“What you do not wish done to yourself, do not do to others.
Do not wish for quick results, nor look for small advantages.
If you see quick results, you will not attain the ultimate goal.
If you are led astray by small advantages, you will never accomplish great things.
When you see someone of worth, think of how you may emulate.
When you see someone unworthy, examine your own character.
Wealth and rank are what people desire, but unless they be obtained
in the right way they may not be possessed.
Feel kindly toward everyone, but be intimate only with the virtuous.”

Chinese scholar Confucius, born in 551 BCE
CHAPTER -1

INTRODUCTION AND OVERVIEW OF THE STUDY
1.1 INTRODUCTION

The general media have always been the backbone of all civilization and the unifying force of the ever growing modern civilized world. All accounts of history have been written on the basis of its contemporary media establishment. The general media has inspired the historical French and Russian Revolution, the American War of Independence etc. and also brought up and down military regimes, tyrants, dictators, despotic monarchies etc. The media are the primary source of information in a democracy. Many things depend on media power as no revolution, unity and administration can survive without the blessings of the popular media and vice-versa. Keeping their responsibilities and honourable status in mind, all media practitioners and professional writers must make an effort to uphold the universal sanctity to the maximum. The professional work ethics of journalists are the key-stones which have laid the foundation of media. The ageless adage, ‘prevention is better than cure’ is not just a medical wisdom; it is a universal applicable truth for media fraternity and law enforcing agencies. Perhaps the most obvious players in this information flow are journalists, who face the most challenging ethical dilemma that involve the balancing of competing interests when there is no “right” answer. Whatever written or printed is usually taken as an open reference by readers. Therefore, impartiality, simplicity and truthfulness are the main pillars of professional journalism in print media. It is most important for the media personnel to do the job in the right manner at the right time with a right purpose because citizens’ heart are either won or lost by the influences generated by media. It is the social responsibility of media as well as print media companies to provide the correct version of information to the people living in society. Regardless of their societal function, media practitioners are influential in that they touch the lives of all of us. If the media companies do not pay attention to ethical practices such as honesty and fairness practiced by their personnel then this may lead to wrong, incorrect and distorted information for public which will not reveal a true picture of the current issues. For that reason, media companies should emphasize on such cultural values, beliefs and norms that promote ethical behaviour which will reinforce the practice of honesty and fairness amongst its personnel since corporate culture appears to affect ethical
behaviour in several ways. An organization can guide the conduct of its employees by embedding ethical values in its dominant culture. (McShane L. Steven, 2006). Organizations also have a profound influence on the ethical values and attitudes of societal members because of the pivotal role they play in the dynamics of any culture. Thus, these organizations should respect the needs and sensibilities of the public they serve, which includes media organizations also. This inculcates the need for media organizations to act with a sense of social responsibility. Ethical awareness is a fundamental part of the professional practice of media persons. Their ability and commitment to act ethically is an essential aspect of the nature of service offered to those who use media services. It is important to examine how organizational variables instigate managers to consider short term performance measures while ignoring the concern for ethics. Such an examination of organizational structural characteristics and processes that influence ethical decision making and behaviour would make the issue relevant for managers in print media organizations also.

This study aims to examine the specific variables that affect ethical decision making in organizational context. The impact of ethical decision making of media practitioners plays a crucial role in print media organizations as well as on the society in which these media companies are operating. The same is applicable for Indian print media companies who are increasingly facing threats of law suits from government and general public for violating professional ethics. During the year 2008-09, Press Council of India received 541 complaints directed against the Press for breach of journalistic ethics (Press Council of India, Annual Report, April 1, 2008 - March 31, 2009). This highlights the importance of finding ways for inculcating ethics amongst media personnel. If the culture is strong and supports high ethical standards, it should have a very powerful and positive influence on employee behaviour. How can corporate culture help in imbibing work ethics among media personnel and can play a pivotal role in this direction is an important issue. The purpose of this research study is to examine the relationship between corporate culture and work ethics in Indian print media industry. The present study has been restricted to newspapers only in print media.

1.2 MEDIA

‘Media’ is the medium of carrying information, education and entertainment to the masses. It is an easier and efficient means of communication which plays a key role in the over all development of an economy. In the current scenario, knowledge and facts are the tools for economic, political and cultural exchange. In any country, the presence of strong and constructive media can play a vital role in catering to the diverse needs of individuals, small
and large businesses & production houses, various research organizations, private and public sectors as well as society as a whole. Media can help the government to achieve various socio-economic and political goals, educate urban and rural masses, instill a sense of responsibility among people and provide justice to people in need. The media has a strong social and cultural impact upon society. This is predicated upon their ability to reach a wide audience with a strong and influential message. Marshall McLuhan uses the phrase "the medium is the message" as a means of explaining how the distribution of a message can often be more important than content of the message itself (McLuhan, Marshall and Fiore Quentin, 1964). It largely consists of print media like newspapers, magazines, journals and other publications etc. as well as electronic media like radio, television, internet etc. It is through the persuasiveness of media such as television, radio and print media that messages reach their target audiences. These have been influential media as they have been largely responsible for structuring people's daily lives and routines (O'Reagan, 1993). With the changing scenario of the world, it has acquired the status of an industry.

1.3 MASS MEDIA

Mass media denotes a section of the media specifically designed to reach a large audience. Mass media, the term coined in the 1920s with the advent of nationwide radio networks, mass circulation of newspapers and magazines. However, some forms of mass media such as books and manuscript had already been in use for centuries. Johanne Gutenberg printed the first book on a printing press with movable type in 1453. This invention transformed the way the world received printed materials, although books remained too expensive to be called a mass medium for at least a century after that. Newspapers developed from about 1612, first newspaper was printed in English but they took until the nineteenth century to reach a mass audience directly. During the 20th century, the growth of mass media was driven by technology. Physical duplication technologies such as printing, record pressing and film duplication allowed the duplication of books, newspapers and movies at low prices to huge audience. Radio and television allowed the electronic duplication of information for the first time. As various forms of communication evolves, avenues of news reporting increases and the scope of media influence expands, mass media becomes an increasingly important issue in modern society. People are exposed to newspaper articles, television news, radio-broadcasting and now digital as well. Mass media plays a crucial role in forming and reflecting public opinion, connecting the world to individuals and reproducing the self-image of society. The mass media has become an intrinsic part of everyday lives. The internet is
quickly becoming the center of mass media. Everything is becoming accessible via the internet. Instead of picking up a newspaper, or watching the 10 O’clock news, people will log onto the internet to get the news as and when they want it. Nowadays, mass media largely consists of the various forms of print media and electronic media.

Mass media can be used for various purposes:

- Advocacy, both for business and social concerns. This can include advertising, marketing, propaganda, public relations, and political communication.
- Entertainment, traditionally through performances of acting, music, and sports, along with light reading; since the late 20th century also through video and computer games.
- Public service announcements etc.

1.3.1 Forms of Mass Media

Mass media consists of both electronic media and print media. Electronic media and print media include:

- **Broadcasting**, in the narrow sense, for radio and television.
- Many instances of various types of recorded discs or tapes. In the 20th century, these were mainly used for music. **Video and computer** uses followed.
- **Film**, most often used for entertainment, but also for documentaries.
- **Publishing**, including newspapers, books, magazines, journals and electronic publishing
- **Internet**, which has many uses and presents both opportunities and challenges. Examples can include Blogs and pod casts (such as news, music, pre-recorded speech, and video)
- Mobile phones, which can be used for rapid breaking news and short clips of entertainment like jokes, horoscopes, alerts, games, music, and advertising
- **Video games**, which have developed into a mass form of media.

1.4 PRINT MEDIA

In a democratic set up, it is important that all the citizens have the right to information. The news regarding the happenings within and outside the country has to be disseminated to the people. In the past, the print media shouldered the responsibility of disseminating the news.
But, today with the growth of information technology, audio and visual media are in the field with instant and wide coverage. Concern about the media’s responsibilities is part of the general concern about the responsibilities of societies as well as nations.

1.4.1 Journalism

Journalism is the discipline of collecting, analyzing, verifying and presenting information regarding current events, trends, issues and people. Those who practice journalism are known as journalists. News-oriented journalism is sometimes described as the "first rough draft of history" (attributed to Phil Graham), because journalists often record important events, producing news articles on short deadlines. While journalists are usually under pressure to be first with their stories, news media organizations usually edit and proofread their reports prior to publication, adhering to each organization’s standards of accuracy, quality and style. Many news organizations claim proud traditions of holding government officials and institutions accountable to the public, while media critics have raised questions about holding the press itself accountable.

1.4.2 Responsibilities of the Media - Four Theories of the Press

The media’s responsibilities are often discussed and several groups have adopted codes of ethics but no single code has been generally accepted. Discussions about the media’s responsibilities are valuable as they compel journalists to think about their principles, values and obligations and to consider how they should act in a variety of situations. The book “Four Theories of the Press” was published by Fred S. Siebert, Theodore Peterson and Wilbur Schramm (1963) which discusses the media’s responsibilities and attempts to explain why the media vary so significantly from one society to another. The authors emphasized the close relationship that exists between the media and certain basic beliefs that each society holds. These beliefs are about the nature of humanity, the nature of society and state, the relation of citizens to the state and the nature of knowledge and truth. Siebert, Peterson and Schramm found four different theories or sets of beliefs that societies hold about the media:

The Authoritarian Theory
The Libertarian Theory
The Communist Theory
The Social Responsibility Theory
1.4.3 The Authoritarian Theory

This is the first as well as the oldest press theory. The modern press actually began in 1450 in an authoritarian society, according to William L. Rivers, Wilbur Schramm and Clifford G. Christians (1969). Authoritarian states dominated Western Europe from about 1450 to 1700 and their political systems had a significant impact upon the press. This form of society was characterized by the state being above the individual; that is, the state outranked the individual and decided what was best for him. The state employed the tools of persuasion to preserve unity of thought and action (Tiwari, Hari Chand 2006).

According to Gary Wolf, “An Authoritarian sees the governing elites as inherently good and wise, while the masses are considered to be ignorant and incapable of independently discerning the truth.” Thus, Authoritarians believed that the leaders were more intelligent than other men and that only they possessed the wisdom and experience necessary to lead the state. When authoritarian governments realized that print could disseminate information to numerous people, they controlled ‘who could print what’ by requiring printers to secure licenses. They considered printing as a threat to their power and issued licenses to regulate its use. The licenses limited the number of persons who could operate printing presses and were issued only to persons who supported the goals of the state. Later, printers were required to submit copies of everything they wanted to reproduce to government censors and the censors had to approve the material before it could be published. As the censorship systems were too cumbersome, states gradually stopped licensing and censoring the press and began to punish printers only after they published anything that offended the state. Writers and publishers who criticized the government, its leaders or its policies could be charged with treason and sentenced to prison. In essence, whatever was published could not criticize the state or its citizens. Rather, it had to promote the state’s political system. Authoritarian states are still common in much of the world. Several countries in South America, Asia, Africa and the Middle East have an authoritarian press. They tolerate no dissent or criticism. The press is privately owned and expected to serve the state.

1.4.4 The Libertarian Theory

Political theorists began to question the Authoritarian theory during the sixteenth and seventeenth centuries. Established institutions in Western Europe were under attack. The Protestant Revolution challenged began to the authority of the Catholic Church and political revolutions challenged the power of authoritarian governments. At the same time, new
discoveries were expanding human knowledge in the fields of geography and science. These changes contributed to an intellectual revolution that emphasized the role of individuals and their right to make decisions for themselves. Thinkers began to argue that humans are rational moral beings and that they have the right to determine their own destiny (Singh, Uttam Kumar & Sudarshan, K.N., 1996). According to Rivers, Schramm and Christians (1969), “the intellectual revolution was chiefly secular, not only because it challenged the authority of the one church, but also because it tended to transfer the rewards for good conduct nearer to the arena of worldly gains.”

The people primarily responsible for this theory were Descartes, who emphasized reason; John Locke, who believed that people should rule; John Milton, who wrote about a free press in Areopagitica; Thomas Paine, who wrote Common Sense; Thomas Jefferson, who spoke for a free press and John Stuart Mill, who wrote on Liberty. The basic elements of libertarianism include reason, a free marketplace of ideas and a press that checks on the government. The idea of a free marketplace of ideas rested upon the assumption that every citizen who wished to speak would have an equal opportunity to speak and his ideas would receive a fair hearing. Freedom was conceived as a natural and absolute right. Under the Libertarian theory, individuals could do as they pleased. No one, especially not the state, had a right to interfere with their lives. The Libertarian theory also changed the attitude toward the media. For the first time, the media was expected to serve as watchdogs over the government. The government lost the right to suppress any statements, even statements that it considered false, because men feared that the government would use its power to suppress statements critical of its own performance. By the end of the eighteenth century, the Libertarian theory had spread through most of Western Europe and then to America, where it influenced the men who wrote the U.S. constitution.

1.4.5 The Communist Theory (Soviet - Totalitarianism)

The philosophy developed by the Soviet Union is an outgrowth of the older Authoritarian theory but it has significant variations. The media in Communist States are ideological tools used to indoctrinate the masses and help the state reach its goals. Although at first it may seem somewhat paradoxical, the Soviet Union encouraged the media to publish critical letters and articles. This served as an outlet for the public’s frustrations, as well as the letters gave the country’s leaders an idea of the popular mood and alert them to serious problems. However, the criticism expressed by the public was very limited. The public was not allowed to question the basic system or fundamental beliefs about government and its policies; it
cannot criticize Communist ideology, the party or its party leaders. The media editors were carefully selected and watched so there was little need for censorship.

1.4.6 The Social Responsibility Theory

During the twentieth century, thinkers in democratic society began to express dissatisfaction with the Libertarian theory. The social responsibility theory developed in the twentieth century primarily as a result of the report by the commission on the Freedom of Press. Critical of the media, the commission questioned the performance of the press and issued a warning that if the owners of the media continued to engage in practices that society questioned, the media would eventually be controlled or regulated by an arm of government or a committee founded for that purpose.

The Libertarian theory is based upon the belief that people are intelligent, rational and capable of making decisions for their selves. But psychologists no longer are certain that men and women can tell the difference between truth and clever propaganda. Theorists still believe that people are capable of thinking for themselves, but they now suspect that individuals are reluctant to do so. Humans seem to be more interested in satisfying their immediate needs than in searching for truth. Twentieth century thinkers believe that the media should remain free, but they now add that the media have certain responsibilities. The major premise of their new theory, the theory of social responsibility is that “freedom carries concomitant obligations and the press, which enjoys a privileged position under government, is obliged to be responsible to society for carrying out certain essential functions of mass communication in contemporary society.” So freedom no longer is considered a natural right. It has become a conditional right. The new theory’s proponents argue that society grants the press certain rights and that the press loses its claim to those rights if it abuses or fails to use them responsibly.

The theory of social responsibility also stresses “the public’s right to know” rather than “the publisher’s right to speak.” The Libertarian theory had asserted that publisher’s could say and do whatever they pleased. The theory of social responsibility insists that the public has a right to be informed and that the media have a responsibility to provide the information needed to be good citizens. The information must be accurate, fair, complete and untainted by the media’s own biases. The theory of social responsibility insists that the press has a right to make honest mistakes, since errors are an inevitable part of the learning process, but not to deliberately lie (Singh, Uttam Kumar & Sudarshan, K.N., 1996).
1.5 INDIAN PRINT MEDIA INDUSTRY

1.5.1 History of Indian Print Media

Indian print media industry is one of the largest print media industry in the world. The history of Indian print media shows that it was in 1674 that the first printing apparatus was established in Bombay followed by Madras in 1772. India's first newspaper, *Calcutta General Advertise*, also known as the *Hicky's Bengal Gazette* was established in January 1780. James Augustus Hickey is considered as the "father of Indian press" as he started the first Indian newspaper from Calcutta, the *Calcutta General Advertise* or the *Bengal Gazette* in January, 1780. In 1789, the first newspaper from Bombay, the *Bombay Herald* appeared, followed by the *Bombay Courier* next year (this newspaper was later amalgamated with the Times of India in 1861).The first newspaper in an Indian language was the *Samachar Darpan* in Bengali. The first issue of this daily was published from the Serampore Mission Press on May 23, 1818. In the same year, Ganga Kishore Bhattacharya started publishing another newspaper in Bengali, the *Bengal Gazetti*. On July 1, 1822 the first Gujarati newspaper “The Bombay Samachar” was published from Bombay, which is still extant. The first Hindi newspaper, the *Samachar Sudha Varshan* began in 1854. Since then, the prominent Indian languages in which papers have grown over the years are Hindi, Marathi, Malayalam, Kannada, Tamil, Telugu, Urdu and Bengali.

In India, the media industry is undergoing remarkable change and is one of the fastest growing sectors. The Indian economy continues to perform strongly and one of the key sectors that benefits from this fast economic growth is the Entertainment & Media industry. This is because the Entertainment & Media industry is a cyclical industry that grows faster when the economy is expanding. The main factors responsible for this growth are rising per capita and national income; high economic growth and strong macro-economic fundamentals; and democratic set up, good governance as well as law and order position in the country. The media industry plays an important role in creating people’s awareness about national policies and programmes by providing information and education, besides creating healthy business environment in the country. Thus, it helps people to be active partners in the nation-building endeavour.
1.5.2 Current Scenario

The media industry has significantly benefited from liberal investment regime in the country. Foreign direct investment (FDI) has been permitted in its various segments. FDI up to 100 percent has now been allowed for print media covering non-news publications and FDI (with FII) up to 26 percent has been allowed for print and electronic media covering news and current affairs. The ministry has been making several policy announcements and framing guidelines in order to create conducive environment for healthy development of various mass media in the country (India.gov.in, 22-3-2010).

Year 2008-2009 marks in several ways a transitional stage in media behaviour. The year witnessed as much jubilation over the rapid strides made by the media in terms of circulation and technology. According to UNESCO, the literacy rate in India is about 61 percent while the number of literate youth is above 76%, signaling growth rate in education sector. Growing literacy and new technology have resulted in making India emerge as a second largest newspaper market. Indian newspapers sale increased from 11.2% in 2007 and is expected to increase up to 35.51% in next five years period. Newspaper advertising revenue was up 64.5% over previous five years. Facts have given boost to the foreign direct investment in print media especially ever since the government allowed 100% equity for publishers proposing to publish edition of international dailies in India. The US based Financial Times sees big opportunities for expansion. The big media houses of India are entering into joint ventures with the top notch media companies of international repute. According to survey of India Media and Entertainment Scenario “media industry recorded a growth of 16% in 2007 over a previous year. The magazine industry size registered a growth of 15% during the year 2007. The newspaper publishing market is expected to reach Rs.243 billion in coming times” (Press Council of India, Annual Report, April 1, 2008 - March 31, 2009).

Print publication advertising revenues in Indian generated $2.4 billion in 2007, or 48 per cent of all of the country’s media advertising revenues, Price Waterhouse Coopers (PWC) said in recent report. TV ads generated 41 per cent. With the economy having grown at an average rate of 8.75 per cent in the last four years, middle class incomes have rise, boosting demand for niche magazines on health, leisure and finances. Growing prosperity in rural areas is also encouraging demand for publications in India’s more than 20 official regional languages. Revenue for newspapers and magazines in India – where reading at least one newspaper in the morning is sacrosanct – grew at an average rate of 15 per cent in the last four years,
higher than anywhere in the world, PWC said. The growth is helped by a young
demographic, more working women, rapid urbanization and smaller households, PWC added
in its report. (The Indian Express, New Delhi dated May 12, 2008).

Growth of electronic media has not affected print media, which in fact has actually grown
further both in terms of circulation and readership, according to the Ministry of Information
and Broadcasting. The Ministry has given approvals for publication of 284 magazines in this
sector. While an overwhelming number of these pertain to the scientific and technical
categories, a good number relate to the specialty sector pertaining to general reader interest
like lifestyle and entertainment. According to the survey of “India Media & Entertainment
Scenario” conducted jointly by FICCI and Price Waterhouse Coopers, the print media
industry stood at Rs.149 billion in 2007 and recorded a growth of 16 per cent over previous
year. During the same period the magazine industry size was estimated at Rs.19 billion and
registered a growth of 15 per cent. According to the study, Indian print media is projected to
grow by 14 per cent over the next five years and magazine publishing to grow at a higher rate

Growing literacy and new technology have resulted in India emerging as the second largest
newspaper market in the world, according to a research report by the World Association of
Newspapers (WAN). The new figures show that the four largest markets for newspapers are:
China, with 107 million copies sold daily; India, with 99 million copies daily; Japan, with 68
million copies daily; and the United States, with nearly 51 million. Newspaper advertising
revenues in India were up 64.8 per cent over the previous five years. (The Hindu, New Delhi
dated June 4, 2008)

1.5.3 MINISTRY OF INFORMATION AND BROADCASTING

The Ministry of Information and Broadcasting is the nodal authority in India for
formulation and administration of the rules, regulations and laws relating to media industry. It
is involved in catering to the entertainment and intellectual needs of various age groups and
focusing attention of the masses on issues of national integrity, environmental protection,
health care and family welfare, eradication of illiteracy as well as issues relating to women,
children and weaker sections of the society. It plays a significant part in helping the people to
have access to free flow of information. It is also responsible for international cooperation in
the field of mass media, films and broadcasting and interacts with its foreign counterparts on
behalf of Government of India.
The **Ministry of Information and Broadcasting** is divided into the following wings:

- Information Wing
- Broadcasting Wing
- Films Wing
- Integrated Finance wing

### 1.5.4 Information Wing

The information wing deals with policy matters, the print media, press and publicity requirements of the Government. The media units in this wing are:

- Press Information Bureau
- Photo Division
- Research, Reference and Training Division
- Publications Division
- Directorate of Advertising and Visual Publicity
- Directorate of Field Publicity
- Song and Drama Division
- Registrar of Newspapers for India
- Press Council of India
- Indian Institute of Mass Communication

### 1.5.5 Broadcasting Wing

Broadcasting Wing handles matters relating to the electronic media. It formulates policies and frame rules and regulations for this sector, which include public service broadcasting, operation of cable television, private television channels, F.M. channel, satellite radio, community radio, DTH (Direct to Home) services etc. The organizations under this wing include:

- Electronic Media Monitoring Centre
- The Prasar Bharati (Broadcasting Corporation of India)
- Broadcasting Engineering Consultants (India) Limited (BECIL)
1.5.6 Films Wing
Films Wing handles matters relating to the film sector. Through its various units, it is involved in the production and distribution of documentary films required for internal and external publicity. It is also involved in developmental and promotional activities relating to film industry including training, promotion of good cinema, organization of film festivals, import and export regulation etc. This wing has the following media units:

- Films Division
- Central Board of Film Certification
- National Film Archive of India
- National Film Development Corporation
- Film and Television Institute of India
- Satyajit Ray Film and Television Institute
- Directorate of Film Festivals
- Children's Film Society

1.5.7 Integrated Finance Wing
Integrated Finance Wing performs important functions of maintaining and monitoring the Accounts of the ministry, through its subordinate office of ‘Chief Controller of Accounts’.

Some important newspaper agencies working under Government of India are:

- The Press Council Of India
- Registrar Of Newspapers For India

1.5.8 The Press Council of India
The present Press Council has been established under the Press Council Act, 1978, for the purpose of preserving the freedom of the Press and of maintaining and improving the standards of newspapers and news agencies in India. The Council came into being in April 1979. Its jurisdiction extends to the whole of India. The Council consists of a Chairman and
twenty-eight other members. One feature of the Council which distinguishes it from any other similar tribunal or body around the world is that it is comprised mainly of representatives from the newspaper world who are charged with the responsibility of regulating the conduct of their brethren in the same sphere. It is in this context that it has come to assume the role of a self-regulating body of the newspapermen themselves. The re-established Council which has completed 30 years of its existence at the close of this financial year can claim to have fulfilled a very valuable purpose. The ever increasing number of complaints, including those from incumbents of high offices or public offices, signifies the recognition and respect the Council has earned for itself from both the press and the public for its impartiality and independence and as guardian of Press liberty. (Press Council Of India, Annual Report, April 1, 2008 - March 31, 2009).

1.5.9 Registrar of Newspapers for India

The Registrar of Newspapers for India (RNI) regulates and records the status of newspapers. The Office of the Registrar of Newspapers for India (RNI) came into existence on 1 July 1956, on the recommendation of the First Press Commission in 1953 and by amending the Press and Registration of Books Act, 1867. The Registrar of Newspapers for India, commonly known as Press Registrar, is required, inter alia to submit an Annual Report to the Government by 31 December every year on the status of newspapers. The total number of registered Newspapers/ Periodical was 69,323 as on 31 March, 2008. These were 7,710 dailies, 379 tri/ bi weeklies, 23,414 weeklies, 9,053 fortnightlies, 20,948 monthlies, 4,687 quarterlies, 605 annuals and 2,518 of the other periodicity (These figures have been updated only for the registered newspapers for the year 2007-2008). According to the report submitted by the Press Registrar for the year 2007-08, newspapers were registered in 123 languages and dialects. Apart from English and 22 other principal languages listed in the Eighth Schedule of the Constitution, newspapers were registered in 100 other languages and dialects mostly Indian but also in a few foreign languages too. The largest number of Newspapers and periodicals registered in an Indian language is Hindi (25,527). The second largest number of newspapers and periodicals registered in any language is English (10,000). The state with the largest number of registered newspapers is Uttar Pradesh (10,799). The state with the second largest number of registered newspapers is Delhi (8,545). (India, 2010, A Reference Annual, Ministry of Information and Broadcasting, Government of India).
1.6 NEED OF THE STUDY

Corporate culture acts as a powerful force for determining individual and group behaviour. It is the set of assumptions, beliefs, values and norms that are shared by an organization's members. This culture may have been consciously created by its key members or it may have evolved across time. It represents the key element of the work environment in which employees perform their jobs. As Hagberg and Heifetz (2000) concede “culture drives the organization and its action. It is somewhat like the operating system of the organization. It guides how employees think, act and feel.” Corporate culture reflects the assumptions and values that guide a firm. They are intangible but have powerful influences on employee behaviour. The importance of corporate culture is growing as a result of several recent developments. It is a known fact that organizational cultures are rooted in history, collectively held and are sufficiently complex to resist change (Collier, 1998), yet they can facilitate an organization’s moral development (Maclagan, 1996). They can play a significant role in developing an ethical climate in the organization. A key to institutionalizing ethics is the development of an ethically oriented culture (Sims, 1991). The link between ethics and culture has been well established—differing moral practices may be the result of differences found from culture to culture and also from context to context. Because of this culture-to-ethics dynamic, ethics research in different cultural settings reveals noteworthy implications (Allmon et al. 1997; England 1975; Husted et al. 1996; Preble and Reichel 1988; Yeh-Yun Lin 1999). Sims (1992) identified organization culture, leadership and formal organizational processes as necessary contributing factors to a climate regarding ethics. Many scholars have provided significant insights into the relationship among unethical behavior, organizational culture, climate regarding ethics and moral development of the organization.

The relationship between corporate culture and ethics is vital for understanding the impact of culture on the ethical compliance of employees in media organizations. While some companies have been quick to encourage ethical practices, a few others are having serious problems with the requirements and challenges of promoting ethical behaviour in their organizations. An overview of the literature concerning corporate culture and work ethics depicts various inadequacies in research investigations in this area. Most of the studies have explored the relations of corporate culture with employee commitment, morale and motivation. Some other researches that have studied the relationship of organizational culture, its management practices, its norms related to job performance and organizational effectiveness (Denison, 1994; Martin et al., 1985; Wilkins) have mostly ignored the
dimension of work ethics. They did not take into consideration the role of organizational culture and its impact on work ethics. There are very few studies that shed some insight on recommending strategies for encouraging ethical compliance among employees in companies, especially media organizations. Furthermore, despite the enormous attention given to encourage work ethics amongst media practitioners, there has been little systematic research into the factors influencing, and enabling the adoption of work ethics within media organizations operating in Indian print media industry. A majority of print media organizations are not aware as to how adherence to work ethics can be encouraged among employees and how it can improve business performance. They have little appreciation of how an ethical organizational culture can make their operations more effective and also help in fulfilling its social responsibility towards society. Low exposure to studies related to this area remains one of the critical challenges in Indian media industry. It is against this background that the main aim of this research is to identify the organizational cultural factors influencing the work ethics of employees working in Indian print media industry. Various quantitative and qualitative techniques have been used to bring out a better perspective of the relationship between the two organizational construct.

1.7 ISSUES AND SCOPE OF THE STUDY

The modern business environment is characterized by increased scrutiny of ethical practices. Worldwide, organizations are increasingly incorporating the concept of ‘Triple Bottom Line’ (Elkington, 1997) which encompasses the firm’s responsibility towards people, planet and profit to ensure sustainability. It thus seems inevitable that ‘ethics’ will become a global issue, which no business enterprise can afford to ignore. Irrespective of their size, businesses need to reckon with the ethical dimension on a much more stringent basis (Dutta & Banerjee, 2009). Since the last few decades, media organizations have been playing a dominant role in this globalized economy of the world. The contribution of media organizations to a nation’s people and economy cannot be overlooked because of its capacity to influence human lives. Thus, ‘the press’ can affect our lives in many ways. Freedom of press is undoubtedly one of the most important freedoms in a democratic society. Although it faces many threats or influences from business, advertising, specific organized groups and government. There are several contemporary conditions that have affected the issue of ethical compliance in media organizations. This has ultimately had a direct impact on the social responsibility of media towards society. These conditions include: (1) intensified concentration; (2) the increasing intrusion of non-news corporations into the news enterprise; (3) the rise of broadcasting; (4) a
perceived economic and social squeeze on the print news media. The first has elevated business considerations over journalistic considerations. The second has caused the print media to become merely another profit making entity. The third has caused the print media to place an emphasis on entertainment rather than on hard news. The fourth has made publishers of newspapers realize that their products are vulnerable because of due decline in readership, several newspapers have died in the last few years.

Keeping the social responsibility of newspaper publishing organizations in mind, it is necessary for publishers to be more than mere businessmen, and it is necessary for editors and reporters as well as other media practitioners to realize that their responsibility is to present factual stories- as factual as possible to readers. Only when this happens, then the expectations from print media organizations can transform into reality. Adoption of work ethics by their employees can provide tangible and intangible benefits to print media organizations. There is little published literature about the adoption of work ethics and extent of ethical compliance by employees working in print media organizations, specifically in the Indian context. Hence there is a strong case for researchers to focus on the extent of ethical compliance by employees in print media organizations.

This research has focused on the cultural factors that influence ethical compliance in print media organizations. The research is based on newspaper publishing media organizations only in India. Further, this research also focuses on analyzing any differences in compliance to work ethics among various print media organizations. For the purpose of research four important print media organizations operating in Delhi and NCR have been chosen. The impact of corporate culture factors on ethical compliance among employees have also been studied in the research.

**1.8 BRIEF OUTLINE OF THE METHODOLOGY**

The research is carried out by using a quantitative and qualititative approach. Detailed literature survey and review on corporate culture and work ethics is done by reviewing various articles published in research journals. Based on the literature review, gaps in the current research are identified and accordingly research objectives and a set of hypothesis are formulated. For the quantitative study, a questionnaire based approach is used and is administered to the employees working in print media organizations. The sample was collected from four media organizations involved in publishing and printing of newspapers. The study was conducted in Delhi and NCR (National Capital Region) in selected media
organizations. Sample was collected with employees who have put in minimum three years of service in the non-executive and one year of service in the executive stratum. The main reason to lower the service time criterion for executives was due to high turnover of executives. Stratified random sampling is done to select the employees to be surveyed. The collected data is analyzed using Statistical Package for Social Sciences version 16 (SPSS). Descriptive and inferential statistics is used to test the hypothesis and other related empirical information on corporate culture and work ethics. Learning issues and major findings are summarized and synthesized and recommendations are suggested.

1.9 ORGANIZATION OF THE THESIS

The presentation of this research is organized in seven chapters. Brief outline of the chapters is as under:

**Chapter 1** presents an introduction and overview of the study. It also covers the review of the existing literature related to the research topic.

**Chapter 2** defines the statement of problem and the conceptual framework related to the study. Details regarding corporate culture concepts and concepts related to ethics are described.

**Chapter 3** explains the objectives and hypothesis. It also describes the research methodology adopted for this study.

**Chapter 4** discusses the results of empirical analysis of corporate culture in print media organizations.

**Chapter 5** discusses the results of empirical analysis of work ethics in print media organizations.

**Chapter 6** analyses the relationship between corporate culture and work ethics in print media organizations.

**Chapter 7** concludes with a summary of major findings and a set of suggestions. It also defines the limitations of this research work and scope for future research in this field.
1.10 REVIEW OF EXISTING LITERATURE

The review of relevant research studies is useful to recognize the contributions of different researchers. It also elucidate the importance of these related studies for this research work entitled “Corporate culture and work ethics in Indian print media industry.” Hence an attempt has been made to review the related literature that will help in understanding the different aspects of corporate culture, work ethics and the relationship between them. These aspects are discussed under the following heads:

1) Studies related to Corporate Culture
2) Studies related to Work Ethics
3) Studies related to relationship between Corporate Culture and Work Ethics

1.10.1 STUDIES RELATED TO CORPORATE CULTURE

Kotter and Heskett (1992) conducted four studies to determine whether a relationship exists between corporate culture and long-term economic performance. The findings suggested that corporate culture can have a significant impact on a firm’s long-term economic performance; corporate culture that inhibit strong long-term financial performance are not rare; they develop easily, even in firms that are full of reasonable and intelligent people; although tough to change, corporate culture can be made more performance enhancing.

Sackmann (1992) analyzed organizational knowledge in a medium-sized corporation. Her findings revealed the co-existence of two levels of culture - one, a homogeneous cultural grouping, and the other with different kinds of independent and overlapping cultural sub-groupings. She observed that members in different divisions of the same corporation would consistently identify themselves with their groups and its accumulated cultural knowledge for priority settings, for the process at work etc. Within this multiple-culture conceptualization of organizations there have been two dominant but parallel foci. One is the ‘culture’ of the location in which the organizations are functioning and the other is the unique socio-cultural characteristic that is distinct to a particular organization.

Alan Wilson, (1997) in her research paper titled "The culture of the branch team and its impact on service delivery and corporate identity" states that the behaviour and attitudes of staff are a key input to a service organization’s identity. However, the quality and effectiveness of service delivery personnel in the retail banking sector varies significantly from branch to branch. The norms, values and behaviour that make up the corporate culture
of the service team may explain the differences. She examined the nature of the relationship between corporate culture and service delivery, based on a programme of empirical research undertaken with 268 staff in 48 branches of a major UK bank. Findings indicated that distinct subcultures exist within the branches, although no direct relationship was found between a branch’s culture and its service delivery performance. With regard to managing a bank’s corporate identity, these findings suggest that the design and control of the corporate behaviour component is possibly far more difficult and complex than is the management of the visual identity component.

Biswa, S.N. and Tripathi, R.C. (1998) had conducted a study of organizational culture and contextual culture in four different banking organizations operating in linguistically different states of India, viz., Orissa, West Bengal and Uttar Pradesh. The official languages of the three states are Oriya, Bengali and Hindi respectively. Twelve banking units were chosen. In total, 127 managers working at different levels of management cadre were drawn from the above mentioned units. Interview and questionnaire methods were used for data collection. The results were computed with 3x4 (Three states multiplied by four banks in each state) matrix. Analysis of variance, Newman-Keuls Test, ANOVA were conducted. The findings suggested that managerial attitudes were significantly affected by the contextual culture (states) and not by organizational culture. While findings related to organizational climate revealed that the contextual culture is composed of different elements than the organizational culture.

Panda and Gupta (2005) have conceptualized organizational culture from a cognitive perspective. The strength of a culture has been measured on the basis of ‘peer induced cognitive pressure’ (PICP), elicited through subjective-interpretive attribution process by administering a questionnaire in a high-tech Indo-American joint venture located in India. Degree of PICP was measured on eight core organizational values identified in the study. Paired -tests were used to understand the differential pressure experienced by organizational members with respect to the organizational values. The findings indicated that PICP was high with respect to organizational values that were in congruence with the prevailing socio-cultural values compared to modern organizational values.

O’Reilly, C. (2008) defines the role of corporate culture in promoting innovation and commitment in organizations. According to him, corporate culture is critical in developing and maintaining levels of intensity and dedication among employees that often characterizes successful firms. As per his research, four common mechanisms: participation, management
as symbolic action, information from others and comprehensive reward systems can be used for managing and shaping corporate culture where innovation and commitment is high among the organization’s members.

The study conducted by **Tripathi, Sangeeta and Tripathi, Nachiketa (2009)** investigates how organizational culture affects the relationship between downward influence strategies and organizational success. The study was conducted on 200 lower and middle level managers working in 10 different organizations. Organizations were classified into two categories (participative and manipulative) and two separate sets of multiple regressions were performed for each dependent variable, considering influence strategies as independent variable and organizational success as independent variable. The results indicate that participative culture encourages the use of personalized relationship, exchange of benefits and assertiveness and it discourages the use of asserting expertise and negative sanctions to facilitate the success of the organization. Personalized relationship may increase commitment but it is also likely to make organization less effective.

**Kundu (2009)** has developed a three tier model of organizational culture modifying the previous models. The tiers belong to the unconscious, semiconscious and conscious levels depending on the contributing factors. At the unconscious level factors like values, beliefs, assumptions are present. At the level of semi consciousness people will find components like attitudes, artifacts etc. At the conscious level of culture one may find norms, behaviour, practices, rituals etc. This study has tried to establish that how organizational culture can influence the process of institution building in any organization. The findings indicate that institution building depends on the fluidity of organizational culture. Organizational culture as an entity nurtures the mission and the set of objectives of the organization.

**A. Ben Oumlil and Joseph L. Balloun (2009)** in their research made an attempt to assess the effect of cultural factors on business ethical decision-making process in a Western cultural context and in a non-Western cultural context. Specifically, this study investigates ethical perceptions, religiosity, personal moral philosophies, corporate ethical values, gender, and ethical intentions of U.S. and Moroccan business managers. The findings demonstrate that significant differences do exist between the two countries in idealism and relativism. Moroccan managers tend to be more idealistic than the U.S. managers. There were mixed findings in examining the correlates of religiosity and various components of ethical intentions. Moroccan managers were more homogenous in their corporate ethical values than the U.S. managers. The results demonstrate that (in general) idealism is a good predictor of
ethical intentions and behaviors. Additionally, managers from the two countries differed in the degree of relationship between perceptions and intentions in three of the four scenarios. This study’s results confirm other research findings that, in general, female business managers have higher ethical sensitivity in terms of their ethical judgement than their male counterparts. Managerial implications were also discussed.

Murthy and Anita (2010) conducted a study related to the working conditions of women employed in print media in Andhra Pradesh. Out of 127 respondents, 46.5 percent reported that the workplace was ‘encouraging to a great extent,’ another 43.3 percent felt that the workplace was ‘encouraging to some extent’ and about 10.2 percent reported that it was ‘not at all encouraging.’ It highlights that although there is no gender bias in this sector but job insecurity and non-implementation of specific provisions like wage board rules for women are issues that need attention.

Achilles Armenakis And Jeffrey Wigand (2010), conducted a research in which they linked the behaviors of executives and lawyers in two tobacco companies. The analysis was based on publicly available documents spanning over a period of almost six decades and critical incidents in which moral disengagement tactics were applied in the decision-making process. They inferred that the disengagement tactics applied by tobacco decision makers are indicative of what Schein and other organizational scientists describe as organizational culture. They equate the critical incidents to the espoused beliefs and values and underlying assumptions which comprise organizational culture and explain that the cultures of these two tobacco companies are not consistent with the stakeholder theory of management. They conclude that the critical incidents that were analyzed were immoral and the representatives were indeed accountable for these behaviors. From an organizational change perspective, they discussed how analyzing these critical incidents can serve to assess the extent to which an organizational culture is ethical. Furthermore, these critical incidents can be fed back to organizational decision makers and can then be used to initiate organizational changes.

1.10.2 STUDIES RELATED TO WORK ETHICS

Forsyth (1980) argued that moral judgements are shaped by individual’s references for relativism and idealism. Using Forsyth’s Ethics Position Questionnaire (EPQ), researchers have identified relationships between an individual’s moral judgements and stance toward relativism and idealism. He found that idealists strongly condemned individuals who caused negative consequences.
According to Trevino (1986), apart from being highly ethical in their decisions and behaviour, individuals at the third level of moral development may try to stop others from engaging in unethical conduct or resort to whistle blowing if unethical actions occur. The ethical code of conduct of an organization and supervisory influence are among the important contributing factors to organizational ethical climate (Wotruba et al. 2001).

Some researchers like Buchhloz (1989); Hyman, Skipper & Tansey (1990) have focused their study of work ethics on individual managers. The individual managers are the focus of research because they are required to make decisions that influence not only the future of their organizations but also of the people who work for them, the consumers who use their products, stockholders who may have invested their savings in the company and the members of the society as a whole. This implies that all managers have to become their own moral philosophers and apply moral thinking to the decisions they make and actions they take in discharging their duties.

Jones T.M (1991) identified six dimensions of moral intensity: magnitude of consequences, concentration of effect, probability of effect, temporal immediacy, social consensus and proximity. His research suggests that issues with high moral intensity are more vivid and salient and therefore gain the individual’s attention and are more likely to be identified as ethical issues.

In large part due to pressures from the legal and regulatory environment, many large organizations have adopted various efforts to implement policies and programmes aimed at fostering ethical behaviour in organization members (Weaver, Trevino & Cochran, 1999a). These ‘ethical infrastructures (Tenbrunsel, Smith-Crowe and Umphress, 2003) contain both formal and informal elements: ethics codes and policies, communications, training, monitoring systems, sanctions and rewards on the formal side and attention to ethical climates and organizational cultures on the informal side. Research has shown that the origins of these programmes are mixed; they reflect both pressures from outside the organization (legal considerations) and from inside the organization (in particular, the degree to which top management is committed to concern for ethical behaviour) (Weaver, Trevino & Cochran, 1999b). Important in these findings was the fact that although external pressure appears to force organizations to do something about ethics, there is a wide range of things that organizations can do in response and those responses are heavily determined by managerial stances towards ethics. In particular, organizational ethics initiatives vary in terms of the kind of control they embody: control based on compelling compliance with
policies and expectations or control rooted in the propagation and modeling of a set of ethical values that become internalized by employees, thereby becoming part of the organization’s culture. (Weaver et al 1999b).

Work environment has also been associated with moral judgement. Research has found that accounting students and practitioners have lower moral reasoning scores compared with their counterparts in other types of professions (Lampe & Finn, 1992).

Researches suggest that the employees must be familiar with the code’s contents before it impacts their ethical awareness and behaviour (Dean 1992, Sims 1991).

Gupta and Sulaiman (1996); Jones and Kavanagh (1996) have underlined the need to increase training on ethics for managers and subordinates. They have also suggested to hold employees accountable for ethical behaviour and to increase socialization between superiors and subordinates.

Similarly, Brady and Wheeler (1996) used vignettes to identify the extent to which individuals prefer utilitarian / consequentialistic (results-based) and formalistic (rule or principle-based) rationales and solutions to ethical dilemmas. They demonstrated that responses to the vignettes correlated with preferences for traits associated with utilitarianism (e.g., results oriented, productive) and formalism (e.g., honest, trustworthy).

Further, in the field of work ethics, two important researches aimed at managers (Banaji, Bazerman & Chugh 2003; Messick & Bazerman, 1996; Moore, Tetlock, Tanty & Bazerman 2006) suggested that executives can improve their ethical decision making by becoming aware of systematic cognitive biases that affect how individuals process information. The list of biases includes tendency to reduce the number of consequences considered (Messick & Bazerman 1996).

According to Weaver, Trevino and Colhram (1999), formal corporate ethics programmes are very useful in creating a positive ethical climate in the organization and it includes some elements like formal codes of ethics, ethics committees, ethics communication systems, ethics officers and ethics training programmes.

According to Winbush (1999) the employees in the third level of moral development continue to take ethical decisions and get ethically independent of other influencing factors such as the organisation’s ethical climate and the reinforcements from the supervisors.
Like reward, punishment also influences ethical behaviour in organizations. The Studies by Tenbrunsel & Messick (1999) show that weak sanctions can be worse than no sanctions at all for ethical behaviour. This is because the presence of sanctions makes it more likely that the individuals will view a decision from within a framework of narrowly business-driven thinking in contrast to an ethical decision – making framework.

Much research has noted the impact of multiple aspects of organizational contexts on individual’s ethical behaviour. For example, individual’s perceptions of organization’s ethical climate (Cullen, Victor & Bronson, 1993; Victor & Cullen, 1998) and the sub-climates that can occur within organizations (Weber 1995) are potential influences on organization member’s ethics-related attitudes and behaviour. Ethical climate as introduced by Victor & Cullen (1998) and adapted by others (Schminke, Ambrose & Neubaum, 2005) is defined as a shared perception among organization members regarding the criteria (e.g. egoism, benevolence & principle) and focus (e.g., individual, group, society) of ethical reasoning within an organization.

The attitude & behaviour of peers in workplace also affect individual’s ethical behaviour with the frequency and intensity of interaction with peers and making that influence stronger (Ze Engel, 1982). These findings forms the basis for recent efforts to understand ethical behaviour by reference to social networks in the workplace (Brass, Butterfield & Skaggs, 1998). It also highlights the importance of moral approval from one’s peers as an influence on how people respond in morally significant situations (Jones & Ryan, 1997-1998). Finally, it opens the door to considering how other person’s ethical behaviour serves as an influential role model for an individual’s own ethical behaviour.

Linguistic practices within organizations also influence ethical behaviour. Empirical data gathered across four large companies by Trevino et al (1999) showed that the degree to which individuals openly talk about ethics in an organization is a good predictor of ethical conduct in that organization. Similarly, organizational situations characterized by “moral muteness” appear to support ethically problematic behaviour (Bird, 1996).

According to Beu & Buckley (2001) accountability can be a significant factor contributing to ethical decision – making & behaviour. According to them, one way to ensure that employees behave appropriately is for the organization to require that the employees be held accountable for their actions.
The research study conducted by Bhal T. Kanika and Sharma Poonam (2001) focuses on ethical behaviour of managers in public and private sector organizations. The findings suggest that there are some differences in the nature of decisions (ethical or unethical) that the managers make in these two types of organizations owing to the nature of ownership. In public sector organizations, the individuals are likely to work towards their own individual ends. In private sector organizations, though the individual activity within organization may be controlled, there is a likelihood of use of unethical practices by the organization to pursue its own interests.

Multiple elements of organizational contexts have been shown to influence ethical behaviour such as overt on-the-job pressures to act unethically clearly have an impact (Robertson & Rymon, 2001).

Roozen, DePelsmacker and Bostyn (2001) found that the stage in the career of the employee is a significant explanatory factor of ethical decision-making. Employees who are young with relatively low income, limited work experience and a low level of responsibility in the company are significantly more ethical than elderly employees with high work experience, income and responsibility. This result is of special significance as most of the key strategic decisions are taken at higher levels.

In her research paper related to ethical issues at work, Seema Sanghi (2002) conducted a comparative study of Indian managers and UK managers. The findings of the research show that the Indian managers compared to UK managers take the ethical puzzle stance less frequently when responding to ethical issues at work. Also, the Indian managers experience tension between their private ethical beliefs and those they are required to apply at work.

Organizational cultures & practices also can normalize unethical behaviour, so that organization members’ unethical acts are committed thoughtlessly. In such situations, it can be more accurate to speak of their behaviour simply as amoral rather than immoral; considerations of ethics never enter into the cognitive, affective & behavioural processes leading up to unethical acts (Ashforth & Anand, 2003). There are multiple complex processes by which socialization into an amoral organizational culture can occur and by which such amoral cultures can be sustained or reinforced. Ashforth and Anand (2003) reviewed a large amount of research on this process, which they describe as one of initial cooptation of newcomers, incremental increases in unethical behaviour by the newcomer.
(leading to change in attitude) and repeated moral compromises that similarly bring about ultimate altitude change.

Unmet organizationally defined goals also contribute to unethical behaviour, even in the case of goals that involve no tangible economic benefits and especially in situations when individuals are just slightly removed from the achievement of a goal (Schweitzer, Ordonez & Douma, 2004).

Sinha, Ambalika (2005) conducted a study on final year B.Tech students who had obtained appointment letters to join various companies after the completion of the course. The objective of the study was to tap the extent to which people can be unethical. Findings revealed that 68 percent respondents did not mind indulging low intensity unethical behaviour, but refused to indulge in high intensity unethical behaviour. They only hesitate to indulge in unethical behaviours in which the chances of being caught are high and stigma may be linked to their names.

Brown and colleagues have focused attention on the role of leadership in influencing ethical conduct (Trevino & Brown, 2004; Trevino, Brown and Hartman, 2003; Trenivo, Hartman and Brown, 2000; Brown, Trevino & Harrison, 2005). They defined ethical leadership as “the demonstration of normatively appropriate conduct through personal actions and interpersonal relationships and the promotion of such conduct to followers through two-way communication, reinforcement and decision-making.” They proposed that ethical leaders influence follower’s ethical behaviour primarily through social learning (Bandura, 1986). Employees pay attention to leaders and the ethical standards they set (or fail to set) in part because leaders are salient authority figures in organizations who have power to gain employee’s attention and hold them accountable to ethical standards. Second, because ethical leaders are caring and fair, relationship with ethical leaders are built upon social exchange and norms of reciprocity. An ethical leader’s followers should wish to reciprocate the leader’s supportive treatment with ethical treatment (Trevino & Brown, 2004) Research has found that employee’s perceptions of their supervisor’s ethical leadership are associated with follower’s willingness to report problems to management as well as dedication to the job and satisfaction with the supervisor (Brown et al. 2005).

A qualitative study conducted by Weaver, Trevino & Agle (2005) indicated multiple aspects of a person’s behaviour that can lead others to consider that person to be an ethical role model. Importantly, the ethical role modeling relationship requires relatively close
interaction with the role model; the role modeled people generally tend to be among those with whom they have close working relationships.

Some researchers focused on impact of individual differences on ethical behaviour. Among individual differences, locus of control has been shown to be linked to ethical behaviour (Forte, 2005). Persons with an internal locus of control are more likely to see the connection between their own behaviour and its outcomes. Therefore, they are more likely to take responsibility for their ethical behaviour and act according to judgements of what is right (Trevino & Youngblood, 1990).

Maheshwari and Ganesh (2006) in their study titled “Ethics in Organizations: The Case of Tata Steel,” examined and discussed significant issues of ethical decision-making in organizations. They devised a comprehensive framework of organizational ethical decision-making and behaviour of individuals in organizations. The framework identifies three groups of variables: Moral intensity, intrinsic factors and extrinsic factors. The main findings of the study were that people with high self-efficacy are more open to ethical choices in their decision-making; internal competition-driven performance management practices induce violation of ethical norms in organizations. The study also suggests that leadership at different levels of the organization will have to display strong commitment to ethics through communication and adoption of role model stature.

Researchers (Moore et al, 2006) have proposed moral seduction theory to explain how professionals become morally compromised gradually over time, a process that is facilitated by the unconscious thought process.

As per Ashkanasy et al. 2006; Hegarty and Sims, 1978; Tenbrunsel, 1998; Trevino and Younblood (1990), rewards and punishments also have an impact on ethically relevant behaviour. Multiple studies have shown that the presence of rewards or incentives for unethical behaviour increase that behaviour. But the relationship of rewards to ethical behaviour is more complex. In particular, offering rewards for ethical behaviour does not necessarily increase that behaviour, as the presence of the rewards, risks undermining the intrinsic value of ethical behaviour.

Nan Young Kim and Graham Miller’s (2008) study investigates the ethical climate types presented in the Korean tourism industry, the differences in the perceptions of these ethical climate types based on individual/organizational characteristics, and the influence of ethical climate types based on job satisfaction/organizational commitment. Empirical findings of this
study identify six ethical climate types and demonstrate significant difference and significant influence of the proposed relationships. This research contributes to the existing body of academic work by using empirical data collected from 820 respondents across 14 companies within the Korean tourism industry, to demonstrate the relationship between actual ethical climate types and ethical climate related factors. The findings of this study identify the new factor ‘moral caring,’ which describes an environment characterized by decisions that maximize collective interest, but based on an individual employee’s personal values and ethics. Such a factor has important implications for the service industry, where face-to-face encounters typify the relationship between employee and consumer.

Wanxian Li, Xinmei Liu and Weiwu Wan (2008) conducted a survey of 316 participants from Chinese enterprises which indicated that the level of their work values was more likely in line with increasing age and education, and associated with employment position and gender. The older the employees, the higher the work values they perceive. The higher the education one receives, the higher the work values he or she counts. Managers rate higher work values than the employees do, and male employees show higher work value perceptions than do those of females. The results of the study suggest that the employees’ age, education, position and gender are important antecedents of work values, and these demographic effects can be a good revelation to enterprise management in both theory and practice.

Mario Fernando et. al, (2008) had conducted a study in which potential participants were invited to log onto a web site and complete the “Ethical Decision-making Questionnaire”, these invitations were sent to senior managers who were randomly selected from organizations listed in the Australian Stock Exchange. A total of 463 invitees logged onto the web site, and 80 completed responses were recorded. 86 percent of the respondents were at the general manager level and above. Forsyth’s (1980) Ethics Position Questionnaire and Hunt et al.’s (1989) Corporate Ethical Value Questionnaire are used to examine the ethical ideologies of senior managers from organizations listed in the Australian Stock Exchange. Results indicate that there was no relationship between age and idealism, age was found to be negatively related to relativism.

Sunday Samson Babalola (2009) conducted a study to explore the cognitive orientation (locus of control, risk taking ability and impression management) and demographic (age and gender) factors that are associated with unethical business. Two hundred and fifty six owner-managers in the range of 24 to 68 years participated in the survey study. Male participants accounted for 63.3 percent, while female participants were 36.7 percent. The results indicate
that risk taking and gender factors were consistently and statistically significant predictors of unethical business across the three groups in this study. The group situation appears to have effect on the individual contribution to unethical business.

The research of Sefa Hayibor and David M. Wasieleski (2009) examines one major moderator of the ethical decision-making process – moral intensity. In particular, they explore the potential influence of a particular cognitive heuristic – the availability heuristic – on perceptions of moral intensity. In this article, they present propositions concerning possible relationships between the availabilities of various phenomena and the components that moral intensity comprises, and report on two studies examining the effects of availabilities on two of these components: magnitude of consequences and social consensus. Study one surveyed 41 undergraduate business students enrolled in a required business ethics course at a university in Western Pennsylvania. Students ranged in age from 19 to 25, with an average age of 21. The sample was 48% female and 52% male. The second study, subjects were 75 undergraduate commerce students enrolled in either an elective business ethics course or a required organizational behavior course at a Canadian university. The sample was 49% female and 51% male. About 89% of the sample was aged 18–25. The findings indicated that the availability of consequences associated with an act was positively related to perceptions of the magnitude of consequences of that act. They also found that the availability of others who believe that a particular act is morally acceptable is positively related to perceptions of social consensus then that act is morally acceptable. Their results suggested the possibility that perceptions of moral intensity can be actively influenced to reduce unethical behavior in organizations.

Cynthia Stohl, Michael Stohl and Lucy Popova (2009) in their study suggested that Codes of Ethics will become commonplace and include greater consideration of global issues. Their study explored the degree to which the Codes of Ethics of 157 corporations on the Global 500 and/or Fortune 500 lists include the “third generation” of corporate social responsibility. Unlike first generation ethics, which focus on the legal context of corporate behavior, and second generation ethics, which locate responsibility to groups directly associated with the corporation, third generation ethics transcend both the profit motive and the immediate corporate environment. Third generation ethics are grounded in responsibilities to the larger interconnected environment. The results of the study suggested convergence, insofar as Codes of Ethics are becoming standard communication features of corporations across region and industrial sector but still manifest a primary concern with profits and those behaviors
which are mandated by law. Only corporations headquartered in the European Union demonstrate a significant degree of global consciousness and reflexivity. However, there is some evidence that third generation ethics and thinking are becoming part of the corporate landscape. More than three quarters of the corporations made at least some reference to third generation ethics.

Noel Y. M. Siu and Kit-Chun Joanna Lam (2009) in their study provide a comparison of the ethical perceptions of managers and non-managers, including professionals, teachers, sales persons and clerks, as well as technical and plant workers. Data of working individuals were collected in Hong Kong in the form of questionnaires which contain vignettes of questionable ethical issues. Factor analysis was used to identify the major ethical dimensions which were then used as the basis of comparison. Regression analyses were used to study the effect of various variables on ethical perceptions in terms of the identified dimensions. Their study reviewed that managers tend to possess deontological views that are more ethical than that found in other occupations. The gap between managers and professionals in perceiving unethical behavior is narrower compared to that between the former and individuals in other occupations. The acceptability of unethical behavior tends to decline with income. Besides, there are indications that people working in non-profit organizations tend to have higher ethical standards. Based on their results, recommendations are made to improve the ethical culture of organizations.

Cubie L. L. Lau (2010) in his study inferred that Ethics education matters! Contrary to some common beliefs that ethical behavior is inborn, his study suggests that education does matter. His paper examines ethics education and its relationship with students’ ethical awareness and moral reasoning. To assess the attitudes towards Business Ethics, a Questionnaire containing 10 vignettes were deployed as the major measurement instrument. It was hypothesized that students with ethics education will have both a greater ethical awareness and ability to make more ethical decisions. Hypotheses were tested in two undergraduate business courses at a major research university where 707 students were sampled. Results suggested that ethics education improved students’ ethical awareness and moral reasoning.

Joaqui’n Camps and Antonio Majocchi (2010) describe that in the wake of corporate ethical scandals that have harmed millions of employees and investors, there has been an increase in the number of works written in the last decade, which aim to answer one apparently simple question: what causes unethical behavior, and what can we do, if anything, to prevent similar transgressions in the future? Their study aims to take a further step toward
that goal. Much research has noted the impact of multiple aspects of organizational contexts on individuals’ ethical behavior. However, studies that analyze the impact of organizational learning capability (OLC) on employees’ ethical behavior are few and far between. This was the first aim of their study. The second centered on gaining a deeper understanding of the relationship between OLC and ethical behavior by analyzing the mediating role of employability and organizational commitment. They tested their hypotheses through a structural equation methodology applied to a sample of 641 workers from 166 Spanish consultancy firms and found a positive, direct relationship between OLC and employability, OLC and organizational commitment, employability and organizational commitment, and organizational commitment and ethical behavior.

Eileen Z. Taylor and Mary B. Curtis (2010) employed layers of workplace influence theory to guide their study of whistle blowing among public accounting audit seniors. Specifically, they examined professional commitment, organizational commitment versus colleague commitment (locus of commitment), and moral intensity of the unethical behavior on two measures of reporting intentions: likelihood of reporting and perseverance in reporting. They found that moral intensity relates to both reporting intention measures. In addition, while high levels of professional identity increase the likelihood that an auditor will initially report an observed violation, the auditor’s commitment to the organization drives perseverance in reporting. Results may assist organizations and researchers in their understanding of antecedents to whistle blowing as a form of corporate governance and of the effect of these antecedents on whistle blowing perseverance.

George N. Gotsis and Zoe Kortezi (2010) in their study aimed to contribute to a conceptualization of organizational politics that underscores the possibility of developing positive political behavior at the workplace. In this respect, they seek to provide a context of re-evaluating the normative foundations of organizational politics. Normative issues are critically discussed in the context of mainstream ethical theories that illuminate the interaction of ethics and political behavior. More specifically, they argued that a deontological framework is of particular importance for the proper management of negative political behavior, whereas a virtue-ethics context can be employed so as to foster positive political behavior at the workplace. Finally, the implications of this approach for organizational life and HRM processes and practices are taken into consideration.

Robert 5. Rubin, Erich C. Dierdorff, and Michael E, Brown (2010) stated in their study that despite sustained attention lo ethical leadership in organizations, scholarship remains
largely descriptive. Their study employs an empirical approach to examine the consequences of ethical leadership on leader promotability. From a sample of ninety-six managers from two independent organizations, they found that ethical leaders were increasingly likely to be rated by their superior as exhibiting potential to reach senior leadership positions. However, leaders who displayed increased ethical leadership were no more likely to be viewed as promotable in the near-term compared to those who displayed less ethical leadership. Their findings also show ethical culture and pressure to achieve results are important contextual factors that moderate the relationships between ethical leadership and leader promotability to senior leadership rules.

1.10.3 STUDIES RELATED TO RELATIONSHIP BETWEEN CORPORATE CULTURE AND WORK ETHICS

White, Louis P. and Rhodeback, Melanie J. (1992), attempts a cross-cultural analysis of ethical dilemmas in organization development. It is an empirical study involving two samples of business students one from US (sample size 118) and the other from Taiwan (sample size 267). The respondents evaluated eleven cases depicting potential ethical dilemmas. Multivariate analysis of variance revealed significant cultural differences in the perceptions of ethicality. US subjects provided higher ethicality ratings as compared to Taiwanese respondents. The results suggest the need for incorporation of cultural differences in a code of ethics for the profession and the need for cross-cultural ethics training for practitioners.

Ethical culture has been defined as a slice of the organizational culture that influences employee’s ethical behaviour through formal and informal organizational structures and systems (Trevino 1990). Trenivo and colleagues (Trenivo, Butterfield & Mc Cabe 1998) used both constructs to study the influence of the organization’s “ethical context” on ethics-related, attitudes and behaviours. They found that selected ethical climate and culture dimensions were nearly interchangeable in their ability to predict employee’s organizational commitment, but they found more differences when they looked at behaviour.

Lu, Lang-Chuan; Rose, Gregory M. and Blodgett, Jaffray G. (1999) conducted an exploratory research on effects of cultural dimension on ethical decision making in marketing. The results indicated that culture is an important determinant of ethical beliefs.

Damodar Suar and Rooplekha Khuntia (2004) in their study examined whether ethical climate influences managers’ unethical practices and work behaviour. The sample comprised of 340 middle-level executives from two private and two public sector companies.
Irrespective of the nature of the organization and the age of the managers, while a caring and professional climate reduced only the manipulative behaviours of managers, an individual-centered climate consistently fostered unethical practices of manipulation, cheating and violation of organizational norms. On work behaviour, a caring and professional climate was conductive for increasing managers’ performance, involvement, affective commitment, predominant intrinsic job satisfaction, extrinsic job satisfaction and taking initiatives; while an individual-centered climate was unfavourable for continuance commitment to the organization.

Klemm Verbos, Gerard Joseph A., Forshey Paul R., Harding Charles S., Miller Janice S. (2007) have discussed how authentic leaders display right behaviour and create reinforcing structures, processes and imbue organizational cultures with ethical values. They assert that authentic leadership best characterizes leaders of positive ethical organizations. The five key organizational processes through which authentic leaders weave ethical practices into an organization fabric are attraction-selection-attrition, socialization, reward systems, decision-making and organizational learning.

Cathy Driscoll and Margaaret McKee (2007) outline some of the connections between the literatures of organizational storytelling, spirituality in the workplace, organizational culture and authentic leadership. They suggest that leader storytelling that integrates a moral and spiritual component can transform an organizational culture so the members of the organization begin to feel connected to a larger community. They further discuss that leader role modeling in authentic storytelling is essential in developing an ethically and spiritually based organizational culture.

Tyler, T. et al. (2008) in their research paper titled “The ethical commitment to compliance: Building value-based cultures” argued for two connected prepositions. The first preposition is that employees will comply and act ethically if they view management as legitimate and see managerial policies congruent with their own moral values. Secondly, employees are most likely to believe that management is legitimate and management policy is moral when they believe that organizational procedures are fair. The authors support these prepositions with data drawn from two samples of American employees. The first sample is a large and random sample of American employees who completed questionnaires about their workplace attitudes and behaviours over the internet. For a subset of these employees, workplace behaviours were independently rated by their supervisors. The second sample was a smaller sample of corporate bankers drawn from a single multi-national corporation. These bankers
completed the questionnaires about their workplace attitudes and behaviours. The findings as supported by empirical research, particularly points to the importance of values as an antecedent of accepting values. It defines that procedural justice plays a significant role in shaping adherence to rules and that the same aspects of organizational procedures that promote the development of ethical values also lead employees to be productive and to engage in voluntary behaviour on behalf of the organization.

Wines William A. & Hamilton III J.B. (2009) define in their research paper titled “On Changing Cultures by Injecting New Ideologies: The Power of Stories” that ethical meltdown can be avoided by making significant culture change within the organization. Many large corporations, especially those in danger of legal and ethical catastrophes, need to undertake multiple initiatives to generate a new culture that manifests new values and new vocabularies. A cultural change can be accomplished by telling new and different stories within the corporation. Such changes are influenced by the ideological assumption within which the industry and society operates. Through this, managers are likely to create an ethical culture and empower employees to resist individual and organizational pressures to act unethically and illegally.

Cummings Judith (2009) states in her paper that companies of all sizes have concerns about employee dishonesty. The Institute for Corporate Productivity, USA reported in December 2008 that the economic downturn in 2008 has led to an upturn in workplace theft. She incorporates that creating a culture of ethical behaviour will be key to resolve such issues. When there is a culture of ethical behaviour then employees understand the expectation that the organization is placing on itself to conduct business honestly and fairly. Guidelines for creating a culture of ethical behaviour includes working with integrity, honest accounting, fair competition, reporting and retaliation etc in the organization.

Hema Bajaj (2009) examines the important role played by cultural factors in mergers and acquisitions. The case studied by them was of the acquisition of an private sector bank by a new private sector bank in early twenty first century. Purposeful sampling was used to interview the senior management and other employees across different levels of hierarchy from both banks. Analyzing the case of acquisitions of one bank by another, it examines the cultural issues that had the potential to arise when two alien cultures came together after commencement of the integration process. It was found that similarities/dissimilarities between two cultures were not analyzed before the decision of acquisition was taken. The study also found that as the two banks had very different cultures and needed high degree of
integration, threat of cultural conflict was very high. However, it was prevented by the management of the acquirer by following a proactive acculturation through the informal integration process.

The study 'HRD Practices and Organization Culture in India' done by Singh, A.K. (2009) examines the effect of HRD practices on organization culture of some leading private and public sector organizations in India. The total number of participants consisted of 214 management personnel, which was inclusive of managers and executives drawn from four major private and public sector organizations. The results showed that rewards (one of the HR practices) was strongly related with all variables of culture in public (with one exception) and private sector organizations. It also study revealed that the human resource development practices are a strong predictor of organizational culture both in private and public sector organizations in India.

Patel & Schaefer (2009) studied the impact of culture on ethical decision making from a Douglasian Cultural Theory (CT) perspective. Their aim was to show how CT can be used to explain the diversity and dynamicity of ethical beliefs and behaviours found in every social system, be it a corporation, a nation or even an individual. They introduced CT in the context of ethical decision making and then used it to discuss examples of business ethics in the Indian business context. They argue that the use of CT allows for a theoretically more sophisticated treatment of culture in ethical decision making and thus the avoidance of some common problems with existing cross-cultural studies of business ethics. They raise questions about the compatibility between management systems and processes created in one context and ethical behaviours in another.

Shamas-ur-Rehman Toor and George Ofori (2009) carried out an empirical investigation of ethical leadership in Singapore's construction industry. Senior executives – who were reputed as authentic leaders were interviewed in part one of the project and were asked to nominate senior level managers from their organizations, who were also perceived to be authentic and successful leaders within the organization. In order to seek ratings of managers on ethical leadership, Brown et al.'s (2005) developed scale was used. This scale comprises 10 items and has been validated in various studies. It was found that ethical leadership is positively and significantly associated with transformational leadership, transformational culture of organization, contingent reward dimension of transactional leadership, leader effectiveness, employee willingness to put in extra effort, and employee satisfaction with the leader. However, it was also found that ethical leadership bears no correlations with
transactional leadership. Also, it is negatively correlated with laissez-faire leadership and transactional culture of the organization. The findings also reveal that ethical leadership plays a mediating role in the relationship between employee outcomes and organizational culture.

Jay P. Mulki et. al., (2009) stated that leaders play a critical role in setting the tone for ethical climate in organizations. Their study identifies a type of leadership style that can help firms develop an ethical climate. Responses from 333 salespeople working for a North American subsidiary of an international pharmaceutical company were used to analyze the impact of instrumental leadership on ethical climate. They also examined the effect of ethical climate on effort, satisfaction with the supervisor, and job satisfaction. This empirical study shows that the directive leadership can help firms develop an ethical climate that may help firms achieve a higher business performance by way of increased employee satisfaction, job effort, and job performance.

Alexandre Ardichvili, James A. Mitchell and Douglas Jondle, (2009) had conducted a study to identify general characteristics attributed to ethical business cultures by executives from a variety of industries. Their research identified five clusters of characteristics: Mission and Values-Driven, Stakeholder Balance, Leadership Effectiveness, Process Integrity, and Long-term Perspective. They proposed that these characteristics be used as a foundation of a comprehensive model that can be engaged to influence operational practices in creating and sustaining an ethical business culture. Overall, 67 individuals participated in the study. They included 54 business executives, representing a wide range of industries, and 13 academicians. Data analysis included clustering of the 389 statements with a goal of generating a short list of major clusters and representative statements under each cluster. The five clusters that have emerged are: Mission and Value-Driven, Stakeholder Balance, Leadership Effectiveness, Process Integrity, and Long-Term Perspective.

1.11 GAPS IN CONTEMPORARY RESEARCH

In the media, compliance to ethics and ethical behaviour is increasingly portrayed as crucial for sustained success in today’s business world. Previous research has addressed the role of control systems as well as the impact of formal corporate ethics programmes and the crucial role of top management’s support for such programmes. Some of the previous studies deal with ‘individual factors’ that affect ethical behaviour in organizations. Personal characteristics such as age, gender, position, tenure, locus of control etc have been found to be related to ethical behaviour. Some other studies were concerned with ‘organizational
factors' such as leadership style, mission and values, HRD practices, story telling, behaviour of top managers, organizational culture and climate etc that affected ethical compliance in organizations.

It is clearly evident that several studies on ethics have emerged with inconsistent results as some indicate that individual factors have a significant impact on ethical behaviour whereas some other studies have found organizational factors to be more effective antecedents of ethical compliance. However, a few studies consider that both individual and organizational factors have a significant impact on ethics. Despite its proclaimed relevance, our empirically based knowledge of the predictors of ethical behaviour in organizations is still limited. The pragmatic question at this stage is that what are the predictors of ethical behaviour in an organization.

1.12 CONCLUDING REMARKS

Researchers and management practitioners have realized the importance of corporate culture. They argue that corporate culture plays a pervasive role in organizational life, therefore it has significant implications for managerial actions which includes ethical actions or behaviour also. However, to date, available research on ethical behaviour does not explicitly test that which dimensions of corporate culture contribute to ethical compliance and lead to ethical conduct in organizations. This denotes that corporate culture and its various dimensions deserve to be studied as determinants of ethical compliance of employees.

The present research purports to examine the relationship between corporate culture and work ethics. It further aims to develop our knowledge on corporate culture and its impact on ethical compliance in organizations.
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