they do not regard any ethical climate as being more important than another, and therefore their reporting is not subjectively accurate. This may help to partially explain the lack of a relationship between Gender and Ethical Climate. Since by nature women are more inclusive and rules oriented, one can conceive that women could have a significant effect on an agency's ethical climate, to the point where, should more women emerge as top

managers in the advertising industry, the caring, professional, rules, and independence ethical climates would become more prevalent in agencies.

Table 11 A

t-Test Results of Ethical Climate Type and Gender (N = 182) [a]

Ethical Climate Type	*t*	*df*	*p*
Professional	1.330	180	.185
Caring	1.845	180	.067
Rules	-.332	180	.740
Instrumental	-1.425	180	.156
Independence	.702	180	.484

[a] Note. Data were missing for five respondents.
$p < .05$.

Findings for Ethical Climate Type and Job Status

Summary statistics were calculated for Ethical Climate Type by Job Status. Job Status encompasses years of experience in advertising and management level as defined by the manager's span of control. Therefore, those statistics corresponding to Experience may be found in Table 12 A and those corresponding to Management Level may be found in Table 12 C

.

Table 12 A

Summary Statistics of Ethical Climate Type by Experience (N = 181) [a]

		Ethical Climate									
		Professional		Caring		Rules		Instrumental		Independence	
Experience	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
1-5 Years	30	7.03	(2.40)	13.07	(3.13)	7.57	(2.11)	5.37	(2.31)	3.00	(1.14)
6-10 Years	21	7.24	(2.40)	12.95	(3.63)	7.43	(1.78)	6.10	(1.95)	3.62	(1.12)
10 Years +	130	7.35	(2.41)	13.26	(3.21)	7.01	(1.89)	5.05	(2.32)	3.72	(1.07)
Total	181	7.28	(2.39)	13.19	(3.23)	7.15	(1.92)	5.16	(2.32)	3.59	(1.12)

[a] Note. Data were missing for six respondents.

One way analyses of variance (ANOVAs) were performed on Ethical Climate Type and Experience. There is a significant effect of the Experience of employees on the perception of Independence in the Ethical Climate Type F (2,178) = 5.384, p = .005, (see Table 12 B).

Since the ANOVA was significant, a Tukey HSD (Honestly Significant Difference) was performed. Results from the Tukey HSD indicated that advertising executives with more than ten years experience perceived significantly more Independence in the Ethical Climate (M = 3.72, SD = 1.07*)* than executives

with one to five years experience, (M = 3.00, *SD* = 1.14). Those with six to ten years of Experience (*M = 3.62, SD = 1.12)* did not differ significantly from those executives with one to five years experience or those with more than ten years experience. There was no significant relationship between Experience and any other Ethical Climate Type, (see Table 12 B).

Table 12 B

One Way ANOVAs of Ethical Climate Type by Experience (N = 181)

Ethical Climate Type	*F*	*df*	*p*
Professional	.211	2,178	.810
Caring	.109	2,178	.897
Rules	1.286	2,178	.279
Instrumental	2.336	2,178	.100
Independence	5.384	2,178	.005*

[a] Note. Data were missing for six respondents.
*$p < .05$

Table 12C

Summary Statistics of Ethical Climate Type by Management Level (N = 165)[a]

	Ethical Climate									
Management Level	Professional *M*	*(SD)*	Caring *M*	*(SD)*	Rules *M*	*(SD)*	Instrumental *M*	*(SD)*	Independence *M*	*(SD)*
First Line N = 64	7.46	(2.08)	13.30	(3.13)	7.19	(2.11)	5.68	(2.22)	3.39	(1.12)
Middle N = 20	6.55	(2.87)	11.15	(3.66)	7.30	(2.22)	6.05	(2.31)	3.30	(1.03)
Upper N =81	7.41	(2.51)	13.63	(2.91)	7.02	(1.72)	4.53	(2.31)	3.83	(1.07)
Total N = 148	7.29	(2.45)	13.04	(3.20)	7.16	(1.95)	5.28	(2.31)	3.55	(1.11)

[a] Note. Data were missing for 22 respondents.

One way analyses of variance (ANOVAs) were performed on Ethical Climate Types and Management Level. There is a significant effect of the advertising executives' Management Level on perception of the Caring Ethical Climate, (see Table 25 D). Results from the Tukey HSD indicated that senior level advertising executives (*M* = 13.63, *SD = 2.91*) and first line managers (M=13.30, SD = 3.13) perceived significantly more Caring in their Ethical Climate than middle level advertising executives (*M* = 11.15, *SD* = 3.66). First line advertising executives did not differ significantly from senior level executives

in their perception of a Caring Ethical Climate. Furthermore, first line managers (M = 5.69, SD = 2.22) and middle managers (M = 6.05, SD = 2.30) perceived an Instrumental Ethical Climate Type more often than upper level managers. First line managers did not differ significantly from middle managers. There was no significant relationship between Management Level and any of the other Ethical Climate Types, (see Table 12 D).

Table 12 D

One Way ANOVAs of Ethical Climate Type by Management Level (N = 165)

Ethical Climate Type	F	*df*	*p*
Professional	1.201	2,164	.304
Caring	5.216	2,164	.006**
Rules	.222	2,164	.801
Instrumental	6.345	2,164	.002**
Independence	3.723	2,164	.026*

[a] Note. Data were missing for 22 respondents
*$p < .05$
** $p < .01$

Therefore, combining Experience and Management Level indicated a significant relationship between Job Status and the respondents' perceptions of the Caring, Instrumental and Independence Ethical Climate Types. To reiterate the main characteristics of each of these climates: a Caring climate is perceived as one in which the interests of the employees and the company's customers are considered pre-eminent; an Independent climate is perceived when individual

judgment is considered pre-eminent; and an Instrumental climate is perceived when self-interests and company profit are considered most important. The Professional and Rules climates were not significant to this finding. The basic characteristics of those two climates are: Professional: employees obey the codes and regulations of their profession or the government; and Rules: employees observe company rules and policies.

The fact that advertising agencies have the power to influence individuals' behavior is consistent with Victor and Cullen's (1989, p. 58), finding that a caring climate exists in companies whose product or services have an impact on the lives of their customers. The perception of an independent climate may be attributable to the emphasis on creative freedom in the advertising business. The impression of creative freedom allows copywriters, art directors, and account management people to develop messages and strategies that are attention getting and persuasive. It appears reasonable to conjecture that practitioners who experience an absence of control would feel sufficiently unconstrained to participate in a study as sensitive as this one.

Victor and Cullen (1989, p. 58), stated that an Instrumental climate is found in loosely controlled companies, where creative freedom is encouraged, particularly where employees are rewarded with commissions and bonuses. In the advertising business, account management people are the rainmakers whose compensation usually contains a commission component. The expectation is that superior effort will be instrumental in their earning a commensurate reward.

In conclusion, there appears to be a significant relationship between the Independent ethical climate and advertising executives with more than ten years of experience; and between the Caring climate and first line and senior level advertising executives; and between the Instrumental climate and first line and middle managers. All of these climates suggest a beneficent attitude towards the employee indicating that advertising executives tend to perceive their organizations' ethical climates in a positive way.

Findings for Ethical Climate Type and Job Tenure

Summary statistics were calculated for Ethical Climate Type by Job Tenure. Job Tenure encompasses the employee's years with the current organization (advertising agency) and years in current position. Therefore, those statistics corresponding to Current Organization may be found in Table 13 A, and those corresponding to Current Position may be found in Table 13 C.

Table 13A

Summary Statistics of Ethical Climate Type by Current Organization (N = 182) [a]

		Ethical Climate									
		Professional		Caring		Rules		Instrumental		Independence	
Current Organization	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
1-5 Years	70	7.01	(2.45)	13.09	(3.11)	7.29	(1.90)	5.19	(2.33)	3.37	(1.04)
6-10 Years	38	7.50	(2.26)	13.21	(3.42)	7.03	(2.19)	5.32	(2.27)	3.61	(1.03)
10 Years +	73	7.49	(2.41)	13.38	(3.23)	7.18	(1.84)	5.00	(2.39)	3.77	(1.24)
Not Applicable	1	5.00		8.00		6.00		6.00		3.00	
Total	181	7.30	(2.39)	13.20	(3.23)	7.23	(1.94)	5.00	(2.39)	3.53	(1.13)

[a] Note. Data were missing for five respondents.

One way analyses of variance (ANOVAs) indicated that Current Organization is not significantly related to respondents' perceptions of Ethical Climate Type, (see Table 13 B following).

Table 13B

One Way ANOVAs of Ethical Climate Type by Current Organization (N = 182) [a]

Ethical Climate Type	*F*	*df*	*p*
Professional	.886	3,178	.449
Caring	.974	3,178	.406
Rules	.280	3,178	.840
Instrumental	.212	3,178	.888
Independence	1.575	3,178	.197

[a] Note. Data were missing for five respondents
$p < .05$.

Table 13C

Summary Statistics of Ethical Climate Type by Current Position (N = 181) [a]

		Ethical Climate									
_		Professional		Caring		Rules		Instrumental		Independence	
Current Position	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
1-5 Years	92	7.17	(2.40)	12.83	(3.18)	7.35	(1.82)	5.24	(2.27)	3.42	(1.03)
6-10 Years	34	7.21	(2.37)	13.26	(2.88)	6.59	(2.23)	5.47	(2.33)	3.44	(1.19)
10 Years +	55	7.53	(2.43)	13.76	(3.49)	7.24	(1.89)	4.78	(2.42)	3.89	(1.20)
Total	181	7.29	(2.40)	13.19	(3.23)	7.17	(1.93)	5.14	(2.33)	3.57	(1.13)

[a] Note. Data were missing for six respondents.

One way analyses of variance (ANOVAs) indicated that there is a significant relationship between Current Position and the Independence Ethical Climate Type, (see Table 13 D). A Tukey HSD post hoc analysis indicates that

the perception of an Independence Ethical Climate was greater by empoloyees with more than ten years tenure in current position (M = 3.89, SD = 1.20) than for those with one to five years tenure (M = 3.42, SD = 1.03). There is no significant relationship between Current Position and any other Ethical Climate Type.

Table 13 D

One Way ANOVAs of Ethical Climate Type by Current Position (N = 181) [a]

Ethical Climate Type	F	*df*	*p*
Professional	.396	2,178	.674
Caring	1.466	2,178	.234
Rules	1.986	2, 178	.140
Instrumental	1.075	2,178	.344
Independence	3.311	2,178	.039*

[a] Note. Data were missing for six respondents.
*$p < .05$.

Therefore, combining Current Organization and Current Position indicated there is a significant relationship between the Current Position component of Job Tenure and Ethical Climate Type. The longer the advertising executive occupies his/her Current Position, the stronger the effect on the perception of an Independence Ethical Climate Type, creating a positive correlation between the variables of Ethical Climate and Current Position.

Findings for Ethical Climate and Organization Size

Summary statistics were calculated for Ethical Climate Type by Organization Size. Organization Size encompasses Number of Employees and Number of Offices. Therefore, those statistics corresponding to Number of Employees may be found in Table 14 A and those corresponding to Number of Offices may be found in Table 14 C.

Table 14 A

Summary Statistics of Ethical Climate by Number of Employees Size (N = 165) [a]

	Ethical Climate									
	Professional		Caring		Rules		Instrumental		Independence	
Number of Employees	M	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
100 or less N = 86	7.35	(2.41)	13.95	(2.76)	7.07	(1.85)	5.00	(2.24)	3.80	(1.02)
101-500 N = 30	7.20	(2.43)	13.03	(3.32)	7.20	(1.92)	5.17	(2.31)	3.30	(.915)
Over 500 N = 49	7.02	(2.41)	11.31	(3.31)	7.39	(2.16)	5.90	(2.17)	3.16	(1.12)
Total N = 165	7.22	(2.41)	13.00	(3.23)	7.19	(1.95)	5.30	(2.25)	3.52	(1.07)

[a] Note. Data were missing for 22 respondents.

One way analyses of variance (ANOVAs) were performed on Ethical Climate Type and the Number of Employees. There is a significant effect

between the number of employees and the perception of Caring F (2,162) = 11.902, p = .000, and the perception of Independence F *(2.162)* = 6.823, p = .001.

Results from the Tukey HSD indicated that advertising executives in an environment with 100 or fewer employees perceived significantly more Caring in their environment (M = 13.95, SD = 2.76) than those in an environment of more than 500 employees (M = 11.31, SD = 3.31). Those with 101 to 500 employees (M = 13.03, SD = 3.32) did not differ from the other two environments with regard to their perception of a Caring Ethical Climate Type. Results from the Tukey HSD also indicated that advertising executives in an environment with 100 or fewer employees perceived significantly more Independence in their environment (M = 3.80, SD = 1.02) than those in an environment with 101 to 500 employees (M = 3.30, SD = .915). Those in advertising agencies with 500 or more employees did not differ significantly in their perception of Independence from those in agencies with 101-500 employees. There was no significant relationship between Number of Employees and the Professional, Rules, and the Instrumental Ethical Climate Types, (see Table 14B).

Table 14 B

One Way ANOVAs of Ethical Climate Type and Number of Employees (N = 165) [a]

Ethical Climate Type	F	*df*	*P*
Professional	.290	2,162	.748
Caring	11.902	2,162	.000*
Rules	.412	2.162	.663
Instrumental	2.590	2,162	.078
Independence	6.823	2,162	.001**

[a] Note. Data were missing for 22 respondents.
*$p < .001$
**$p < .005$

Table 14 C

Summary Statistics of Ethical Climate by Number of Offices (N = 173) [a]

	Ethical Climate									
	Professional		Caring		Rules		Instrumental		Independence	
Number of Offices	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
None N = 3	9.67	(.578)	15.33	(2.08)	7.00	(1.00)	4.00	(1.00)	4.33	(1.15)
1-5 N = 112	7.34	(2.44)	13.87	(2.93)	7.06	(1.86)	5.08	(2.35)	3.78	(1.01)
5-10 N = 10	7.70	(1.89)	13.40	(3.89)	7.00	(3.13)	4.40	(2.46)	3.60	(.843)
Over 10 N = 41	6.68	(2.38)	11.20	(2.97)	7.24	(1.79)	5.83	(2.05)	3.10	(1.09)
Unknown N = 7	7.14	(2.41)	12.00	(3.87)	8.00	(1.83)	5.71	(2.29)	3.14	(1.21)
Total N = 173	7.23	(2.40)	13.16	(3.21)	7.14	(1.93)	5.23	(2.29)	3.59	(1.07)

[a]Note. Data were missing for 14 respondents.
$p < .05$.

One way analyses of variance (ANOVAs) were performed on Ethical Climate Type and the Number of Offices (see Table 27 D). There is a significant effect between the number of offices and the perception of Caring within the environment $F(4,168) = 6.505$, $p = .000$. Results from the Tukey HSD indicated that advertising executives in an environment with one to five offices perceived a

significantly more Caring Ethical Climate in their organization (M = 13.87, SD = 2.93) than those in an organization with more than 10 offices (M = 11.20, SD = 2.97). Those with five to ten offices (M = 13.40, SD = 3.89) did not differ from the aforementioned other two environments with regard to perception of a Caring ethical climate.

There was a significant effect between the number of offices and the perception of Independence within the environment, F (4,168) = 3.968, p = .004. Results from the Tukey HSD indicated that advertising executives in an environment with one to five offices perceived significantly more Independence in the ethical climate of their organization (M = 3.78, SD = 1.01) than those in an organization with more than 10 offices (M = 3.10, SD = 1.09).

The group that reported no offices was excluded from the analysis. There was no significant relationship between Number of Offices and any other Ethical Climate Type, (see Table 14 D).

Table 14 D

One Way ANOVAs of Ethical Climate Type and Number of Offices (N = 173)[a]

Ethical Climate Type	F	*df*	*p*
Professional	1.480	4,168	.210
Caring	6.505	4,168	.000*
Rules	.435	4,168	.783
Instrumental	1.466	4,168	.215
Independence	3.968	4,168	.004**

[a] Note. Data were missing for 14 respondents.
*p < .001
**p < .01

Therefore, combining Number of Employees and Number of Offices indicated a significant relationship between Organization Size and the Caring and Independence Ethical Climate Types.

Sex Role Identity

The following section reports the findings of the statistical analyses between Sex Role Identity and Ethical Climate Type, and Demographic Variables and Job Variables.

The Sex Role Identity of the respondents is summarized in Table 15. The sample exhibits a great deal of homogeneity in that over 92% of the respondents reported that they perceived themselves to have an androgynous Sex Role Identity, which means that they described themselves as high in both masculine and feminine characteristics.

Table 15

Summary Statistics for Sex Role Identity of Respondents (N = 185) [a]

Sex Role Identity	*N*	*(%)*
Androgynous	171	(92.4)
Masculine	6	(3.2)
Feminine	6	(3.2)
Undifferentiated	2	(1.1)

[a] Note: Data were missing for two participants

Findings for Relationship Between Sex Role Identity and Ethical Climate Type

Summary statistics for Sex Role Identity and each of the five Ethical Climate Types are found in Table 16. Regardless of the Sex Role Identity, the Caring Ethical Climate, (M = 11-15) was the one that most advertising executives most frequently observed in their workplaces. The Independence ethical climate was observed least often in advertising agencies. Table 16 shows the comparison of means for the Ethical Climates.

Table 16

Summary Statistics of Ethical Climate by Sex Role Identity of Respondents (N = 182) [a]

	Ethical Climate									
	Professional		Caring		Rules		Instrumental		Independence	
Sex Role Identity	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
Androgynous (N = 169)	7.37	(2.38)	13.29	(3.21)	7.17	(1.95)	5.14	(2.35)	3.58	(1.13)
Masculine (N = 6)	6.33	(2.16)	11.00	(2.28)	6.00	(1.10)	5.50	(1.87)	3.50	(1.51)
Feminine (N = 5)	5.80	(2.95)	12.20	(4.27)	7.60	(1.82)	5.40	(2.19)	3.80	(.84)
Undifferentiated (N = 2)	7.50	(2.12)	15.00	(1.41)	9.00	(.000)	3.00	(.000)	3.00	(.000)
Total (N = 182)	7.30	(2.39)	13.20	(3.23)	7.16	(1.93)	5.14	(2.32)	3.58	(1.13)

[a] Note. Data were missing for five respondents.

One way analyses of variance (ANOVAs) indicated that Sex Role Identity is not significantly related to any of the ethical climate types (see Table 16A).

Table 16A

One Way ANOVAs of Ethical Climate Type and Sex Role Identity (N = 181)[a]

Ethical Climate Type	F	*df*	*p*
Professional	1.039	3,178	.377
Caring	1.349	3,178	.260
Rules	1.429	3,178	.238
Instrumental	.630	3,178	.596
Independence	.246	3,178	.864

[a] Note. Data were missing for 6 respondents.
$p < .05$.

Findings from Chi Square Analysis of Sex Role Identity and Age of Respondents

A cross tabulation was performed on Sex Role Identity and Age (see Table 17). Results from the Chi Square analysis indicated no significant relationship between Sex Role Identity and Age. X^2 (9, N=185) = 5.69, p =.771. Spence and Helmreich's (1979, p. 584) early research found that the only relationship between Sex Role Identity and Age was that as males mature, their instrumental qualities contribute to their success in work. It appears that female executives in advertising have personally integrated instrumental qualities in the belief that they are needed in order to succeed and survive in this profession. This may help to account for the fact that over 92% of the respondents reported their sex role

identity as androgynous, indicating a high level of both masculine and feminine traits.

Table 17

Cross Tabulation of Sex Role Identity by Age of Respondents (N =185)

	Age									
	Under 30		30-45		45-60		Over 60		Total	
Sex Role Identity	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
Androgynous	19	(10.3)	47	(25.4)	68	(36.8)	37	(20.0)	171	(92.4)
Masculine	1	(0.5)	1	(0.5)	2	(1.1)	2	(1.1)	6	(3.2)
Feminine	1	(0.5)	2	(1.1)	2	(1.1)	1	(0.5)	6	(3.2)
Undifferentiated	1	(0.5)	0	(0.0)	0	(0.0)	1	(0.5)	2	(1.1)
Total	22	(11.9)	50	(27.0)	72	(38.9)	41	(24.1)	37	(100.0)

Note. Data were missing for two respondents

Findings from Chi Square Analysis of Sex Role Identity and Education Level of Respondents

A cross tabulation was performed on Sex Role Identity and Education Level (see Table 18). Results from the Chi Square analysis indicated no significant relationship between Sex Role Identity and Education, X^2 (18, *N*=183) = 27.28, *p* =.074. However, these values suggest that had the sample size been larger, a relationship between Sex Role Identity and Education may have been

uncovered. Spence and Helmreich (1978, p 93) found that the highest level of achievement was shown in androgynous individuals. The high level of education among this sample and the overwhelming self perception of an androgynous sex role identity supports Spence and Helmreich (1978, p. 93) early findings that androgynous individuals exhibited the highest levels of achievement and motivation.

Table 18

Cross Tabulation of Sex Role Identity Type by Education of Respondents (N = 183) [a]

	Education											
	Pre College		2 Year		4 Year		Graduate		Post		Professional		Total	
Sex Role Identity	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
Androgynous	3	(1.6)	6	(3.3)	110	(60.1)	36	(19.7)	13	(7.1)	2	(1.1)	170	(92.9)
Masculine	1	(0.5)	0	(0.0)	2	(1.1)	0	(0.0)	2	(1.1)	0	(0.0)	5	(2.7)
Feminine	0	(0.0)	0	(0.0)	5	(2.7)	1	(.05)	0	(0.0)	0	(0.0)	6	(3.3)
Undiffer-entiated	0	(0.0)	0	(0.0)	1	(0.5)	1	(.05)	0	(0.0)	0	(0.0)	2	(1.1)
Total	4	(2.2)	6	(3.3)	118	(64.5)	38	(20.8)	15	(8.2)	2	(1.1)	183	(100.0)

[a] Note. Data were missing for four respondents.

Of the 183 respondents who supplied information about Education, almost 93% were androgynous and over 95% had four years of college or more of higher education. There were 38 subjects with graduate degrees, of which 36 were androgynous, one was feminine and one was undifferentiated. Of the fifteen subjects who had achieved a post graduate degree, thirteen were androgynous and 2 were masculine. Only four subjects in the sample had not attended college.

Findings from Chi Square Analysis of Sex Role Identity and Gender of Respondents

A cross tabulation was performed on Sex Role Identity and Gender (see Table 19). Gender socialization theory posits that men and women develop different behavior patterns and goals because society treats children of each gender differently, resulting in distinctive Sex Role Identities. There is no evidence that suggests that this sample exhibits psychological differences based on their biological identities. This is evident by the fact that over 92% of the respondents received scores on the Personal Attributes Questionnaire that classify them as androgynous, or possessing high degrees of both masculine and feminine traits. Of this 92%, almost 48% are male and almost 45% are female. Therefore, gender does not appear to be integral to the self-perception of the men and women in this study. This finding suggests that the relevance of gender socialization theory and the notion of Sex Role Identity warrant further investigation in light of the changing roles of men and women in society.

Results from the Chi Square analysis indicated no significant relationship between Sex Role Identity and Gender, X^2 (3, N=185) = .011, p = 1.000.

Table 19

Cross Tabulation of Sex Role Identity Type by Gender of Respondents (N = 185) [a]

	Gender					
	Male		Female		Total	
Sex Role Identity	*N*	*(%)*	*N*	*(%) *	*N*	*(%)*
Androgynous	88	(47.6)	83	(44.9)	171	(92.4)
Masculine	3	(1.6)	3	(1.6)	6	(3.2)
Feminine	3	(1.6)	3	(1.6)	6	(3.2)
Undifferentiated	1	(0.5)	1	(0.5)	2	(1.1)
Total	95	(53.3)	90	(46.7)	185	(100.0)

[a] Note. Data were missing for two respondents.

Findings from Chi Square Analysis of Sex Role Identity and Job Status of Respondents

Job Status encompasses years of experience in advertising and management level as defined by the manager's span of control. Therefore, a cross tabulation was performed on Sex Role Identity and Experience (see Table 120A) and Sex Role Identity and Management Level, (see Table 20 B).

Results from the Chi Square analysis of Sex Role Identity and Experience indicated no significant relationship between Sex Role Identity and Experience, X^2 (6, *N*=183) = 5.425, *p* =.491.

Table 20 A

Cross Tabulation of Sex Role Identity by Respondents' Experience (N = 183)[a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Experience	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
1 – 5 years	25	(13.7)	2	(1.1)	2	(1.1)	1	(0.5)	30	(16.4)
6 – 10 years	20	(10.9)	0	(0.0)	1	(0.5)	0	(0.0)	21	(11.5)
10 years +	124	(67.8)	4	(2.2)	3	(1.6)	1	(0.5)	132	(72.1)
Total	169	(92.3)	6	(3.3)	6	(3.3)	2	(1.1)	183	(100.0)

[a] Note. Data were missing for four respondents.

Results from the Chi Square analysis of Sex Role Identity and Management Level indicated no significant relationship between Sex Role Identity and Management Level, X^2 (6, *N*=167) = 4.932, *p* = .553.

Androgynous individuals were the most numerous group in upper management positions. However, of the 12 individuals who did not perceive themselves as androgynous, three or 25% of that group perceived themselves as masculine and hold upper management positions. In that same non- androgynous group, there was only one upper level manager whose PAQ score indicated a

feminine Sex Role Identity. Conversely, of the first line managers, four, or 33% of the non-androgynous individuals, indicated a feminine Sex Role Identity. Although the numbers are small, it is an interesting observation that one third (four) of the non-androgynous respondents were feminine and first line managers. In contrast, there was only one person with a masculine Sex Role Identity who held a first line management position.

Although the statistical analysis indicated that there is no significant relationship between Sex Role Identity and Management Level, this study found that almost 94% of upper managers described themselves as androgynous. Therefore, one can deduce that in the advertising industry, top managers probably are androgynous. Furthermore, among first line and middle managers, androgynous personalities are similarly dominant with almost 91% of first line managers reporting an androgynous Sex Role Identity, and 95% of middle managers self-reporting as androgynous, (Table 20 B).

Table 20 B

Cross Tabulation of Sex Role Identity by Respondents' Management Level (N=167) [a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Management Level	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
First Line	58	(34.7)	1	(0.6)	4	(2.4)	1	(0.6)	64	(38.3)
Middle	19	(11.4)	1	(0.6)	0	(0.0)	0	(0.0)	20	(12.0)
Upper	78	(46.7)	3	(1.8)	1	(0.6)	1	(0.6)	83	(49.7)
Total	155	(92.8)	5	(3.0)	5	(3.0)	2	(1.2)	167	(100.0)

[a] Note. Data were missing for 20 respondents.

Combining Experience and Management indicated no significant relationship between Job Status and Sex Role Identity.

Findings from Chi Square Analysis of Sex Role Identity and Job Tenure of Respondents

Job Tenure encompasses the employee's years with the current organization and years in current position. Therefore, a cross tabulation was performed on Sex Role Identity and Current Organization (see Table 21 A) and Sex Role Identity and Current Position (see Table 21 B).

Results from the Chi Square analysis of Sex Role Identity and Current Organization indicated no significant relationship between Sex Role Identity and Current Organization, X^2 (9, *N*=184) = 3.842, *p* =.922, (*p* < .05).

Table 21 A

Cross Tabulation of Sex Role Identity by Current Organization (N = 184) [a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Current Organization	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
1-5 Years	62	(33.7)	4	(2.2)	3	(1.6)	1	(0.5)	70	(38.0)
6 –10 Years	38	(20.7)	0	(0.0)	1	(0.5)	0	(0.0)	39	(21.2)
Over 10 Years	69	(37.5)	2	(1.1)	2	(1.1)	1	(0.5)	74	(40.2)
Not Applicable	1	(0.5)	0	(0.0)	0	(0.0)	0	(0.0)	1	(0.5)
Total	170	(92.4)	6	(3.3)	6	(3.3)	2	(1.1)	184	(100.0)

[a] Note. Data were missing from three respondents.

Results from the Chi Square analysis of Sex Role Identity and Current Position indicated no significant relationship between Sex Role Identity and Current Position, X^2 (6, *N*=183) = 3.871, *p* =.694, (*p* < .05). Therefore, combining Current Organization and Current Position indicated no significant relationship between Job Tenure and Sex Role Identity.

The lack of significant relationships between Job Status and Job Tenure and Sex Role Identity were implicated in Spence and Helmreich's (1978, p. 93) early research which showed that the only significant effects between Job and Sex Role Identity were that males wanted well paying jobs and females wanted their mates to have the best possible positions. Males with high feminine characteristics had the least desire for prestigious jobs that pay high salaries. Other findings were non- specific regarding how Sex Role Identity related to one's job.

Table 21 B

Cross Tabulation of Sex Role Identity by Current Position (N = 183) [a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Current Position	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
1-5 Years	83	(45.4)	4	(2.2)	4	(2.2)	1	(0.5)	92	(50.3)
6-10 Years	35	(19.1)	2	(1.1)	2	(1.1)	0	(0.0)	35	(19.1)
Over 10 Years	51	(27.9)	2	(1.1)	2	(1.1)	1	(0.5)	56	(30.6)
Total	169	(92.3)	6	(3.3)	6	(3.3)	2	(1.1)	183	(100.0)

[a] Note. Data were missing from four respondents.

Findings from Chi Square Analysis of Sex Role Identity and Organization Size

Organization Size encompasses Number of Employees and Number of Offices. Therefore, a cross tabulation was performed on Sex Role Identity and Number of Employees (see Table 22 A) and Sex Role Identity and Number of Offices (see Table 22 B).

Results from the Chi Square analysis of Sex Role Identity and Number of Employees indicated no significant relationship between Sex Role Identity and Number of Employees, X^2 (6, N=167) = 5.122, p =.528, 9.

Table 22 A

Cross Tabulation of Sex Role Identity by Number of Employees (N = 167) [a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Number of Employees	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
1 – 100	79	(47.3)	2	(1.2)	5	(3.0)	2	(1.2)	88	(52.78)
101 – 500	28	(16.8)	1	(0.6)	1	(0.6)	0	(0.0)	30	(18.0)
More than 500	47	(28.1)	2	(1.2)	0	(0.0)	0	(0.0)	49	(29.3)
Total	154	(92.2)	5	(3.0)	6	(3.6)	2	(1.2)	167	(100.0)

[a] Note. Data were missing for twenty respondents

Results from the Chi Square analysis of Sex Role Identity and Number of Offices indicated no significant relationship between Sex Role Identity and Number of Offices, X^2 (12, N=175) = 20.534, p =.058., (p < .05.) However, the .058 value suggests that had the sample been larger, a relationship might have been evident. It would seem that androgynous individuals who can lead as well as be team players may flourish in large advertising agencies where there is interdependence between different departments or units of the business entity. On the other hand, instrumental or masculine sex role individuals probably perform better in smaller agencies with less formal structures and centralized decision making and power. It also appears that regardless of the agency size, expressive, or feminine and undifferentiated individuals are followers, rather than leaders.

Table 22 B.

Cross Tabulation of Sex Role Identity by Number of Offices (N= 175) [a]

	Sex Role Identity									
	Androgynous		Masculine		Feminine		Undifferentiated		Total	
Number of Offices	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*	*N*	*(%)*
None	3	(1.7)	0	(0.0)	0	(0.0)	0	(0.0)	3	(1.7)
1-5	106	(60.6)	2	(1.1)	4	(2.3)	2	(1.1)	114	(65.1)
6-10	9	(5.1)	1	(0.6)	0	(0.0)	0	(0.0)	10	(5.7)
More than 10	38	(21.7)	3	(1.7)	0	(0.0)	0	(0.0)	41	(23.4)
Do not know	5	(2.9)	0	(0.0)	2	(1.1)	0	(0.0)	7	(4.0)
Total	161	(92.0)	6	(3.4)	6	(3.4)	2	(1.1)	175	(100.0)

[a]Note. Data were missing for twelve respondents

Based on the findings in this study, combining Number of Employees and Number of Offices indicated no significant relationship between Organization Size and Sex Role Identity.

P Scores

The following section reports the findings of the statistical analyses between P Scores and Ethical Climate Type, Sex Role Identity, Demographic Variables and Job Variables.

The P Scores, which were attained from the responses to the three scenarios that comprise the shortened version of the Defining Issues Test that was used in this research, are a measure of Ethical Orientation. The higher the P Score, the more often the individual uses principled thinking in moral decision making. The Frequency Distribution of P Scores is depicted in Table 23A, and the statistics for the P Scores are summarized in Table 23 B which includes the possible and actual range of the scores.

Table 23A

Frequency Distribution of P Scores (N = 178)[a]

P Score	N	(%)	(Cumulative %)
0.00	3	(1.6)	(1.7)
6.67	3	(1.6)	(3.4)
10.00	5	(2.7)	(6.2)
13.33	11	(5.9)	(12.4)
16.67	12	(6.4)	(19.1)
20.00	13	(7.0)	(26.4)
23.33	10	(5.3)	(32.0)
26.66	14	(7.5)	(39.9)
26.67	1	(.5)	(40.4)
30.00	8	(4.3)	(44.9)
33.36	19	(10.2)	(55.6)
36.67	11	(5.9)	(61.8)
40.00	13	(7.0)	(69.1)
43.33	13	(7.0)	(76.4)
46.67	14	(7.9)	(84.3)
50.00	8	(4.3)	(88.8)
53.33	5	(2.7)	(91.6)
56.66	1	(.5)	(92.1)
56.67	3	(1.6)	(93.8)
60.00	7	(3.7)	(97.8)
63.33	2	(1.1)	(98.9)
66.67	2	(1.1)	(100.0)

[a] Note. Data were missing for nine respondents.

Table 23 B

Summary Statistics of P Scores (N = 178)[a]

M	(SD)	Possible Range	Actual Range
33.13	(15.01)	0 - 95	0 – 66.67

[a] Note. Data were missing for nine respondents.

The mean P Score for the sample was 33.13 with possible scores ranging from 0 - 95. In Rest's (1979, p. 113) reference sample of 1,149 subjects from 29 samples, the average P Score for adults is 40, with a SD of approximately 16.7. Furthermore, Rest states that most studies do not have many subjects whose P Scores are above 50.

There appears to be an inherent and significant conflict in this study's findings. On one hand, advertising executives appear to be less ethical than the general population since they scored almost seven percentage points below the mean. On the other hand, a substantial number (11%) of the measurable respondents had P Scores that were higher than 50. This conflict might be understandable given Rest's assertion that education appears to be the most important influence on moral development. It has already been noted that this sample consisted of highly educated individuals, (as shown in Table 10, 30% of the measurable sample has advanced college degrees). However, as Rest (1979, p.

113) points out, education is not the whole story. Adult populations show considerable heterogeneity based on geographic region and religious background, two factors that were not part of this study. The SD for this study was 15, similar to Rest's finding, thus supporting his conclusion that adults show tremendous variance in their moral development, and that variance is attributable to numerous variables, which were beyond the scope of the current research.

Figure 2

Comparison *of Rest's Recommended Quartile Cut-Offs of P Scores to* Actual *Quartile Cut Offs of Advertising Executives' P Scores*

Quartile	Rest's Recommended Cut Offs	Advertising Executives' Actual Cut Offs
1st Quartile	0 – 22	0 – 20
2nd Quartile	23- 34	23.33 – 33.33
3rd Quartile	35 – 46	36.67 – 43.33
4th Quartile	47 and Up	46.66 and Up

As shown in Figure 2, the subjects in this study fall close to Rest's normative subjects. Rest's recommended cut-offs shown in Figure 2 are based on his 1974 study of moral philosophy graduate students and seminarians, (N = 40), (Rest. 1990. p. 63). The only noticeable discrepancy between that group and the sample of advertising executives is in the third quartile in which the cut offs for advertising executives are 36.67 – 43.33 compared to Rest's recommended cut-offs of 35 – 46. In quartile four, Rest's lower boundary (47) is just .34 points

higher than that of advertising executives. There were 47 respondents in quartile 1, 52 in quartile 2, 37 in quartile 3, and 42 in quartile 4. Thus, 55.6% of the respondents fell into the first two quartiles, and 44.4% fell into quartiles three and four, indicating that the majority of the respondents had P Scores of 33.33 or below.

Based on Rest's secondary analysis, (1990. p. 61), of 6,000 subjects, the average P Score for adults is 40. As aforementioned, the mean score of the advertising executives in this study was 33.13, suggesting that the moral decision making of advertising professionals is less developed than the average scores of adults. Although these findings might suggest some conclusions about the ethical orientation of advertising executives, they should not be interpreted to mean that advertising executives have a lower ethical orientation than the general population. One reason is that the comparison of quartiles weighs advertising executives against moral philosophy students and seminarians, a population that is trained extensively in moral reasoning. Secondly, Rest's secondary studies were drawn from a much larger population. Thirdly, Rest's studies used a cross section of the population in which education and age could have skewed the results.

Findings for Relationship Between P Scores and Ethical Climate

One way analyses of variance (ANOVAs) were performed on P Scores and Ethical Climate Types. There is no significant effect of any of the Ethical Climate Types on P Scores of advertising executives, (see Table 24). Pearson Product Moment Correlation was also performed to determine the strength, if any, of the resulting correlations. There is no significant correlation between Ethical Climate Type and P Score. The only inferences that can possibly be drawn from the current sample are that as perceptions of the Instrumental and Caring climates increase, P Scores go down. Although the *r* is weak in both instances, this may be worthy of further investigation with a larger sample.

Table 24

One Way ANOVAs of P Scores by Ethical Climate Type (N = 175) [a]

Ethical Climate Type	F	*df*	*p*	*r*
Professional	.641	21,153	.882	-.073
Caring	612	21,153	.905	-.113
Rules	.757	21,153	.767	-.040
Instrumental	1.300	21,153	.183	-.156
Independence	1.448	21,153	.105	.035*

[a] Note. Data were missing for 12 respondents.
Correlation is significant at the 0.05 level (2-tailed).
* $p < .05$.

Findings for Relationship Between P Scores and Sex Role Identity

The summary statistics of P Scores by Sex Role Identity is shown in Table 25. One way analysis of variance (ANOVA) was performed on Sex Role Identity and P Scores. There is no significant relationship between Sex Role Identity and P Scores of advertising executives (see Table 25 A).

Table 25

Summary *Statistics of P Scores and Sex Role Identity (N = 178)* [a]

		P Score			
Sex Role Identity	N	M	(SD)	Minimum	Maximum
Androgynous	164	32.80	(15.11)	.00	66.67
Masculine	6	40.00	(15.20)	26.67	66.67
Feminine	6	32.22	(14.40)	6.67	50.00
Undifferentiated	2	41.67	(2.36)	40.00	43.33
Total	178	33.12	(15.01)	.00	66.67

[a] Note. Data were missing for nine respondents.

Table 25 A

One *Way ANOVA of Sex Role Identity by P Scores* (N = 178) [a]

	F	*df*	*p*
P Score	.664	3,174	.575

[a] Note. Data were missing for nine respondents.
$p < .05$.

Findings for Relationship Between P Scores and Age

The summary statistics for P Scores by Age is shown in Table 26. One way analysis of variance (ANOVA) indicated that age is not significantly related to respondents' P Scores, (see Table 26 A).

Table 26

Summary Statistics for P Scores by Age (N = 178)[a]

Age	N	*M*	(*SD*)	Possible Range	Actual Range
Under 30	22	27.58	(13.58)	0 – 95	10.00 – 60.00
30 -45	47	35.53	(15.78)	0 - 95	.00 - 66.67
45-60	68	34.17	(13.62)	0 – 95	6.67 - 66.67
Over 60	41	31.63	(16.58)	0 - 95	.00 - 63.33
Total	178	33.12	(15.01)	0 – 95	.00 – 66.67

[a] Note. Data were missing for nine participants.

Table 26 A

One Way ANOVA of P Scores and Age (N = 178) [a]

	F	*df*	*p*
P Scores	1.670	3,174	.175

[a] Note. Data were missing for nine respondents.

$p < .05$.

As shown in Table 26 A, there is no significant relationship between P Scores and Age. This supports Rest's findings that age itself is not intrinsic to moral development. Similar results were reported by Pennino (2000). Rather, other personal characteristics such as education and an intellectually inquisitive and introspective personality possibly contribute to continuing and advanced moral development.

Findings for Relationship Between P Scores and Education

The summary statistics for P Scores by Education is depicted in Table 27. P Scores were grouped into quartiles.

A one way analysis of variance (ANOVA) was conducted. The results confirmed that education was significantly related to respondents' P Scores, F (6,169) =3.058, p = .007. The results for the Tukey HSD indicated that those with a business school degree (M = 63.33, SD = 4.71), had significantly higher P Scores than those who graduated from a four year college (M = 32.11, SD = 14.48), those graduating from a two year community college (M = 22.78, SD = 17.05) and those with a high school diploma (M = 18.33, SD = 11.79). However, as noted earlier, with an n of only two, these may be considered outliers.

Table 27

Summary Statistics of P Scores by Education (N =176) [a]

		P Score							
		1st Quartile (0-20)		2nd Quartile (23-33)		3rd Quartile (37-43)		4th Quartile (47 and Up)	
Education	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
High School	2	18.33	(11.79)						
Business School	2							63.33	(4.71)
2 Year College	6			27.78	(17.05)				
4 Year College	112			32.11	(14.48)				
Graduate	38			32.68	(15.44)				
Post Graduate	14					40.48	(12.53)		
Professional	2					40.00	(4.71)		
Total	176			33.09	(15.05)				

[a] Note. Data were missing for 11 respondents

Rest contends that education is the only demographic variable that significantly affects P Scores. Rest stated that moral judgment appears to advance as long as one is in school. Reporting on over 50 studies, Rest (1979) claimed that moral development increases ten points with each level of education.

When formal education ends, a person's moral judgment ceases to mature, (Rest, 1979. p. 113).

Rest's claims are both supported and refuted by this study. On the one hand, as shown in Table 27, high school graduates had a mean P Score of 18.33. Graduates of two year colleges, or students with two additional years of formal education, had a mean P Score of 27.78, more than a nine point increase in the P Score. Respondents who completed a post graduate program had a mean P Score of 40.48, almost eight points higher than respondents with a graduate degree. A one way analysis of variance (ANOVA) showed that there is a significant relationship between education and P Scores, $F\ (6,169) = 3.058,\ p = .007$.

However, Rest's claim is challenged by this study's findings which show that the respondents with the highest mean P Scores were the two individuals who attended business school rather than a two or four year college. Graduates of business schools typically study only business courses, with little exposure to the liberal arts or sciences. There are usually fewer credits required for graduation. Therefore, the fact that this group performed best on the measure of moral development can possibly be explained by the fact that business schools attract students who have a strong work ethic and vocational interests, and who regard business as an opportunity to gain independence and begin a career. Because there were only two respondents in this group, the high scores of business school students should possibly be looked at as outliers that are not representative of the sample. Furthermore, people who attend two and four year colleges may be more

aggressive and success oriented, motivated by lucrative financial rewards, which may make them more tolerant of unethical behavior.

A further test of the influence of education on P Scores was conducted by comparing P Scores to Ethics training in order to determine how taking an ethics course affected the subjects' P Scores, (see Table 27 A).

Table 27 A

Summary of P Scores and Ethics Course (N = 134) [a]

	P Score							
	1st Quartile		2nd Quartile		3rd Quartile		4th Quartile	
	(0-20)		(23-33)		(37-43)		(47 and Up)	
Ethics Course	N	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*	*M*	*(SD)*
No Ethics Course	41					37.15	(16.37)		
Professional Seminar	55			31.27	(15.46)				
Academic Requirement	46			29.86	(12.63)				
Both	5			41.33	(16.09)				
Total	147			32.81	(15.15)				

[a] Note. Data were missing for 40 respondents

Almost 28% of the participants who answered this question reported that they had never taken a course in ethics. This suggests that a significant number of

advertising executives have little or no formal training in ethical decision making. Yet the mean P score (37.15) for these respondents also suggests that their ethical decision making is more highy developed than their peers who took a professional seminar in ethics and had a mean P score of 31.27. It is encouraging that 72% of the respondents to this question have taken some form of ethics course, and that participants who took both forms of ethics training had the highest average P Scores. However, it is noteworthy that the group that did not have any ethics training had a higher mean P Score than those who took either an ethics course as an academic requirement or those who took a professional training seminar in ethics. Given the fact that over 21% of the participants did not respond to the question about ethics training, it is difficult to draw any conclusions about the value of an ethics course in improving ethical decision making in advertising executives.

Based on the available responses, a one way analysis of variance, (ANOVA) indicated that there is no significant relationship between an ethics course and ethical decision making, (see Table 27 B).

Table 27 B

One Way ANOVA of P Scores and Ethics Training (N = 147) [a]

	F	*df*	*p*
P Scores	2.499	3,143	.062

[a] Note. Data were missing for 40 respondents.
$p < .05$.

Findings for Relationship Between P Scores and Gender

Summary statistics of P Scores by Gender are found in Table 28. Comparing P Scores to Gender allows us to determine the degree to which Gender affects ethical orientation. This also may lead to some conclusions about how the leader's gender may influence the Ethical Climate of an advertising agency.

A *t* test was conducted for P Score based on Gender. The results indicated a significant relationship between P Scores and Gender, t (176) -2.303, $p = .022$.

Table 28

Summary Statistics of P Scores by Gender (N =178) [a]

	P Score					
Gender	*N*	*M*	*(SD)*	*t*	*df*	*p*
				-2.303	176	.022*
Male	92	30.65	(14.50)			
Female	86	35.78	(15.17)			
Total	167					

[a] Note. Data were missing for nine respondents.
* $p < .05$.

Table 28 indicates that the female advertising executives had a mean P Score of 35.78 versus 30.65 for the mean P score of male respondents. Thus,

women scored more than five points higher, (approximately 17.5%) than their male counterparts.

Rest (1986) reported that there are no significant differences in DIT scores based on gender. Furthermore, when they exist, they are trivial, accounting for less than one – half of one per cent of the variance in scores (as cited in Trevino, 1992, p. 453), and when these differences occur, Rest acknowledged that females scored higher. However, his ultimate conclusion was that gender does not significantly influence ethical orientation.

Most later studies on the differences between the ethical decision making behavior of men and women have been inconclusive. Early studies, (Chonko and Hunt, 1985; Ruegger and King, 1992; Serwinck. 1992; Tsalikis and Ortiz-Buonafina, 1990), found little difference in ethical thinking based on gender. Other studies, (Betz et al., 1989; Kidwell et al., 1987; McNichols and Zimmerer, 1985; and Beltramini et al., 1984) support the assertion that women are more ethical than men. A more recent study (Glover et al., 2002) suggests that women consistently make more ethical choices, regardless of workplace values and the moral intensity of the situation.

This study confirms Glover et al.'s findings and suggests that women in advertising use principled moral considerations 36% of the time; whereas men employ this thinking 31% of the time in ethical decision making. Furthermore, results of the *t* test, t (176) -2.303, p = .022, indicated a significant relationship between P Scores and Gender.

Table 28 A

Comparison of P Scores of Advertising Executives and Other Business Professionals Based on Gender:

	P Score			
	Male		Female	
Profession	M	(SD)	M	SD)
Advertising Executives	30.65	(14.50)	35.78	(15.17)
Accountants: Senior Managers [a]	38.50	(N/A)	49.70	(N/A)
Certified Financial Planners [b]	37.19	(17.70)	40.72	(14.35)
Non-Certified Financial Planners [b]	33.13	(13.59)	38.10	(14.89)
U.S. Managers [c]	35.41	(15.01)	37.64	(15.63)

[a]Note. Source: Bernardi & Arnold (1997), p. 661.
[b]Note. Source Bigel, (1998), p. 88.
[c]Note. Source: Pennino (2001) p. 89.

Table 28 A is a comparison based on gender of the P Scores for Advertising Executives, Accounting Senior Managers, Certified Financial Planners, Non-Certified Financial Planners, and U.S. managers. Of particular note here is that advertising executives, regardless of gender, achieved the lowest scores of all the professions in the comparison. Male advertising executives had P scores that were three and seven points lower than male financial planners, and five points lower than male managers. Although female advertising executives had a higher mean P score than male advertising executives, their mean P Scores were as much as 14 points lower than female accountants and three to five points

lower than other female business professionals, notably financial planners and managers.

Finally, this comparison gives further credence to the claim that women are more ethically sensitive than men since their P Scores were consistently higher than men within and outside the same professional group.

Findings for Relationship Between P Score and Job Status

Summary statistics were calculated for P Score by Job Status. Job Status encompasses years of experience in advertising and management level as defined by the manager's span of control. Therefore, those statistics corresponding to Experience may be found in Table 29 A and those corresponding to Management Level may be found in Table 29 C.

Table 29 A

Summary Statistics of P Score by Experience (N = 176[a])

	P Score				
				Range	
Experience	N	*M*	*(SD)*	Minimum	Maximum
1-5 Years	30	34.00	(17.78)	.00	66.67
6-10 Years	20	33.50	(16.56)	10.00	60.00
Over 10 Years	126	32.70	(14.15)	.00	63.33
Total	176	33.01	(15.02)	.00	66.67

[a] Note. Data were missing for 11 respondents.

One way analysis of variance (ANOVA) was performed on P Score and Experience. There is no significant relationship between P Score and Experience, (see Table 29 B).

Table 29 B

One Way ANOVA of P Scores and Experience (N = 176) [a]

	F	*df*	*p*
P Scores	.102	2.173	.903

[a] Note. Data were missing for 11 respondents.
$p < .05$.

Table 29 C

Summary Statistics of P Score by Management Level (N = 161) [a]

	P Score				
				Range	
Management Level	N	*M*	*(SD)*	Minimum	Maximum
First Line	61	33.61	(14.08)	10.00	66.67
Middle	20	32.50	(16.43)	.00	60.00
Upper	80	32.83	(14.82)	.00	60.00
Total	161	33.08	(14.66)	.00	66.67

[a] Note. Data were missing for 26 respondents.

One way analysis of variance (ANOVA) was performed on P Score and Management Level and it was found that there is no significant relationship between P Score and Management Level, (see Table 29 D). Therefore, combining

Experience and Management Level indicated no significant relationship between P Scores and Job Status.

Table 29 D

One Way ANOVA of P Scores and Management Level (N =161) [a]

	F	*df*	*p*
P Scores	.066	2,158	.937

[a] Note. Data were missing for 26 respondents.
$p < .05$.

This study did not examine the interactions of the demographic and job variables. However, it appears that the higher levels of ethical decision making by female advertising executives requires further explanation. Table 30 summarizes the statistics for Management Level by Gender.

Table 30

Summary of Management Level by Gender (N =150)[a]

	Gender					
	Male		Female		Total	
Management Level	*N*	(%)	*N*	*(%)*	*N*	*(%)*
First Line	21	(14.9)	36	(24.0)	57	(38.0)
Middle	11	(7.3)	8	(5.3)	19	(12.7)
Upper	52	(34.7)	22	(14.7)	74	(49.3)
Total	84	(56.0)	66	(44.0)	150	(100.0)

[a] Note. Data were missing for 37 respondents.

As seen in Table 30, the largest group of managers who responded to the study was upper level male managers, followed by first line female managers. Female advertising executives in this study had a mean P Score of 35.15 which was over five points higher than the male respondents. However, Table 33 indicates that more that 50% of the women who responded were first line managers. This leads to the conjecture that since women are less numerous in the higher ranks of management, their influence on the ethical environment of advertising agencies and the decision making behavior of subordinates is marginal to non-existent.

As presented in Chapter II, male managers appear to outnumber women two to one in the executive suites, thereby holding more power to influence ethical climate and the behavior of subordinates. Furthermore, since there were more male respondents to the survey, one may surmise that there are more men in the industry overall. Thus, it appears that the female influence is less evident because1) women hold less powerful positions, and 2) men are more dominant numerically. Therefore, it appears that the relationship between Gender and Management Level, and P Scores and Ethical Climate is moderated by Management Level.

Findings for P Score by Job Tenure

Summary statistics were calculated for P Score by Job Tenure. Job Tenure encompasses the employee's years with the current organization (advertising agency) and years in current position. Therefore, those statistics corresponding to

Current Organization may be found in Table 31 A, and those corresponding to Current Position may be found in Table 31 C.

Table 31 A

Summary Statistics of P Score by Current Organization (N = 177) [a]

	P Score				
Current Organization	N	*M*	(*SD*)	Range Minimum	Maximum
1-5 Years	69	33.77	(15.25)	.00	66.67
6-10 Years	39	35.30	(13.44)	10.00	60.00
Over 10 Years	68	30.83	(15.40)	.00	63.33
Not Applicable	1	60.00			
Total	176	33.13	(15.05)	.00	66.67

[a] Note. Data were missing for ten respondents.

One way analysis of variance (ANOVA) was performed on P Score and Current Organization. There was no significant relationship between P Score and Current Organization, (see Table 31 B following)

Table 31 B

One Way ANOVA of P Scores and Current Organization (N = 177) [a]

	F	*df*	*p*
P Scores	1.932	3,173	.126

[a] Note. Data were missing for ten respondents.
$p < .05$.

Table 31 C

Summary Statistics of P Score by Current Position (N = 176) [a]

	P Score				
Current Position	N	*M*	(*SD*)	Range Minimum	Maximum
1-5 Years	91	35.16	(15.08)	.00	66.67
6-10 Years	34	31.86	(14.36)	10.00	60.00
Over 10 Years	51	30.65	(15.22)	.00	63.33
Total	176	33.22	(15.04)	.00	66.67

[a] Note. Data were missing for 11 respondents.

One way analysis of variance (ANOVA) was performed on P Score and Current Position. There was no significant relationship between P Score and Current Position, (see Table 31 D). Therefore, combining Current Organization and Current Position indicated no significant relationship between P Score and Job Tenure.

Table 31 D

One Way ANOVA of P Scores and Current Position (N = 161) [a]

	F	*df*	*p*
P Scores	1.371	2,158	257

[a] Note. Data were missing for 26 respondents.
$p < .05$.

Findings for P Score by Organization Size

Summary statistics were calculated for P Scores by Organization Size. Organization Size encompasses Number of Employees and Number of Offices. Therefore, those statistics corresponding to Number of Employees may be found in Table 32 A and those corresponding to Number of Offices may found in Table 32 C.

Table 32 A

Summary Statistics of P Scores by Number of Employees (N = 163) [a]

	P Scores				
				Range	
Number of Employees	N	M	*(SD)*	Minimum	Maximum
100 or less	85	33.49	(14.21)	6.67	60.00
101-500	30	30.44	(17.61)	.00	66.67
Over 500	48	34.31	(14.78)	.00	63.33
Total	163	33.17	(15.01)	.00	66.67

[a] Note. Data were missing for 24 respondents.

One way analysis of variance (ANOVA) was performed on P Score and Number of Employees. There was no significant relationship between P Score and Number of Employees, (Table 32 B). F (2,160) = .648, p = .524.

Table 32 B

One Way ANOVA of P Scores and Number of Employees (N = 163) [a]

	F	*df*	*p*
P Scores	.648	2,160	.524

[a] Note. Data were missing for 24 respondents.
$p < .05$.

Table 32 C

Summary Statistics of P Scores by Number of Offices (N = 168) [a]

	P Scores				
				Range	
Number of Offices	N	M	*(SD)*	Minimum	Maximum
None	3	28.89	(18.36)	16.67	50.00
1-5	108	32.29	(14.59)	.00	66.67
5-10	10	35.33	(19.06)	10.00	66.67
More than 10	40	35.42	(14.73)	.00	63.33
Do not know	7	34.76	(11.52)	16.67	50.00
Total	168	33.25	(14.76)	.00	66.67

[a]Note. Data were missing for nineteen respondents

One way analysis of variance (ANOVA) was performed on P Score and Number of Offices, (Table 32 D). There was no significant relationship between P Score and Number of Offices. Therefore, combining Number of Employees and Number of Offices indicated no significant relationship between P Score and Organization Size.

Table 32 D

One Way ANOVA of P Scores and Number of Offices (N = 168)[a]

	F	*df*	*p*
P Scores	.459	4,163	.766

[a]Note. Data were missing for nineteen respondents.
$p < .05$.

Summary of Findings of Research Questions

The purpose of this study was to determine the relationship among Ethical Climate, Sex Role Identity, and Demographic and Job Variables, otherwise referred to as the predictor variables, to the Ethical Orientation of advertising executives. One way analysis of variance (ANOVA) and *t* tests were used to ascertain if a significant relationship existed between Ethical Orientation and to each of the predictor variables. A bivariate correlation matrix appears on pages 147 and 148. Pearson product moment correlations and multiple regression analyses were used to further test the degree or strength of that relationship. Multiple regression analysis was conducted to determine the combined effect of the independent variables on the dependent variable, P Score.

For the purposes of the multiple regression analysis that was conducted on P Score, P Score was treated as the dependent variable, to assess what, if any, affects the other combined variables had on the variance in P Scores. Since this was an exploratory endeavor, a stepwise regression analysis was conducted. The

following variables were regressed on P Score: gender, age, education, experience, current organization, current position, management level, number of employees, number of offices, sex role identity, professional, caring, rules, instrumental, and independence.

Instrumental Ethical Climate type was significantly related to P Score at step one, $F (1, 144) = 4.665$, $p = .032$. Instrumental Ethical Climate type, uniquely by itself, explained 3.1% of the variance in P Score. At step two, Instrumental and Caring Ethical Climate types together were significantly related to P Score, $F (2, 143) = 4.791$, $p = .010$. Together, Instrumental and Caring Climate types explained 6.3% of the variance in P Score. The remaining 93.7% of the variance is yet unexplained. Results are shown in Table 33.

Table 33

Multiple Regression Analysis P Score (N=146) [a]

Included Variables Step One	B	SEB	*B*	*t*	*p*
Instrumental	-1.117	.517	-.177	-2.160	.032
Multiple R = .177					
Multiple R^2 = .031					
F = 4.665, p = .032					
Included Variables Step Two					
Instrumental	-1.488	.538	-.236	-2.766	.006
Caring	-.821	.375	-.187	-2.190	.030
Multiple R = .251					
Multiple R^2 = .063					
F = 4.791, p = .010					

Excluded Variables	B	*B*	*t*	*p*
Gender	.117	.115	1.408	161
Age	-.038	-.037	-.449	.654
Education	.050	.049	.595	.553
Experience	-.054	-.053	-.641	.523
Current Organization	.031	.030	.373	.710
Current Position	-.089	-.087	-1.064	.289
Management Level	-.072	-.073	-.860	.918
Number of Employees	.002	.003	.028	.977
Number of Offices	.058	.061	.688	.492
Job Status	.033	.032	.395	.694
Professional Climate	.018	.022	.220	.826
Rules Climate	.062	.062	.744	.458
Independence Climate	.059	.064	.703	.483

[a] Note. Data were missing for 41respondents.

FIGURE 3

CORRELATION MATRIX OF RESEARCH VARIABLES

	Ethical Climate Professional	Ethical Climate Caring	Ethical Climate Rules	Ethical Climate Instrumental	Ethical Climate Independence	Sex Role Identity	Age	Education	Gender	Job Status: Experience	Job Status: Management Level	Tenure: Current Position	Tenure: Current Organization	Organization Size: Employees	Organization Size: Offices	Individual Ethical Orientation P Score
Ethical Climate Professional																
Pearson Correlation	1.000	.586****	.205**	-.325****	.409****	-052	.188*	-.025	-.072	.043	.026	.097	.088	-.060	-.123	-.018
Sig.(One tailed)		*.000*	*.006*	*.000*	.000	*.266*	*.012*	*.382*	*.194*	*.303*	*.377*	*.123*	*.145*	*.238*	*.070*	*.412*
Ethical Climate Caring																
Pearson Correlation	.586****	1.000	.099	-.315****	.442****	-.059	.072	-.140*	-.165*	.041	.062	.118	.001	-.385****	-.386****	-.112
Sig.(One tailed)	*.000*		*.117*	*.000*	*.000*	*.240*	*.194*	*.046*	*.023*	*.311*	*.227*	*.078*	*.493*	*.000*	*.000*	*.088*
Ethical Climate Rules																
Pearson Correlation	.205**	.099	1.000	.174*	-.049	.009	.107	-.090	.093	-.082	-.047	-.009	-.018	.037	.023	-.001
Sig.(One tailed)	*.006*	*.117*		*.018*	*.277*	*.456*	*.100*	*.140*	*.132*	*.181*	*.285*	*.459*	*.414*	*.330*	*.390*	*.495*
Ethical Climate Instrumental																
Pearson Correlation	-.325****	.315****	.174*	1.000	-.188*	-.061	-.176*	-.028	.108	-.195**	-.285****	-.109	-.093	.200**	.203**	-.177*
Sig.(One tailed)	*.000*	*.000*	*.018*		*.012*	.233	*.017*	*.368*	*.097*	*.009*	*.000*	*.096*	*.133*	*.008*	*.007*	*.016*
Ethical Climate Independence																
Pearson Correlation	.409****	-053****	.235*	-.188*	1.000	-.091	.235***	-.045	-.053	.148*	.151*	.160*	.132	-.223***	-.202**	.013
Sig.(One tailed)	*.000*	*.000*	*.049*	*.012*		*.138*	*.002*	*.296*	*.262*	*.037*	*.035*	*.027*	*.056*	*.003*	*.007*	*.439*
Sex Role Identity																
Pearson Correlation	-.052	-.059	.009	-.061	-.091	1.000	-.045	.121	-.004	-142*	-.059	.019	-.035	-.075	.041	.057
Sig.(One tailed)	*.266*	*.266*	*.456*	*.233*	*.138*		*.295*	*.073*	*.482*	*.044*	*.239*	*.409*	*.337*	*.183*	*.312*	*.246*
Age																
Pearson Correlation	.188*	.072	.107	-.176*	.235***	-.045	1.000	.201**	-.174*	.636**	.330****	.566****	.488****	.012	-.121	-.008
Sig.(One tailed)	*.012*	*.194*	*.100*	*.017*	*.002*	*.295*		*.007*	*.018*	*.007*	*.000*	*.000*	*.000*	*.441*	*.072*	*.463*
Education																
Pearson Correlation	-.025	-.140*	.090	-.028	-.045	.121	.201**	1.000	-.049	.100	.197	.104	.072	.197**	.156*	.080
Sig.(One tailed)	*.382*	*.046*	*.140*	*.368*	*.296*	*.073*	*.007*		.277	*.114*	*.167*	*.106*	*.195*	*.009*	*.030*	*.167*
Gender																
Pearson Correlation	-.072	-.165*	.093	.108	-.053	-.004	-.174	-.049	1.000	-.173	-.299	-.163	-.133	.068	.103	.117
Sig.(One tailed)	*.194*	*.023*	*.132*	*.097*	*.262*	*.482*	*.018*	*.277*		*.018*	*.000*	*.025*	*.055*	*.207*	*.109*	*.080*

FIGURE 3 continued

CORRELATION MATRIX OF RESEARCH VARIABLES

	Ethical Climate Professional	Ethical Climate Caring	Ethical Climate Rules	Ethical Climate Instrumental	Ethical Climate Independence	Sex Role Identity	Age	Education	Gender	Job Status: Experience	Job Status: Management Level	Tenure: Current Position	Tenure: Current Organization	Organization Size: Employees	Organization Size: Offices	Individual Ethical Orientation P Score
Job Status: Experience																
Pearson Correlation	.043	-.041	-.082	-.195**	.148*	-.142*	.636****	.100	-.173*	1.000	.491****	.405****	.495****	-.031	-.075	.003
Sig.(One tailed)	*.303*	*.240*	*.161*	*.009*	*.037*	*.044*	*.000*	*.114*	*.018*		*.000*	*.000*	*.000*	*.356*	*.184*	*.485*
Job Status: Mgt. Level																
Pearson Correlation	.026	.062	-.047	-.285****	.151*	-.059	.330****	.080	-299****	.491****	1.000	.331****	.350****	-.152*	-.202**	-.011
Sig.(One tailed)	*.377*	*.377*	*.285*	*.000*	*.035*	*.239*	*.000*	*.167*	*.000*	*.000*		*.000*	*.000*	*.033*	*.007*	*.447*
Tenure: Current Position																
Pearson Correlation	.097	.118	-.009	-.109	.160*	-.019	.566****	.104	.-163*	.405****	.331****	1.000	.771****	-.224***	-.234***	-.082
Sig.(One tailed)	*.123*	*.078*	*.095*	*.095*	*.027*	*.409*	.000	*.106*	*.025*	*.000*	*.000*		*.000*	*.003*	*.002*	*.164*
Tenure: Current Organization																
Pearson Correlation	.088	.001	-.018	.093	.132	-.035	.488****	.072	-.133	.495****	.350****	.771****	1.000	-.067****	-.081	.052
Sig.(One tailed)	*.145*	*.493*	*.414*	*.133*	*.056*	*.337*	*.000*	*.195*	*.055*	*.000*	*.000*	*.000*		*.000*	*.167*	*.268*
Organization Size: Employees																
Pearson Correlation	-.060	-.385****	.037	.200**	-.223***	-.075	.012	.197**	.068	-.031	-.152*	-.224***	-.067	1.000	.750****	.027
Sig.(One tailed)	*.238*	*.000*	*.330*	*.008*	*.003*	*.183*	*.441*	*.009*	*.207*	*.356*	*.033*	*.003*	*.209*		*.000*	*.373*
Organization Size Offices																
Pearson Correlation	-.123	-.386****	.023	.203**	-.202**	.041	-.121	.156*	.103	-.075	-.202**	- 234***	.081	.750****	1.000	.076
Sig.(One tailed)	*.070*	*.000*	*.390*	*.007*	*.007*	*.312*	*.072*	*.030*	*.109*	*.184*	*.007*	*.002*	*.167*	*.000*		*.182*
Individual Ethical Orientation P Score																
Pearson Correlation	*-.018*	-.112	-.001	-.177*	.013	.057	.008	.080	.117	.003	-.011	-.082	.052	.027	.076	1.000
Sig.(One tailed)	*.412*	*.088*	*.495*	*.016*	*.439*	*.246*	*.463*	*.167*	*.080*	*.485*	*.447*	*.164*	*.268*	*.373*	*.182*	

N = 146 for all variables
* Correlation is significant at the .05 level (one-tailed)
** Correlation is significant at the .01 level (one-tailed)
*** Correlation is significant at the .005 level (one-tailed)
**** Correlation is significant at the .001 level (one-tailed)

Chapter Summary

The following section contains a restatement of the Research Questions and a summary of the findings.

1. To what degree is there a relationship between perception of the agency's Ethical Climate types (caring, law and code, rule, instrumental, independent) and the Sex Role Identity (feminine, masculine, androgynous) of advertising executives?

   There were no significant relationships among any of the Ethical Climate Types and Sex Role Identity. It is important to note that since the sample lacked variability with regard to Sex Role Identity, it is difficult to assess the correlation of Sex Role Identity with any other variable.

2. To what degree is there a relationship between Sex Role Identity (feminine, masculine, androgynous) and selected Demographic variables (age, gender, education) and Job variables (status, tenure in industry, organizational size) of advertising executives?

   No significant relationships were found to exist among Sex Role Identity and any of the Demographic and Job variables. As mentioned above, the sample lacked variability in regard to Sex Role Identity. In fact, the group was remarkably homogeneous with more than 92% of the respondents describing themselves as androgynous. Once again the lack of variability precluded the ability to assess

correlations with Sex Role Identity. This lack of variability minimized the importance of Sex Role Identity to the other variables in the study.

3. To what degree is there a relationship between perception of the agency's Ethical Climate types and selected Demographic variables (age, education, gender) and Job variables (status, tenure in industry, organizational size) of advertising executives?

Three Ethical Climate types were found to be related to selected Demographic and Job Variables. Older, (over 60 years old), advertising professionals, with more than ten years of experience, perceived an Independence Ethical Climate type more than other age groups. Older executives also perceived the Professional Ethical Climate type more than younger employees. The Caring Ethical Climate type was perceived more by women, although this group exhibited variance in their reporting of this environment. Therefore, there was a relationship between Age and Gender and Ethical Climate.

There was no significant relationship among Education and any of the Ethical Climate types. A possible explanation for this is that the perception of Ethical Climate is not so much an intellectual judgment as an emotional one based on how the employee feels he or she is being treated by the organization. Thus, the individual is not

objectively evaluating the behavior of others, but rather how that behavior personally affects him/her. Therefore, employees who comply with an unethical environment by continuing to commit unethical acts, because they feel that this is required for job security or career advancement, may be rewarded for their unethical behavior. Thus, they may give the organization a high score for Caring, because they are being well taken care of in such an environment. In actuality, such an ethical climate is Instrumental. In other words, the perception of Ethical Climate may be clouded by subjective observations which obliterate the effect of education and objective thinking.

Victor and Cullen apparently anticipated this effect and were themselves not particularly interested in Education as a variable in their seminal studies, which were based on research at four firms, a small printing company, a savings and loan institution, a manufacturing plant and a telephone company. The criteria for their studies were size of company, industry, and age and job tenure of employees. Although managerial employees were included in their study, they did not look at the educational level of the participants.

The job variable Job Status consists of Experience and Management Level. There was a significant relationship between Experience and the perception of the Independence Ethical Climate

Type. Advertising executives with more than ten years of experience perceived more Independence in the Ethical Climate than those with less than six years of Experience. There was no significant relationship among Experience and any other Ethical Climate Type.

There was a significant relationship between Management Level and the perception of the Caring Ethical Climate type. Senior level advertising executives and first line managers perceived significantly more Caring in their environment than middle level advertising executives. In addition, first line managers and middle managers perceived their environment as more Instrumental than upper level managers. There was no significant relationship among Management Level and any other Ethical Climate type. Therefore, there was a significant relationship between Job Status and Ethical Climate type.

The variable Job Tenure consists of Years in Current Position and Years with Current Organization. There was no significant relationship between Years in Current Position and the Independence Ethical Climate type. Advertising executives who have spent over ten years in their Current Position perceived the environment as having more Independence than those with fewer years in their current position. There was no significant relationship among Years in Current Position and any other Ethical Climate type. Furthermore,

there was no significant relationship among Years in Current Position and any Ethical Climate type.

The variable Organization Size consists of Number of Employees and Number of Offices. There was a significant relationship between Number of Employees and the perception of both the Caring and Independence climates. Advertising executives in an organization of 100 or fewer employees perceived significantly more Caring and Independence in their environments. There was no significant relationship among Number of Employees and any other Ethical Climate type. There was a significant relationship between the Number of Offices and the perception of both the Caring and Independence climates. Advertising executives in organizations with one to five offices perceived significantly more Caring and Independence in their environment that those in larger organizations. There was no significant relationship among Number of Offices and any other Ethical Climate type.

4. To what degree is there a relationship between perception of the agency's Ethical Climate (caring, law and code, rule, instrumental and independent) and the Ethical Orientation of advertising executives?

According to one analysis (test of means), there was no significant relationship between Ethical Climate Type and Ethical Orientation. However, another analysis (Pearson product moment correlation

analysis) indicated a very weak, yet significant, correlation between Ethical Orientation and both the Instrumental and Caring Ethical Climate types. These results suggest that as Ethical Orientation goes down, the perception of Instrumental and Caring in the environment increases.

5. To what degree is there a relationship between Sex Role Identity (feminine, masculine, androgynous) and the ethical orientation of advertising executives?

There was no significant relationship between Sex Role Identity and Ethical Orientation. Regardless of Sex Role Identity of the participants, the Caring climate was the most frequently perceived ethical climate (M = 13.20, SD = 3.23) and Independence was the least frequently perceived ethical climate (M = 3.58, SD = 1.13). The Professional and Rules climates were virtually the same in terms of frequency of perception (M= 7.30, SD = 2.39) and (M= 7.16, SD = 1.93) respectively. The Instrumental climate received an average score of (M=5.14, SD = 2.32) which indicates that it is perceived almost one-third as often as the Professional and Rules environments and slightly more than one-third as often as the Instrumental environment. The high occurrence of the perception of the Caring environment suggests that advertising agencies are friendly, warm environments where the employee is valued. However, such an environment can

nurture ethical dilemmas since it is the climate in which individuals look out for the welfare of others. Thus, advertising managers might avoid confrontations with clients over ethical issues if they believe such action might harm the agency.

6. To what degree is there a relationship between selected Demographic variables (age, education, gender) and Job variables (status, tenure in industry, organizational size) and the Ethical Orientation of advertising executives?

There was no significant relationship between the selected Demographic variables of age, education, and gender and Ethical Orientation. Studies cited by Rest (1979) note that age alone is not correlated to moral development. Rest maintained that adults at various ages do not necessarily show advances in moral development without continued education and, presumably, life experiences, which restructure their moral thinking.

The statistical analyses found no significant relationship between Job Status, Job Tenure, and Organization Size and Ethical Orientation. Therefore, this study refutes the findings of Banerjee, Jones and Cronan (1996) and Aquinis and Adams (1998) about the relationship between Job Status and Ethical Orientation. Also, this study agrees with previous studies by Forte (2001) and D'Aquila (1997) which found no statistically significant relationship between Job Tenure and

Ethical Orientation. Finally, although research cited earlier (Appelbaum et al., 2005, Bauccus and Near, 1991, and Lasson and Bass, 1997) found a relationship between Organization Size and Ethical Orientation, this study did not agree.

7. To what degree is there a relationship between perception of the agency's ethical climate, sex role identity, (feminine, masculine, androgynous), selected demographic (age, education, gender) and job (status, tenure in industry, organizational size) variables, and the ethical orientation of advertising executives?

There was no significant relationship between perception of the agency's ethical climate, sex role identity, (feminine, masculine, androgynous), selected demographic (age, gender, education) and job (status, tenure in industry, organizational size) variables, and the ethical orientation of advertising executives. The multiple regression analysis indicated that only two of the ethical climate types showed a significant relationship to P Score. Together, the Instrumental and Caring climates accounted for 6.3% of the variance in P Scores. The remaining 93.7 % of the variance is unexplained, suggesting that, aside from the aforementioned Instrumental and Caring climates, there was no significant relationship between the independent variables and P Scores. This finding implies that ethical orientation and moral reasoning in the context of the advertising industry are extremely

complex and may have a strong situational component, which is possibly related to any number of individual factors that impact decision making, such as personal ambition, reward system, job security, and loyalty to employer.

CHAPTER V

SUMMARY, FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

In this final chapter, the researcher presents the study's summary, conclusions and their implications, and recommendations for the advertising profession and for future researchers.

Summary

While the advertising industry has often been praised for its creativity, which has provided the public with entertaining, informative and memorable messages, it also has a reputation for being unethical and dishonest. It is perceived with distrust by the public and its stakeholders. Advertising practitioners themselves exhibit self doubt about the respectability of their profession, and public opinion polls consistently rank advertising professionals near the bottom of surveys of business people in terms of honesty and ethical tandards. Long plagued with a negative image problem, the industry has also been experiencing dramatic changes since the 1980's, thus complicating the ethical decision making ability of advertising managers.

For the past three decades, the industry has been undergoing tremendous consolidation. Acquisitions and mergers have almost totally extinguished small

and medium size independent agencies, leaving four publicly owned behemoths to dominate the business. These holding companies are composed of traditional advertising agencies, direct marketing companies, media buying firms, sales promotion agencies, public relations firms, and all other types of businesses that render marketing services. This consolidation has created new problems for an industry that appeared to care little about ethics. Among these new problems are intra corporate competition in account reviews in which agencies that are owned by the same parent company compete for the same account, financial reporting issues, greater government oversight that accompanies public ownership of a business entity, responsibility to shareholders, and increased emphasis on profitability.

In addition, the business itself had changed. By the end of the twentieth century, the Internet had become a powerful advertising tool. Traditional advertising in the form of television and print advertising was losing its popularity among advertisers who found interactive marketing more effective and more measurable. This threatened the traditional advertising agency business model and forced agencies to perform more varied duties and change their billing methods from a commission based system to fees. Clients were demanding more accountability for their advertising expenditures and began negotiating a new compensation structure that includes a performance metric. These financial pressures and concerns for client retention have created an environment in which advertising managers, confronting ethical dilemmas and the fear of losing

business, usually make decisions based on revenue rather than corporate moral responsibility.

Clients have gained the upper hand in their relationships with their advertising agencies. The demand for profit maximization and client retention created ethical conflicts, (listed below and in Appendix E), which affect the organizational behavior of advertising agencies. Examples are:

1. Bribery in the solicitation of clients
2. Theft of talent
3. Plagiarism
4. Employment discrimination
5. Deception in client billing and deadline fulfillment
6. "Pay –for – play" in account reviews conducted by outside consultants
7. Fraudulent accounting practices

However, in order for advertising agencies to survive, they must fulfill their obligations to their clients, employees, the public, and their shareholders in an ethical and trustworthy manner. Many studies have shown that profits and ethics do mix.

> There is ample evidence that being ethical pays off with better performance. …companies that are perceived by their employees as having a high degree of honesty and integrity had a much higher average total return to shareholders than did companies perceived as having a low degree of honesty and integrity (Ferrell, Fraedrich, Ferrell, 2005, p. 18).

In addition, companies that commit to ethical behavior have better financial performance (Ibid, p. 19).

The present study aimed to understand some of the forces that may influence the ethical decision making process of advertising executives, with the goal that the findings lead to recommendations that will help to improve individual and organizational ethics in the advertising profession..

This study tested the relationships between Ethical Climate, Sex Role Identity, and selected Demographic (age, education, gender) and Job (status, tenure, organization size) variables to the Ethical Orientation of advertising executives. Ethical Orientation, as measured by the P Score, the dependent variable.

Ethical Climate is an important influence on ethical decision making because, according to Victor and Cullen (1989), it helps employees identify those situations that the organization considers to be ethically sensitive. In this study, Ethical Climate was defined by the employee's perceptions of the organization's environment. The instrument that was used to elicit this information was an abbreviated version of Victor and Cullen's original 36 item Ethical Climate Questionnaire. This shortened version contains 11 questions that Victor and Cullen extracted from the original instrument, which are representative of the five ethical climate types (Professional, Rules, Caring, Instrumental, Independence), that they had identified in their seminal studies of four companies in four different industries.

Sex Role Identity is a psychological construct that refers to how a person describes him/herself within the context of stereotypical gender related terms.

Sandra Bem's research resulted in the identification of three distinct sex – typed domains; feminine is warm and other directed; masculine is self – confident and achievement oriented; and androgynous connotes someone who is high in both feminine (expressive) and masculine (instrumental) characteristics. A fourth type, undifferentiated, refers to someone who is low on both the feminine and masculine scales.

Sex Role Identity was selected as a variable for this study because it assumes that men and women bring different attributes to their work roles. The feminine concern for others versus the masculine concern for achievement and competitiveness imply that sex typed individuals have different values, which may help to explain differences in ethical orientation amongst male and female advertising executives.

The instrument that was used to measure this personality trait was the 16 item version of the Personal Attributes Questionnaire, developed by Spence and Helmreich (1978). While it is shorter than Bem's Sex Role Inventory, it appears to be just as effective in measuring desirable expressive and instrumental characteristics.

Lawrence Kohlberg's theory of cognitive moral development, with its sequential, staged approach to understanding moral development, was the theoretical construct that was used to explain ethical orientation. The theory maintains that individuals progress through three levels of moral development beginning with behavior that seeks to avoid punishment, to behavior that seeks to

be perceived as a good person, to the highest level of moral thinking, which is characterized by independent judgment that respects the rights of others.

James Rest's Defining Issues Test was used to measure ethical orientation. The three scenario version of the instrument was used to measure this variable. Although each scenario contains twelve questions, the respondent is only scored on the basis of four summation questions, which ask the respondent to rank the responses in order of importance. Respondents earn points based on how frequently their answers reflected principled moral thinking. In this study, P Scores ranged from 0.00 to 66.67. Rest states that most studies do not have many subjects who score above 50. In the present study, 20 respondents, or more than 11% of the measureable responses, were above that metric. As Rest points out, and as discussed in Chapter IV, adult respondents typically exhibit a wide variance in their scores. Therefore, this result does not necessarily indicate a higher level of ethical orientation in advertising executives, particularly because a comparison of P Scores among several professions showed that the P Scores of advertising executives were lower than accounting and financial planning professionals (see Table 28 A).

The Demographic variables that were tested were age, education and gender. Kohlberg maintained that ethical reasoning improves as one matures chronologically. Other studies have found that the experience gained with age helps individuals solve ethical dilemmas**.** Although they differ on the type of learning involved in moral development, both Piaget and Rest agree that age and

education together are significant variables in the study of moral development. According to Piaget, cognitive development results from an informal continual learning process in which humans interpret their experiences and form expectations based on those experiences. Moral development occurs when there is a disconnect between an experience and its expected outcome. Rest maintained that age and education are directionally correlated to moral development. He believed that education continues to affect moral development as long as the individual is engaged in active formal learning. Once that activity ceases, moral development tends to stabilize.

Gender was chosen as a research variable because several studies (Glover et al., 2002, Arlow, 1991; Betz et al., 1989; Borkowski and Ugras, 1992; Ruegger and King, 1992) have shown that women are more ethically sensitive than men. Although other studies, mentioned in earlier chapters, have contradictory findings, gender was considered an important variable to this study because it is inevitable that as women ascend the corporate ladder, their influence on ethical climate and organizational behavior will be evident.

The Job variables that were tested were Job Status, Job Tenure, and Organization Size. Job Status was studied because significant research (Chonko and Hunt, 1985, Ferrell amd Gersham, 1985, Trevino, 1986) suggests that supervisors have considerable influence over the actions of their subordinates by serving as role models and by creating the ethical climate which influences ethical decision making.

Job Tenure's effect on ethical orientation is unclear. As mentioned in previous chapters, there is research that supports and refutes the relationship between these two variables. However, it was considered important to this study because there may be implications for gender differences in ethical decision making. As referenced in Chapter II, Banerjee, et al. (1996) found that males and longer tenured workers show lower ethical standards than females and other employees with less tenure.

Research into the effect of Organization Size on moral reasoning shows that ethical standards tend to decline as companies expand, increasing the number of employees and offices. Larger organizations tend to exhibit less control over the daily activities of workers, creating an atmosphere in which the individual makes critical ethical decisions without guidance by a supervisor. Accountability in larger organizations is harder to identify and there may be fewer control mechanisms in place that reward or punish ethical behavior.

Information about the Demographic and Job variables was obtained from responses to the Demographic and Job Variables Questionnaire which was created by the researcher and reviewed by a panel of scholars with a terminal degree in Business Education.

The variables were tested in three separate groups: 1) Sex Role Identity by Ethical Climate, Sex Role Identity by Demographic and Job variables; and Sex Role Identity by P Scores; 2) Ethical Climate by Demographic and Job variables and Ethical Climate by P Scores; and 3) P Scores by Sex Role Identity and P

Scores by Demographic and Job variables. One way analysis of variance (ANOVA), Chi square and *t* tests were used to test the relationship between each pair of variables. Multiple regressions were used to test the combined relationship of Ethical Climate, Sex Role Identity and the Demographic and Job variables to Ethical Orientation.

The study was conducted during the spring and summer of 2009, and used a mixed mode strategy for data collection and follow-up. In order to strive for a response rate as close to or higher than 50%, the researcher used mail surveys, which were sent to executives listed in the 2008 Adweek Directory, convenience samples that were distributed at professional trade conferences and meetings, and personal contacts who supplied the names of advertising practitioners who were unknown to the researcher. The follow-up to non-respondents was done through email communication which included the survey, thus accomplishing a second delivery of the instrument, which the potential respondents had previously received in hard copy form. To motivate participation, the researcher included a New York Lottery ticket with every mailed and distributed survey. In addition, the mailed surveys contained an offer for a gift card that was awarded to selected respondents based on the timeliness of their responses.

Findings and Implications

The following section contains the findings, implications and conclusions of the study.

Finding One

There were no significant relationships among any of the Ethical Climate Types and Sex Role Identity. This is attributable to the fact that over 92% of the respondents self – reported as androgynous. Since the sample lacked variability with regard to Sex Role Identity, it is difficult to assess the correlation of Sex Role Identity with any other variable. The implication from this finding is that the advertising industry attracts individuals who are high in both feminine and masculine traits. This suggests that advertising professionals are caring and other directed, as well as ambitious and assertive. Since the advertising industry is fraught with job insecurity, it appears logical that people who choose this career have the personality traits and stamina to survive in it.

Finding Two

No significant relationships were found to exist among Sex Role Identity and any of the Demographic and Job variables. Since the sample lacked variability in regard to Sex Role Identity, there were no correlations with Sex Role Identity. It appears that, given the increased equality between men and women in our society, the stereotypical feminine and masculine definitions are fading and converging into a more complicated sex role type, androgynous, that includes

characteristics from both domains. Androgyny was the self perception reported most often by advertising professionals, suggesting that a combination of masculine and feminine traits is considered the most appropriate personality type for the advertising industry. As cited in Chapter II, Spence and Helmreich found that majority of female scientists in their study were androgynous. Buddeberg-Fischer, et al. (2003), study of Swiss medical students supports the finding that androgynous females tend to be more focused on their careers. Therefore, it appears that for women, androgynous personality traits seem to show a positive linkage to career success.

This finding may also apply to other professions implying that seismic societal changes have occurred since 1974 when the PAQ was developed, and the stereotypes that previously separated the feminine and masculine personality types may require updating.

Finding Three

The findings for Ethical Climate Type suggest that perception of the Ethical Climate is related to Age and Gender. The study revealed that older, (over 60 years old), advertising professionals, with more than ten years of experience, perceived an Independence Ethical Climate type more than other age groups. Older executives also perceived the Professional Ethical Climate Type more than younger employees. In addition, the Caring Ethical Climate Type was perceived more by women, although this group exhibited variance in their reporting of this

environment. There may be other variables (e.g. opportunity, job satisfaction) that may also intervene with women's perception of a Caring climate.

Since the Caring environment was perceived most often by women and by first line and senior level managers, the implication is that women, who occupy more first level management positions than men, account for the perception of Caring. Perhaps, as women gain more status and tenure, the perception of the Caring ethical climate will increase in advertising agencies. Thus, if as suggested by other research, the leader sets the ethical tone, then women's enhanced position in the industry can affect change which can improve the way the advertising industry is perceived by outsiders and its own members.

Finally, there was a significant relationship between Job Status and Ethical Climate type. The Instrumental climate was observed most frequently by middle managers. Since it is the Instrumental climate that is most likely to foster unethical behavior, the implication is that middle managers are most likely to commit unethical acts. Therefore, ethical training programs, which have been found to elevate ethical sensitivity, should emphasize situations that typically confront middle managers. However, the content of ethics training programs should contain information and scenarios that apply to managers at all levels in the organization so that everyone can benefit from the programs.

Finding Four

Data from the statistical analyses of the relationship between Ethical Orientation and Ethical Climate were inconclusive. However, the Pearson product moment correlation analysis indicated a weak, yet significant, correlation between Ethical Orientation and both the Instrumental and Caring Ethical Climate types. The findings suggest that as Ethical Orientation declines, the perception of the Instrumental and Caring climates increases. The implication from this finding is that organizations that are perceived to have Instrumental and Caring climates may sanction unethical behavior amongst their employees. In the Instrumental climate, unethical behavior is justified in the individual's mind because questionable behavior exhibited by influential role models appears to be acceptable. In the Caring climate, individuals receive signals that the organizational culture encourages employees to protect one another in order to assure the survival of the organization. Therefore, regardless of the perceived ethical climate, employees can benefit from ethical training aimed to improve ethical sensitivity and independent decision making.

Finding Five

Although the data indicated that there was no significant relationship between Sex Role Identity and Ethical Orientation, the analyses revealed that the Caring climate was the most frequently perceived Ethical Climate and the Independence climate was perceived least often. As mentioned in Chapter IV, the Caring climate may promote unethical behavior because it advocates protection of

others and the agency's interests above everything. The Independence climate encourages employees to use their own judgment in ethical and other decision making situations. As presented here, these two climates appear to be polar opposites. The Caring climate suggests an over concern for others, while the Independence climate portrays individuals who follow their own beliefs. The implication here is that a combination of these two climates could achieve a balanced ethical climate that provides the sense of affiliation that employees need plus the freedom to think for oneself. Given the creative nature of the advertising business, it seems logical that creating an Independence climate would not only enhance ethical decision making; it could also improve the creative output of the employees.

Finding Six

This study's examination of the relationship among Demographic and Job variables and Ethical Orientation found no significant relationship between Age and Education and Ethical Orientation. However, there appears to be a relationship between ethical education in the form of academic and professional courses in ethics and Ethical Orientation. Participants who had taken at least one professional seminar in ethics had higher P Scores (M = 31.27) than those who had taken an ethics course in college (M = 29.86). Furthermore, participants who had taken both professional and academic ethics courses had the highest average P Scores (41.33).

There was a significant relationship between and Gender and Ethical Orientation. The female participants in this study had P Scores that were more than five points higher than their male counterpoints (Female M = 35.78, Male M = 30.65).

There was no significant relationship between Job Status, Job Tenure, and Organization Size and Ethical Orientation.

The implications from the findings pertaining to Demographic variables and Ethical Orientation suggest that ethics training, particularly professional ethics seminars, enhance ethical sensitivity and moral reasoning. Furthermore, since women had higher P Scores, it appears that women could have a significant impact on Ethical Climate if they had more opportunity to rise to senior management positions.

Finding Seven

There was no significant relationship between perception of the agency's ethical climate, sex role identity, (feminine, masculine, androgynous), selected demographic (age, gender, education) and job (status, tenure in industry, organizational size) variables, and the ethical orientation of advertising executives. The multiple regression analyses indicated that only two of the ethical climate types showed a significant relationship to P Score. Together, the Instrumental and Caring climates accounted for 6.3% of the variance in P Scores. The remaining 93.7 % of the variance is unexplained, suggesting that, aside from

the aforementioned Instrumental and Caring climates, there was no significant relationship between the independent variables and P Scores.

These findings imply that ethical orientation and moral reasoning in the context of the advertising industry is extremely complex and may have a strong situational component which is possibly related to any number of individual factors that impact decision making, such as personal ambition, corporate reward system, job security, and loyalty to employer. Thus, it appears that senior managers have an obligation to shape the behavior of their subordinates with visible and constantly repetitive examples of desired behavior which is embedded into the corporate culture of the organization.

Conclusions

The quantitative analyses of this study yielded findings that helped the researcher reach the following conclusions about the Ethical Orientation of advertising executives.

The analyses of P Scores of advertising executives revealed that, on average, their mean P Score (33.13) is almost seven points lower than the average adult, based on Rest's research. Furthermore, of the upper level managers in this study, almost 70% were male and almost 30% were female. The study suggests that men occupy the most powerful jobs in advertising agencies by a ratio of more than two to one over women. Therefore, it is reasonable to conclude that men are more influential in setting the Ethical Climate of advertising agencies.

As the study revealed, the overwhelming majority of the respondents (over 92%) scored high on the androgynous sex role type. Spence and Helmreich (1978, p. 93) noted that androgynous individuals are the most achievement oriented and competitive of the PAQ categories. Although Spence and Helmreich (1978) indicated that large samples (at least 700 subjects) were desirable in order to classify subjects when using the short form of the PAQ, their finding (1978, p. 93) that androgynous individuals are the most achievement oriented and competitive of the PAQ categories still appears relevant to this study.

Therefore, it seems that advertising executives should not be defined or recruited by their gender, but rather their personality type. It appears that most advertising executives have androgynous personalities and, based on that dimension, male and female advertising executives are more similar than different. However, they are distinguished by their gender, which may have important implications in business decisions. Since females make up the majority of the population, and since most purchasing decisions are made by women, it seems that advertising agencies could benefit from the woman's perspective in terms of creative output, management style, choice of clients, and client relationship management.

Since no significant relationships were found between the Demographic (age, education, gender) and Job (status, tenure, organization size) variables, and Sex Role Identity to Ethical Orientation, one can conclude that, as the study

showed, Ethical Climate is the only factor in this study that showed a relationship to Ethical Orientation. The Instrumental climate was perceived more often by lower level and middle managers, whereas senior managers perceived the Caring environment more often. As discussed previously, the Instrumental climate is most often associated with unethical behavior since it is the one in which organizational members look out for their own interests.

The lack of any significant relationship between the Professional and Rules climates suggests that these two climates do not affect Ethical Orientation of advertising executives. However, with a larger sample, it is possible that other findings would emerge. The conclusion from this study is that advertising agencies may not have clearly articulated ethical codes, and may not conscientiously adhere to the guidelines of the industry's largest trade organizations, The American Association of Advertising Agencies and the American Advertising Federation. While most advertising agencies seek to comply with legal constraints that prohibit false and misleading advertising, and advertising tobacco products to minors, there seems to be little evidence that industry or corporate ethical codes address the issues of bribery, plagiarism, theft of talent, employment discrimination, theft of talent, and "pay – for – play," which were the subject of this study.

As the study revealed, the overwhelming majority of the respondents (over 92%) scored high on the androgynous sex role type and the ethical climate

perceived most often by subordinates was the Instrumental climate. This suggests a connection between these two characteristics.

Finally, women, who had higher P Scores than their male colleagues, appear to lack job status and tenure, which holds tem back from influencing Ethical Climate. The findings showed that women are greatly outnumbered by men in the executive suite. While the numbers indicate vast improvement since the 1970's when women were scarcely visible in the executive suite, to the point where a 1995 4A's study, (Goldman, 1995), estimated that they held 50% of account management positions, the trend towards leadership appears to have slowed or stagnated in the past decade. In a 2005 4 A's study, only 265 women held senior management positions at more than 400 4 A's member agencies, with over 1200 offices. Additionally, "Of the 33 top agencies, as ranked by the trade publication, "Adweek," only four have flagship offices with female creative directors." (Bosman, 2005) Therefore, although women have been advancing up the corporate ladder in advertising agencies, they still are not on a par with men in terms of influence and power.

This leads to the conclusion that advertising agencies could do more to offer women sufficient work/life balance, which enable them to find personal and professional fulfillment in a career in advertising. Unfortunately, "In the United States, advertising agencies are nowhere to be found on this year's 100 Best Companies for Working Mothers ranking, a list produced by 'Working Mother' magazine" (Bosman, 2005). The 2010 "Fortune" magazine listing of the one

hundred best companies to work does not have a a single advertising agency or holding company on its list.

Although this study found that most women in advertising view the ethical climate as Caring, this perception does not contribute to their advancement in the industry. It is possible that lack of advancement and career frustration, plus other dissatisfiers lead women to leave the business before they reach their full potential. The women who remain in the industry have qualities described by Rochelle Lazarus, Chairman Worldwide, Ogilvy & Mather, "…if there is a common thread among women executives in advertising, it is that they are 'resilient and bounce back from rejection easily.'" (Goldman, 1995) The fact that there was variance in women's perceptions of the Caring climate, suggests that women in advertising may not be sufficiently satisfied in their careers and their workplace.

In conclusion, the lack of female leadership may be an important reason that the advertising industry is perceived as unethical. Ethical Orientation of advertising executives and the organizational ethics of advertising agencies could benefit by a better representation in the executive suite of both genders and all categories of Sex Role Identity. This would create a better balance of male and female ethical sensitivity and reduce the impact of the masculine and androgynous sex role types on Ethical Climate.

Recommendations For The Profession

The following section provides recommendations that, based upon the findings of this study, could improve the ethical orientation of advertising practitioners and thereby improve the corporate ethics of advertising agencies.

- Ethics Training Courses

Findings for the relationship between Education and P Score imply that advertising executives who have taken courses in ethics have a more positive ethical orientation. One respondent wrote that she believes that ethics "should be part of every curriculum in advertising, marketing, and journalism to influence the influencers." Thus, it is recommended that advertising agencies incorporate ethics training seminars in their development training programs.

1. Top managers should personally conduct ethics training courses that deal with industry specific topics. Top managers should discuss and demonstrate how they evaluate ethically sensitive situations and then role play in simulations that show what the organization expects and considers appropriate in the situation.

2. Advertising agencies should incorporate ethics training as part of their development programs. Specific ethics training courses should be held for middle level managers who appear to be the most susceptible to unethical behavior. These courses should address not only ethical questions, but also how promotion, punishment and reward are determined. The purpose of any ethics training should be to sensitize employees to situations that have the potential to create ethical dilemmas..

- Punishment and Reward Systems

Agencies should publicly acknowledge and reward behavior that exemplifies the company's ethical standards. Individuals tend to be most cognizant of their behavior when they realize that their actions have personal consequences. Therefore, advertising agencies need a punishment and reward system that establishes incentives for proper behavior. This can be accomplished in a meritocracy in which ethical behavior and performance set the standards for advancement.

- Communications Training

As discussed in Chapter I, some of the ethical dilemmas that advertising managers confront arise because they believe that it is their job to do whatever the client wants, regardless of the action's ethical consequences. "Moral muteness" and "moral myopia" prevent practitioners from challenging clients when questionable requests are made. Managers should be trained in communication skills that enable them to defend the ethical standards of the agency. Often effective communication can persuade the client that the desired unethical behavior does not serve the interests of either party.

- Adopt and Articulate A Corporate Code of Conduct

The 4 A's Standards of Practice or the American Advertising Federation's code of ethics can be the basis for a code of conduct that is prominently displayed in corporate offices and employee manuals. Johnson & Johnson, which was ranked # 5 on "Fortune" magazine's 2009 list of the world's most admired

companies, has made its code of conduct a trademark. It is an example of how a corporate code of ethics can create a culture that shows respect for human dignity, basic human rights, and supports local institutions. Advertising agencies should mimic this idea and use it as ethical capital. In order for advertising agencies to prosper and survive, they should create a company code of conduct that permeates the corporate culture, policy manuals, training programs and hiring practices. It should be a living, breathing document that is prominently displayed in the office and included in orientation materials given to new hires.

- Self Regulation

It is in the interest of advertising agencies to self regulate and be more proactive about ethical issues, before government regulators intrude. The rewards are the preservation of creative freedom, enduring trust by clients and the public, and an enhanced sense of self esteem. Therefore, agencies should establish an internal ombudsman who can investigate internal grievances such as employment discrimination and dishonesty.

- Capitalize On and Nurture Female Talent

Advertising agencies should make better use of their female employees by creating Caring climates that include flexible work schedules, on-site child care, and personal leave programs that allow women to pursue their careers uninterruptedly and advance to influential positions in management. Advertising has always been extremely hospitable to women and yet not enough female managers have ascended the corporate ladder and gained sufficient influence to

set the ethical tone of the organization. Firms that concentrate on creating a caring climate make it easier for women to fulfill their personal and professional aspirations. More input from the female perspective offers long term benefits in terms of the diversity and inclusiveness that women bring to decision making.

- Ethical Climate

Establish an Ethical Climate that incorporates elements of the Caring and the Professional climate. Employees should feel valued and respected. A sense of job security which is based on performance rather than client retention would create greater allegiance to the agency and improve ethical decision making.

- Leadership

The study found that older more experience employees (over 60 years of age) perceived the Independence Ethical climate more often than other age groups. The Independence environment cultivates greater creative freedom. Therefore, it is recommended that seasoned executives be chosen to lead agencies. In the cases of entrepreneurial start-ups, younger leaders should seek the advice of older mentors who bring experience and sagacity to the difficult decisions that confront advertising executives.

Recommendations for Future Research

The pervasive nature of advertising warrants that more research be conducted in this industry in order to improve industry practices and how the industry is perceived.

1. It is recommended that further research be conducted to discover the reasons for the differences in the way men and women perceive ethical climate.

The study's results indicate that women (M = 12.75, SD = 3.58) showed less agreement than men (13.63, SD = 2.79) in their perception of the Caring climate. Possible explanations are that women are treated differently in different organizations, or there are individual differences in women's sensitivity to their work environment. In either case, women's perceptions of Ethical Climate are more widely scattered than men's. This may be a result of job involvement or job satisfaction which may also affect individual Ethical Orientation.

2. It is recommended that future studies on the ethics of advertising professionals, and indeed professionals in other industries, contain elements and/or scenarios that are specific to the industry.

Several respondents felt that the ethical questions should have been more industry specific, and indicated so with remarks such as, "I am dubious that the analogies in this survey shed light on the question of ethical behavior in advertising. I think that examples based on real – life ethical issues, such as kickbacks, fraudulent billing, discriminatory hiring practices, etc., would provide more relevant topics." Another suggestion was "This survey would be more sensitive if it specifically addressed agency ethical issues – government regulation or maybe truthfulness in messaging."

3. It is recommended that further research be conducted to determine if the DIT is an appropriate instrument for this sort of study.

Many respondents had difficulty answering the questions to the dilemmas in the DIT section of the questionnaire. Comments such as, "The questions on the anecdotal section are very confusing. I think you should come up with a more straightforward way of determining our ethical and moral background, " or "I think the questions could have been structured in an easier format to make them easier to answer," and "The situations and answer grids were open to wide interpretation," suggest that the respondents had difficulty answering the questions on the DIT.

4. It is recommended that additional research be conducted using other professions to see if the PAQ is still a valid instrument to describe the psychological dimension of Sex Role Identity, or should another valid, more current instrument be used in future studies.

Findings relevant to Sex Role Identity indicate that this study's sample was extremely homogeneous in terms of Sex Role Identity. Over 92% of the respondents self – reported an androgynous sex role identity. One reason that may be contributing to this is the size of the sample. Spence and Helmreich cautioned that classifying individuals on the short form of the PAQ required a large sample of both sexes. Although they suggested the possible use of different norms for samples of 715 subjects or fewer, they recognized that "strict comparability across samples is compromised by the use of different norms." (Spence and Helmreich, 1978, p. 36) Another possible explanation is that the advertising industry is very competitive and unstable, and attracts people who are achievement oriented,

independent and risk taking. Therefore, it may be inferred that people who enter this industry are naturally high in both male and female traits, which are needed to survive in the business. They are competitive and resilient; traits that are desirable for success in this industry, and compassionate and expressive; traits that are required to create effective advertising. Lastly, it is conceivable that society has changed since the PAQ was developed in the 1970's, and the sex roles of men and women are different today than they were 30 years ago.

5. It is recommended that further research be conducted into the relationship between Gender and P Scores.

This study indicated that female advertising executives appear to use higher levels of principled decision making when confronted with a moral dilemma. As noted in Table 28, female advertising executives scored five points higher than men on the DIT, indicating that they use principled reasoning in ethical decision making five per cent of the time more often than men, according to the DIT. This finding was corroborated with a comparison of advertising executives' P Scores with executives in other professions. Female advertising executives, just like females in other professions, had higher P Scores than their male counterparts.

6. It is recommended that further research be conducted to examine the interactions of the demographic and job variables on P Score.

It appears that the higher level of ethical decision making by female advertising executives requires further explanation and exploration. Female

advertising executives in this study had a mean P Score of 35.15 which was over five points higher than the male respondents. In addition, as indicated in Table 30, more than 50% of the women who responded were first line managers. This finding suggests a relationship between Gender, Management Level and P Score.

7. It is recommended that future research that relates Demographic variables to Ethical Orientation include the variables of religion and geographic regions where respondents live and work.

As noted earlier, Rest maintained that adult P Score show tremendous variance, which is attributable to factors other than Age and Education. He recommended that religious and regional differences can affect Ethical Orientation.

8. It is recommended that further research be conducted on the relationship between Gender and Ethical Climate in terms of how gender affects perception of Ethical Climate and also what effect the gender of top management has on Ethical Climate.

Multiple regression results shown in the correlation matrix indicate that women reported the perception of a Caring Ethical Climate more often than men. However, the comparison of means shows opposite results. The *t* test indicated that there was variability in women's perceptions of the Caring Ethical Climate Type. The contradictory findings and the variance amongst women's perceptions make it difficult to predict if there is a relationship between women and their perception of a Caring environment.

As the study showed, male managers appear to outnumber women two to one in the executive suites. Among the possible reasons for this are that 1) women hold less powerful positions, and 2) men are more dominant numerically, and obviously have more influence and impact on the tone at the top, thereby impacting Ethical Climate.

9. It is recommended that further research be conducted into how much importance advertising executives place on ethics in their professional endeavors.

Several respondents volunteered opinions about the survey and its purpose. There was a wide divergence of thought in this regard indicating that advertising professionals' have strong feelings about the role of ethics in their profession. Several of the respondents found the study "interesting" and "thought provoking," to the point where one respondent wrote "Regarding ethics in advertising – it's really essential… We are responsible for the results of the actions we take and endorse and encourage." Another expressed curiosity in learning how "moral ambiguity – or clarity affects advertising." On the opposite end of the spectrum, responses ranged from, "The world is grey, not black and white." to "I felt you wasted my time."

10. It is recommended that this study be replicated on a wider basis in order to corroborate and expand the findings of the study.

One of the limitations of this study was the low number of responses received from the mailings. Among the many reasons that may account for this were the complexity of the instrument, a lack of time, lack of interest in the

subject, or a fear of the subject. Future researchers should be cognizant of the fact that advertising professionals are sensitive to the subject of ethics and may exhibit resistance to cooperating in such studies. "The topic of ethics is such a sensitive issue that many business people are extremely reluctant to respond to questionnaires that deal, even peripherally, with this issue" (Hunt and Chonko, 1987, p. 17). More consideration should be given to how the research is framed and presented to potential participants so that they are less defensive about responding. It has also been suggested that ethics is not a priority of advertising executives. Undoubtedly, a larger sample could have produced, or suggested, some correlations between Ethical Climate type and P Scores, and more information about the variables in this study.

11. It is recommended that this study be replicated in other industries.

While this study focused on advertising professionals, it would be interesting to see if these results apply to other professions. That would enable researchers to draw more generalized conclusions about the interactions of Ethical Climate, Sex Role Identity, and Demographic and Job Variables on Ethical Orientation in the workplace.

Concluding Statement

There were two themes to this study – change and ethics. One of the driving motivators for this study was the change that the advertising industry is experiencing. Consolidation, new business models, emergence of new media,

rebalancing the relationship between client and agency, and the shift from creativity to profitability are all forces that have transformed the industry. As a result of this turbulence, ethical issues arise more frequently and are more complicated than they were in the past.

While it was previously thought that advertising might not be the most honest profession in town, it was admired for its creativity and originality. But as the emphasis shifted from creativity to profitability, the advertising business began to look more like other big businesses for which ethics and corporate moral responsibility have become primary concerns. Businesses today recognize that if they don't regulate themselves, the government will step in and do it for them.

As mentioned in Chapter I, there are currently three federal agencies, the Federal Trade Commission, Federal Communications Commission, and the Food and Drug Administration that exercise some purview over advertising content. That authority might conceivably be expanded if unethical behavior by advertising agencies crossed the line into illegal behavior, creating serious consequences for actions that might include bribery, plagiarism, "pay-for-play" and employment discrimination. Therefore, the issue of ethics is as important for the advertising industry as it is for the banking, manufacturing, service and other industries which have been affected by expanded government regulation.

Ultimately, ethical decision making is an individual act. Within the organizational context, every individual act affects every other individual in the organization, and the organization as a whole. Therefore, individuals need

guidance so that their conduct conforms to the standards of the organization. Since ethical climate is set at the top, top managers must make it their responsibility to communicate and demonstrate the agency's ethical principals

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APPENDIX A

REQUEST TO USE STANDARDS OF PRACTICE OF
THE AMERICAN ASSOCIATION OF ADVERTISING AGENCIES

DIANE R. PERSKY
45-15 Buttonwood Road
Great Neck, NY 11020
516-829-6970 cell:516-808-0963
email: dianepersky@yahoo.com

March 7, 2008

Mr. Earnie Stevenson
American Association of Advertising Agencies
405 Lexington Avenue
18th. Floor
New York, NY 10174-1801

Dear Earnie:

As a doctoral candidate at New York University, I am studying the decision making behavior of advertising agency executives. Last November, you were kind enough to provide me with a copy of the Standards of Practice of the American Association of Advertising Agencies. I want to include this document in the appendix of my doctoral dissertation. I would appreciate written permission to use the code, if this is required by your organization. For expediency's sake, you may prefer to email a short note to me indicating that I am using it with permission of the 4A's.

For reference purposes, I am enclosing a copy of our original communication. Please feel

free to call me if you have any questions.

Thank you in advance for your prompt response.

Sincerely,

Diane Persky
Doctoral Candidate
New York University
Steinhardt School of Culture, Education, and Human Development

APPENDIX B

PERMISSION TO USE STANDARDS OF PRACTICE OF THE AMERICAN ASSOCIATION OF ADVERTISING AGENCIES

YAHOO! MAIL Classic

RE: Use of 4 A's Standards of Practice Code Monday, March 17, 2008 12:31 PM

From: "Kipp Cheng" <Kipp@aaaa.org>
To: "Diane Persky" <dianepersky@yahoo.com>

Hi Diane,

I didn't' receive your e-mail last week.

In any case, permission granted to use the AAAA Standards of Practice in your dissertation. Please let me know if you need anything else.

Kipp Cheng
Vice President, Director of Public Affairs
American Association of Advertising Agencies
405 Lexington Avenue, 18th Floor
New York, NY 10174
(212) 850-0720
kipp@aaaa.org

From: Diane Persky [mailto:dianepersky@yahoo.com]
Sent: Monday, March 17, 2008 12:29 PM
To: Kipp Cheng
Subject: Use of 4 A's Standards of Practice Code

Hi Kipp:
I am following up on my email to you last week requesting written permission to use the 4A's code in my doctoral dissertatio. You can email me a short note just stating that permission for use of the code is granted by the 4 A's. Or you can simply emaill a response that states "Permission Granted". Thanks for your assistance.
Diane Persky
Doctoral Candidate
New York University
Steinhardt School Culture, Education, and Human Development

APPENDIX C
Standards of Practice of the American Association of Advertising Agencies

FIRST ADOPTED OCTOBER 16, 1924—MOST RECENTLY REVISED SEPTEMBER 18, 1990

We hold that a responsibility of advertising agencies is to be a constructive force in business.

We hold that, to discharge this responsibility, advertising agencies must recognize an obligation, not only to their clients, but to the public, the media they employ, and to each other. As a business, the advertising agency must operate within the framework of competition. It is recognized that keen and vigorous competition, honestly conducted, is necessary to the growth and the health of American business. However, unethical competitive practices in the advertising agency business lead to financial waste, dilution of service, diversion of manpower, loss of prestige, and tend to weaken public confidence both in advertisements and in the institution of advertising.

We hold that the advertising agency should compete on merit and not by attempts at discrediting or disparaging a competitor agency, or its work, directly or by inference, or by circulating harmful rumors about another agency, or by making unwarranted claims of particular skill in judging or prejudging advertising copy.

To these ends, the American Association of Advertising Agencies has adopted the following *Creative Code* as being in the best interests of the public, the advertisers, the media, and the agencies themselves. The AAAA believes the Code's provisions serve as a guide to the kind of agency conduct that experience has shown to be wise, foresighted, and constructive. In accepting membership, an agency agrees to follow it

Creative Code

We, the members of the American Association of Advertising Agencies, in addition to supporting and obeying the laws and legal regulations pertaining to advertising, undertake to extend and broaden the application of high ethical standards. Specifically, we will not knowingly create advertising that contains:

a. False or misleading statements or exaggerations, visual or verbal
b. Testimonials that do not reflect the real opinion of the individual(s) involved
c. Price claims that are misleading
d. Claims insufficiently supported or that distort the true meaning or practicable application of statements made by professional or scientific authority
e. Statements, suggestions, or pictures offensive to public decency or minority segments of the population.

We recognize that there are areas that are subject to honestly different interpretations and judgment. Nevertheless, we agree not to recommend to an advertiser, and to discourage the use of, advertising that is in poor or questionable taste or that is deliberately irritating through aural or visual content or presentation.

Comparative advertising shall be governed by the same standards of truthfulness, claim substantiation, tastefulness, etc., as apply to other types of advertising.

These Standards of Practice of the American Association of Advertising Agencies come from the belief that sound and ethical practice is good business. Confidence and respect are indispensable to success in a business embracing the many intangibles of agency service and involving relationships so dependent upon good faith.

Clear and willful violations of these Standards of Practice may be referred to the Board of Directors of the American Association of Advertising Agencies for appropriate action, including possible annulment of membership as provided by Article IV, Section 5, of the Constitution and By-Laws.

APPENDIX D

ETHICAL THEORIES THAT FRAME
BUSINESS ETHICAL DECISION MAKING

1. Teleology: Acts are right if they produce the desired consequence. Teleology includes the concepts of egoism, which seeks to maximize the individual's self interests, and utilitarianism. As proposed by John Stuart Mill, utilitarianism states that acts are right if they produce the greatest good for the greatest number of people
2. Deontology: Popularized by Immanuel Kant, this theory states that there are universal principals that determine moral behavior; with an emphasis on respect for the rights of others.
3. Virtue ethics: Based on the maxim "do unto others as you would have others do unto you;" this approach holds that morality is based on commonly held precepts of what is morally right. In a business context, the employee's moral behavior is predicated upon the accepted ethical norms of the organization.
4. Relativism Acts are judged subjectively based on the experiences of the individual and/or the group

Adapted from Ferrell, Fraedrich and Ferrell, 2005, p. 96.

APPENDIX E

TYPICAL ADVERTISING INDUSTRY ETHICAL DILEMMAS

1. Bribery, gift and gratuities in the solicitation of clients (eg. Draft/FCB lavishly entertains prospective client Wal-Mart) (Berner, 2007); (Pentamark gives expensive gifts to employees of its sole client, Daimler/Chrysler) (Halliday, 2005)

2. Theft of talent (eg. McCann Erickson sues holding company MDC Partners and its agency Kirshenbaum Bond Senegal and Partners for allegedly stealing top talent after Ms. Senegal allegedly breached her employment contract with McCann to become the head of Kirshenbaum Bond Senegal and Partners, and then recruiting McCann talent and going after McCann's share of the Weight Watchers account, 2010) (Oleary, 2010). Leo Burnett hires a top executive from rival shop Lowe and Partners; 2004) (Elliott, 2004)

3. Plagiarism (eg. Ad agency TBWA/Chiat/Day created ads for client Taco Bell using the chihuahua dog character without crediting or compensating the character's creators who had previously pitched the idea to the client; 1997) (Parpis, 2003)

4. Employment discrimination (eg: New York City's Commission on Human Rights launches investigation into minority hiring practices of advertising agencies. (Sanders, 2006, 2004). Wrongful termination suit against The Interpublic Group of Companies charges age discrimination in a business that is blatantly youth oriented; 2006) (Creamer,2006)

5. Deception in client billings, media expenses and deadline fulfillment (eg: Ogilvy & Mather's alleged overbilling of the White House Office of National Drug Control Policy, 1999-2000.) (Anderson, 2004, Chura, 2004, O'Connell, 2002)

6. "Pay-for-play" (eg. Consultancy Agencyfinder charged agencies $5500 to participate in review for Lowe's Home Centers account; 1999) (Osterman, 1999)

7. Fraudulent accounting practices (eg. Interpublic, the world's third largest advertising holding company restated earnings for the period 2000 -2004 due to errors in reporting earnings and acquisitions) (Elliott, 2005)

APPENDIX F

VICTOR AND CULLEN'S (1988) ETHICAL CLIMATE TYPOLOGY

ETHICAL CRITERIA	LOCUS OF ANALYSIS		
	INDIVIDUAL	LOCAL	COSMOPOLITAN
Egoistic	Self Interest	Company Profit	Efficiency
Benevolence	Friendship	Team Interest	Social Responsibility
Principle	Personal Morality	Company Rules & Procedures	Laws and/Professional Codes

Victor and Cullen, Administrative Science Quarterly, March 1988 p. 114.

Three different climates, (Ethical Criteria), are paired with three major ethical categories, (Locus of Analysis), to form a nine cell matrix that describes various organizational ethical climates of organizations.

"Ethical Criteria": dominant approaches to decision making which parallel the three stages (egoism, benevolence and principled) of Kohlberg's theory of Cognitive Moral Development.

"Locus of Analysis": reference group which is the individual's main concern when making an ethical decision.

APPENDIX G

VICTOR AND CULLEN'S FIVE ETHICAL CLIMATE TYPES DEFINED

Professional: Workers follow the rules and guidelines set out by their profession.

Caring: Welfare of others, both within and outside the firm guide ethical behavior.

Rules: Organizational or department policies and rules guide ethical behavior.

Instrumental: Members of the organization look out for their own self interests/

Independence: Employees are guided by their own sense of right and wrong.

Adapted from Applebaum, Deguire and Lay, Corporate Governance, Vol. 5, No. 4, p. 45

APPENDIX H

KOHLBERG'S SIX STAGES OF MORAL DEVELOPMENT

Stage and Level	Psychology	Rationale
Level 1: Preconventional		
Stage 1: Heteronomous Morality	Egocentric	Avoids punishment and the superior authority of others; doesn't consider interests of others
Stage 2: Individualism; Instrumental Purpose; Individualistic Exchange	Concrete	Follows rules when self-serving; equal exchange; recognition of others' interests
Level 2: Conventional		
Stage 3: Interpersonal Expectations	Caring for others	Puts oneself in other's place
Stage 4: Social System, Conscience	Systematic	Sees others in terms of social system
Level 3: Postconventional Principled		
Stage 5: Social Contract, Utility	Law	Rational individual who is aware of rights prior to social/legal contract
Stage 6: Universal Principals	Morality	Personal and rational commitment to universal ethics

Based on Kohlberg (1984) pp.174-176, as adapted by Bigel (1997) and Forte (2001).

APPENDIX I

PERMISSION TO USE SPENCE, HELMREICH, AND STAPP'S (1974) PERSONAL ATTRIBUTES QUESTIONNAIRE

YAHOO! MAIL

Print - Close Window

Date: Fri, 15 Sep 2006 13:45:42 -0700 (PDT)

From: "Diane Persky" <dianepersky@yahoo.com>

Subject: Re: Personal Attributes Questionnaire

To: "Robert Helmreich" <helmreich@mail.utexas.edu>

Dr. Helmreich:
Thank you so much.
Diane

Robert Helmreich <helmreich@mail.utexas.edu> wrote:

> Normal subjects (I assume this includes advertising folks) can do it in 5-10 minutes. You are welcome to use it.
>
> bob
>
> At 02:59 PM 9/15/2006, you wrote:
>
> > Dear Dr. Helmreich:
> > I am a doctoral candidate at NYU. I am doing a study on the ethical decision making of advertising executives, hoping to see if there are differences based on gender and sex role identity. If necessary, I will be happy to submit a formal request. I plan to use the shortened version of the PAQ in my survey. For planning purposes, I would like to know how long it takes to complete the 16 question version. Is there a fee to use the instrument? I appreciate your assistance and of course, will send you a copy of my study. Thank you in advance for your kind response.
> > Diane Persky
> > 45-15 Buttonwood Road
> > Great Neck, NY 11020
> > 516-829-6970
> > cell:516-808-0963
> >
> > All-new Yahoo! Mail - Fire up a more powerful email and get things done faster.
>
> Robert L. Helmreich, PhD, FRAeS
> University of Texas Human Factors Research Project
> Department of Psychology
> The University of Texas at Austin
> 1 University Station A8000
> Austin, Texas 78712-0187 USA
> Phone: 512-475-7913
> Homepage: www.psy.utexas.edu/HumanFactors

Do you Yahoo!?
Everyone is raving about the all-new Yahoo! Mail.

APPENDIX J

PERSONAL ATTRIBUTES QUESTIONNAIRE

(Spence, Helmreich & Stapp 1974)

Below is a list of items from the shortened version of the Personal Attributes Questionnaire. The letters A to E represent a 5-point scale from one extreme (Not at all) to the other (Very). For each of the 16 items given, choose the letter which describes where you think you fit on the scale.

Here is an example: How independent are you?

Not at all independent A.....B.....C.....D.....E Very independent

If you think that you are very independent, you might choose E; if you think that you are moderately independent, you might choose C, and so on.

Circle the letter that best indicates your response for each of the following items.

1. Not at all independent:	A.....B.....C.....D.....E	Very independent
2. Not at all emotional :	A.....B.....C.....D.....E	Very emotional
3. Very passive	A.....B.....C.....D.....E	Very active
4. Not able to devote self completely to others	A ..B.....C.....D.....E	Able to devote self completely to others
5. Very rough	A ...B.....C.....D.....E	Very gentle
6. Not at all helpful to others	A.....B.....C.....D.....E	Very helpful to others
7. Not at all competitive	A.....B.....C.....D.....E	Very competitive
8. Not at all kind	A.....B.....C.....D.....E	Very kind

9. Not at all aware of the feelings of others	A.....B.....C.....D.....E	Very aware of the feelings of others
10. Have difficulty making decisions	A ...B.....C.....D.....E	Make decisions easily
11. Give up easily	A ....B.....C.....D.....E	Never give up easily
12. Not at all self-confident	A.....B.....C.....D.....E	Very self-confident
13. Feel very inferior	A ....B.....C.....D.....E	Feel very superior
14. Not at all understanding of others	A .....B.....C.....D.....E	Very understanding of others
15. Very cold in relations with others	A.....B.....C.....D.....E	Very warm in relations with others
16. Go to pieces under pressure	A ....B.....C.....D.....E	Stand up well under pressure

APPENDIX K

REQUEST TO USE JAMES REST'S
DEFINING ISSUES TEST

DIANE PERSKY
45-15 Buttonwood Road
Great Neck, NY 11020
516-829-6970
cell:516-808-0963
email: dianepersky@yahoo.com

February 19, 2007

Ms. Muriel Bebeau, Executive Director
Center for the Study of Ethical Development
206A Burton Hall
178 Pillsbury Drive SE
Minneapolis, MN 55455

Dear Ms. Bebeau:

I am a doctoral candidate in the Department of Administration, Leadership and Technology in the Steinhardt School of Education at New York University. I am in the process of conducting a study that examines ethical decision–making of top level advertising executives.

May I have your permission to use the 3 story Defining Issues Test as one of the research instruments for my study? Since my survey contains two other components, a Personal Attributes Questionnaire and a demographic and job characteristics questionnaire, I wish to reproduce the Defining Issues Test scenarios as part of a total package.

My sample population will consist of 400 randomly selected executives from advertising agencies throughout the United States. I am amenable to either hand scoring the responses myself or submitting them to the Center for scoring.

Attached is a summary of my proposed study.

I am also attaching a copy of my "Request for Appointment of Dissertation Committee" form which has the signature of my Chairperson, Dr. Michael Bronner, and the Letter of Approval of my dissertation committee from the Office of Graduate Studies.

I will be happy to send you the results of my study upon its completion.
I appreciate your assistance.

Sincerely,

Diane R. Persky

APPENDIX L

PERMISSION TO USE JAMES REST'S DEFINING ISSUES TEST

Re: Use of the DIT Thursday, March 1, 2007 4:28 PM

From: "Chu-Ting Chung" <chung162@umn.edu>
To: "Diane Persky" <dianepersky@yahoo.com>
Cc: "5261Yukiko" <maed0009@umn.edu>

Hello Diane,

Our center decide to grant you the permission to reproduce the DIT-1 short form, which is the first 3 DIT stories, in your questionaire. However, we won't not grant permission to reproduce the DIT-2 form for dissertations or journal articles. Well-known measures are summarized or merely referenced with contact information as to how another researcher may access the test.

There are two ways for scoring: First, you can purchase the DIT-1 manual to do hand scoring by yourself through submitting a summary of your research with your advisor's official signature on it, please notice here we don't accept a signature as copy format. The other choice is that you can purchase 400 copies of the DITs from the Center, and we will provide you the first-time-for-free scoring service to help you score your answer sheets and return the SPSS analysis report to you.

If you have any question, feel free to contact me.

Best regards,
Ting
On Feb 22 2007, Diane Persky wrote:

> Ting:
> Thank you for your reply. I await a reply from either you or Ms. Bebeau regarding my request to use the DIT for my research.
> Diane
> Chu-Ting Chung <chung162@umn.edu> wrote:
> Dear Diane Persky,
>
> I am sorry to tell you that currently the Defining Issue Test is a paper-based test. Our center will not provide electronic format of the DIT to researchers.
>
> Thank you for your interest of our Difinging Issue Test.
>
> Best regards,
> Ting
>
> On Feb 21 2007, Diane Persky wrote:
>
>> Dear Ms. Chung: Sorry I missed your return call yesterday. I recently sent a letter to Ms. Bebeau requesting permission to use the short form (3 scenarios) of the DIT for research that I am doing as part of my doctoral dissertation whichj I am completing at the Steinhardt School of Education at New York University. My committee chairperson, Dr. Michael Bronner, suggested that I follow up my letter with some additional information which I hope will persuade you to grant me permission to use the DIT without having to purchase the 400 copies that I will need.
>>
>> Dr. Bronner has advised several students in the past who have used the DIT without charge. Specifically, permission was granted to Ken Bigel in 1996, Almerinda Forte, in 2001,and to Claire Pennino in 1997, to name just a few that I am aware of. As this is for purely academic purposes, I would appreciate your cooperation. As I stated in my letter, I am flexible as to the arrangements for scoring the responses.
>>
>> Secondly, I am considering using the internet to conduct my survey. Is the DIT deliverable through email and what are the conditions for scoring responses received electronically?
>>
>> Thank you for your kind consideration.
>> Diane Persky
>>
>>
>>
>>
>> ---
>> Bored stiff? Loosen up...
>> Download and play hundreds of games for free on Yahoo! Games.
>
>

-- Chu-Ting Chung
Center for the Study of Ethical Development/
http://www.centerforthestudyofethicaldevelopment.net/
Tel : +1-612-624-0876
Fax : +1-612-624-8241

AT THE REQUEST OF THE AUTHOR,

THE DIT FORMS

ARE NOT AVAILABLE FOR REPRODUCTION

IN DISSERTATIONS

APPENDIX M

PERMISSION TO USE VICTOR AND CULLEN'S ETHICAL CLIMATE QUESTIONNAIRE

YAHOO! MAIL Classic

RE: Permission to use Ethical Climate Questionnaire and Typology Sunday, October 12, 2008 10:48 PM

From: "Diane Persky" <dianepersky@yahoo.com>
To: "Cullen, John Brooks" <cullenj@wsu.edu>

Hi Dr. Cullen:
Thank you very much for your quick and generous response. The references that you gave me will be very helpful. I will certainly send you the results of my study when they are available.
Best,
Diane Persky

"Cullen, John Brooks" <cullenj@wsu.edu> wrote:

> Hello:
> Please feel free to use the questionnaire.
>
> You can get the ECQ in a Psy Reports article we did in 93...slightly
> updated from the ASQ version. You have our permission to use it.
> You can get most of my pubs on ethical climate including a recent meta
> analysis at:
> www.cb.wsu.edu/~cullenj/articles/article_index.htm
> The psy reports article has the scoring info. As you will see in the meta, most have not used all dimensions.
>
> You might want to check out the following for more validation work:
> Stone, R. W., & Henry, J. W. (2003). Identifying and developing measures
> of information technology ethical work climates. Journal of Business
> Ethics, 46(4), 337-350.
>
> Peterson, D. K. (2002). The relationship between unethical behavior and
> the dimensions of the ethical climate questionnaire. Journal of Business
> Ethics, 41(4), 313-326.
>
> Good luck and let us know what you find.
> John Cullen
>
> ---
> **From:** Diane Persky [mailto:dianepersky@yahoo.com]
> **Sent:** Friday, October 10, 2008 12:08 PM
> **To:** Cullen, John Brooks
> **Subject:** Permission to use Ethical Climate Questionnaire and Typology
>
> *DIANE R. PERSKY*
> ***45-15 Buttonwood Road***
> ***Great Neck, NY 11020***
> ***home: 516-829-6970***
> ***cell: 516-808-0963***
>
> Hello Dr. Cullen:
> I am a doctoral candidate at New York University. My study and dissertation fous on the ethical decision making orientation of advertising executives. I am using Ethical Climate as one of my variables in order to determine correlations between ethical orientation, cognitive moral development and sex role identity. My reearch contains references to the Ethical Climate Typology. I would appreciate your permission to use the Ethical Climate Questionnaire in my survey. I also will need information about scoring the results. I will be happy to furnish you with the results of my research when it is completed. Thank you in advance for your kind response.
> Diane Persky
> Doctoral Candidate
> New York University
> Steinhardt School of Culture, Education and Human Development
>
> --

APPENDIX N

ETHICAL CLIMATE QUESTIONNAIRE
(Victor and Cullen, 1986)

Because this study attempts to identify your advertising agency's work environment, it is critical that you answer the following questions. There are no right or wrong responses

I would like to ask you some questions about the general climate in your company. Please answer the following in terms of how it really is in your company, not how you would prefer it to be. Please be as candid as possible; remember all your responses will remain strictly anonymous. Please indicate whether you agree or disagree with each of the following statements about your company. **Please use the scale below and write the number which best represents your answer in the space next to each item**

CONSIDERABLY FALSE	*MOSTLY FALSE*	*SOMEWHAT FALSE*	*SOMEWHAT TRUE*	*MOSTLY TRUE*	*COMPLETELY TRUE*
0	*1*	*2*	*3*	*4*	*5*

1 . In this company, people are expected to follow their own personal and moral beliefs.

2. People are expected to do anything to further the company's interests.

3. In this company, people look out for each other's good.

4. It is very important here to follow strictly the company's rules and procedures.

5. In this company, people protect their own interests above other considerations.

6. The first consideration is whether a decision violates any law.

7. Everyone is expected to stick by company rules and procedures.

8. The most efficient way is always the right way in this company.

9. Our major consideration is what is best for everyone in the company.

10. In this company, the law or ethical code of the profession is the major consideration.

11. It is expected at this company that employees will always do what is right for the customer and the public.

APPENDIX O

DEMOGRAPHIC AND JOB VARIABLES QUESTIONNAIRE

Below are questions about your background and job. For each question, please circle the letter that is most appropriate for you. Please answer all of the questions in PARTS A and B.

PART A

1. What is your gender?

   a. Male
   b. Female

2. What is your age range?

   a. Under 30
   b. 30-45
   c. 45-60
   d. Over 60

3. What is the highest level of education that you have completed?

   a. Two Year Community College
   b . Four Year College or University
   c. Graduate Program or Master's Degree
   d. Post Graduate Degree
   e . Professional Degree: (Specify MD, JD, CPA):_____

4. Have you ever taken a course in ethics in a work or educational setting?

   a. Professional Development Seminar
   b. Academic degree requirement

5. What job category best describes your current job responsibilities?

    a. Creative
    b. Client services (including account management and media)

6. Does your job require that you have direct contact with your clients?

    a. Yes
    b. No

7. What is the gender of your immediate supervisor?

    a. Male
    b. Female

8. How many years have you worked in the advertising industry?

    a. 1-5 years
    b. 5-10 years
    c. More than 10 years

9. How long have you been employed by your current organization?

    a. 1-5 years
    b. 5-10 years
    c.. More than 10 years

10. How long have you been in your current position at your current firm?

    a. 1-5 years
    b. 5-10 years
    c. More than 10 years

11. Based on the number of people that you manage, at what level of management is your current position?

    a. First line manager (1-5 subordinates)
    b. Middle manager (6-10 subordinates)
    c. Upper or executive manager

12. Approximately how many people does your advertising agency employ worldwide?

    a. 100
    b. 101-500
    c. more than 500

13. In total, how many domestic and international offices does your advertising agency have?

    a. 1-5
    b . 5-10
    c. more than 10
    d. do not know

14. .To the best of your knowledge, what percentage of your agency's compensation is derived from

    a. _____media commissions
    b ._____performance based incentives
    c _____structured fees

Please use the space below to add your comments about any aspect of this survey.

Thank you for your participation. Please return this survey in the stamped envelope that has been provided.

APPENDIX P
JURORS' BIOGRAPHIES

Guy Adamo, Ph.D.
Dr. Adamo is Chairperson of the Fashion, Marketing and Management Department of Berkeley College, West Paterson, New Jersey campus. His professional experience includes positions with Unilever, the international food and consumer products company, Adamo Homes, and Gimbel's, formerly a major competitor of Macy's. Dr. Adamo has held teaching positions at Fairleigh Dickinson University and Dominican College. He received his Ph.D. in Business Education from New York University in 2008.

Fred Palumbo, Ph.D.
Dr. Palumbo has been with the Sy Syms School of Business at Yeshiva University since 1993. He is Area head for International Business, Entrepreneurship, Management and Marketing. His credentials include more than 25 years in business as an executive with a number of multinational firms. He earned his Ph.D. from New York University; MBA from St. John's University, and BBA from CUNY – Baruch College. Dr. Palumbo's scholarly interests focus on marketing, with application to international environments. His articles have appeared in many management and marketing journals. He is on the editorial advisory board for the European Journal of Innovation Management.

Frimette Kass-Shraibman, Ph.D., CPA
Dr. Kass-Shraibman is an assistant professor of accounting at CUNY - Brooklyn College. She is the editor of the National Conference of CPA Practitioners News and Views. She was previously a member of their Board of Directors and Chair of the Education Committee. She spent twenty years in public practice accounting. Dr. Kass-Shraibman is formerly Director of Education for The Foundation for Accounting Education and a Professional Development Manager at the American Institute of Certified Public Accountants. She earned her Ph.D. from New York University. She has won several medals for national tai chi competition and is a life-long resident of Brooklyn, New York.

Ira Teich, Ph.D.
Dr. Teich earned his Ph.D. from New York University and was awarded the distinguished Lomax Award for best doctoral dissertation. His professional accomplishments include business consulting, sales management, and teaching at the college level. He has over twenty years teaching experience at some of the leading colleges and universities in the New York metropolitan area. Dr. Teich has published and presented papers at numerous domestic and international conferences. His current research interests include: Factors Impacting Brand Loyalty, Donating to Non-Profit Organizations, Creating Customer Profiles, Improving Direct Mail Response Rates, and Improving Field Development. He is a full time faculty member at Touro College.

APPENDIX Q

CONSENT FORM
(New York University Letterhead)

You have been invited to take part in a research study about the ethical orientation of advertising executives. This study will be conducted by Diane Rutkow Persky, Department of Administration, Leadership and Technology, Steinhardt School of Education, New York University, as a part of her Doctoral dissertation. Her faculty sponsor is Dr. Michael Bronner, Department of Administration, Leadrship and Technology, Steinhardt School of Education, New York University.

If you agree to be in this study, you will be asked to do the following:

1. complete the Personal Attributes Questionnaire
2. complete the 3 scenario version of the Defining Issues Test
3. complete a demographic and job variables questionnaire
4. respond to a shortened version of the Ethical Climate Questionnaire

Participation in this study will take approximately 45 minutes

There are no known risks associated with your participation in this research beyond those of everyday life. Although you will receive no direct benefits, this research may help the investigator understand the ethical orientation of advertising executives

Confidentiality of your research records will be strictly maintained by assigning code numbers to each participant so that data is never directly linked to individual identity

Participation in this study is voluntary. You may refuse to participate or withdraw at anytime without penalty. For interviews, questionnaires, or surveys, you have the right to skip or not answer any questions you prefer not to answer.

If there is anything about the study or your participation that is unclear or that you do not understand, if you have questions or wish to report a research-related problem, you may contact Diane Rutkow Persky at 212-998-5486, dianepersky@yahoo.com, Steinhardt School of Culture, Education, and Human Development, or the faculty sponsor, Dr. Michael Bronner at 212-998-5486, "Michael Bronner" <mb7@nyu.edu>, Steinhardt School of Culture, Education, and Human Development.

For questions about your rights as a research participant, you may contact the University Committee on Activities Involving Human Subjects, New York University, 665 Broadway, Suite 804, New York, New York, 10012, at ask.humansubjects@nyu.edu or (212) 998-4808. Thank you in advance for your participation.

You have received a copy of this consent document to keep.

Agreement to Participate

_____

Subject's Signature & Date

APPENDIX R

COVER LETTER
(New York University Letterhead)

Dear Mr./Ms.

As an advertising professional, you are well aware of the changes that have occurred in our industry in the past two decades. These changes have affected the organizational culture of advertising agencies and influenced how advertising firms interact with their stakeholders. Clients, shareholders, and the public form opinions about the advertising profession based upon their own experiences and perceptions

As a veteran of the advertising profession, and a doctoral candidate at New York University, I wish to learn how my professional colleagues feel about specific issues. The purpose of my study is to understand the ethical orientation of advertising professionals and how that ethical orientation may impact their ethical decision making.

As such, I would appreciate it if you would respond to the enclosed questionnaires that comprise my survey. I realize that your time is extremely valuable. It is expected that the survey will take approximately 45 minutes to complete. Your participation is important because you have been identified as an industry leader who can help improve professional practices within the advertising industry.

You may request to receive a copy of the study's aggregate results by checking off the appropriate space on the response postcard.

Your cooperation will be greatly appreciated.

Sincerely,

Diane R. Persky
Doctoral Candidate
Tel.: 516-829-6970
Email: dianepersky@yahoo,com

Michael Bronner, Ph.D.
Professor Emeritus
Business Education Program
Email: mb7@nyu.edu

Enclosures

APPENDIX S

PRIVACY DISCLOSURE TO ACCOMPANY
SURVEY

This study is for research purposes only. No individual's information will be shared with any other person or organization.

Your responses will be summarized in group statistics so that no one will learn your individual answers.

Anonymity is guaranteed. Your survey has been assigned a code that is never associated with your name.

If you have questions regarding the anonymity and/or confidentiality of this survey. please feel free to contact me.

Diane Rutkow Persky
Doctoral Candidate
45-15 Buttonwood Road
Great Neck, NY 11020
516-829-6970 cell:516-808-0963
email: dianepersky@yahoo.com

APPENDIX T

GIFT CARD INCENTIVE LETTER

DIANE R. PERSKY
45-15 Buttonwood Road
Great Neck, NY 11020
516-829-6970 cell:516-808-0963
email: dianepersky@yahoo.com

Dear Colleague:

Won't you please help me get my Ph.D.

By filling out the attached survey about advertising executives, you will help me achieve the required number of 200 completed surveys which I need to conduct my study for my doctoral dissertation.

As an incentive, I will send three respondents (#5. 45 and 60) a $50. gift card.

Thank you in advance for your time and interest.

Best,

Diane R Persky

APPENDIX U

REMINDER EMAIL

RE: Advertising Executive Survey

Several weeks ago, I sent to you a survey about the decision making behavior of advertising executives which is the basis for my doctoral dissertation. I am still collecting data, so there is still time for you to participate in my study. I need 150-200 responses in order for NYU to consider my doctoral dissertation significant. So every response is important. I would greatly appreciate it if you would take 15 minutes to complete the survey and return it to me. For your convenience, I am attaching the survey to this message. All responses are treated anonymously and the information is confidential. This project is for research purposes only and your individual information will not be shared with any other parties.
I appreciate your time and interest and look forward to receiving your completed survey.
Best,
Diane Persky
45-15 Buttonwood Road
Great Neck, NY 11020
Home: 516-829-6970
Cell: 516-808-0963

APPENDIX V

HUMAN SUBJECTS COMMITTEE APPROVAL

NYUSteinhardt
Steinhardt School of Culture, Education, and Human Development

DEPARTMENT OF ADMINISTRATION, LEADERSHIP & TECHNOLOGY

You have been invited to take part in a research study about the ethical orientation of advertising executives This study will be conducted by Diane Rutkow Persky, Department of Administration, Leadership and Technology, Steinhardt School of Education, New York University, as a part of her Doctoral dissertation. Her faculty sponsor is Dr. Michael Bronner, Department of Administration, Leadership and Technology, Steinhardt School of Education, New York University.

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There are no known risks associated with your participation in this research beyond those of everyday life. Although you will receive no direct benefits, this research may help the investigator understand the ethical orientation of advertising executives

Confidentiality of your research records will be strictly maintained by assigning code numbers to each participant so that data is never directly linked to individual identity

Participation in this study is voluntary. You may refuse to participate or withdraw at anytime without penalty. For interviews, questionnaires, or surveys, you have the right to skip or not answer any questions you prefer not to answer.

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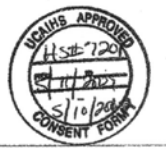
For questions about your rights as a research participant, you may contact the University Committee on Activities Involving Human Subjects, New York University, 665 Broadway, Suite 804, New York, New York, 10012, at ask.humansubjects@nyu.edu or (212) 998-4808. Thank you in advance for your participation.

You have received a copy of this consent document to keep.

Agreement to Participate

Subject's Signature & Date

239 Greene Street, Suite 300 | New York, New York 10003-6674
212 998 5520 | 212 995 4041 fax | www.steinhardt.nyu.edu/alt



APPENDIX W

EXEMPTION FROM FEDERAL OVERSIGHT

NEW YORK UNIVERSITY
A private university in the public service

University Committee on Activities Involving Human Subjects
665 Broadway, Suite 804
New York, NY 10012
Telephone: 212-998-4808
Fax: 212-995-4304
Internet: www.nyu.edu/ucaihs

MEMORANDUM

TO: Dr. Michael Bronner for ***Diane Persky***

FROM: Alison Dewhurst, CIP
Human Research Compliance Director
University Committee on Activities
Involving Human Subjects

DATE: May 12, 2009

RE: **HS#7201**: ***The Ethical Orientation of Advertising Executives: The Relationship among Ethical Climate, Sex Role Identity, and Selected Demographic and Job***

The above-referenced protocol has been determined to be exempt from federal oversight at ***P. 45 CFR 46 101(b)[2] EXEMPT***. No further review is necessary unless modifications to the protocol related to human research subjects are proposed. Your study will remain active for a three-year period after which time it will be placed in the UCAIHS Offices' deactivated files.

This determination was made with the understanding that the proposed research only involves the following activities:

Research involving the collection or study of existing data, documents, records, pathological specimens, or diagnostic specimens, if these sources are publicly available or if the information is recorded by the investigator in such a manner that subjects cannot be identified, directly or through identifiers linked to the subjects.

If you have any questions, please feel free to contact the UCAIHS office at 212-998-4808 or at ask.humansubjects@nyu.edu.

We wish you success with your research.