

The Development and Validation of the Ethics Express Scale

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The Ethics Express scale was developed to help provide employers with a quick measure of a candidate’s attitude toward upholding high business standards and practices. Specifically, the scale helps measure the extent to which a candidate recognizes when he or she is faced with making a decision or exhibiting behavior that may break commonly held values while understanding the effects of violating these codes on an organization, oneself, and others.

DEVELOPMENT OF THE ETHICS EXPRESS SCALE

The 12-item Ethics Express scale was created by selecting assessment items from an 18-item validated measure of Business Ethics. Analyses were conducted to reduce the number of items in the original scale via an iterative process in which items with higher item-total scale correlations and higher correlations with managerial ratings were retained. The overall goal of this process was to maximize Express scale validity and reliability. Based on the results of these analyses, the 12-item Ethics Express scale was developed.

To simplify the Ethics Express scale for IVR administration, the response categories from the original scale were collapsed from six choices (Strongly Agree, Moderately Agree, Slightly Agree, Slightly Disagree, Moderately Disagree, Strongly Disagree) to a four-choice format (Strongly Agree, Slightly Agree, Slightly Disagree, Strongly Disagree) on the Express scale. Specifically, the slightly and moderately agree response options were collapsed to create the slightly agree option and the slightly and moderately disagree options were collapsed to create the slightly disagree option on the Express scale. The decision to collapse the response options in this way was made after analyses were completed comparing the distributions of the original scale and the Express scale. A sample of 12,770 retail candidates was used in the analysis which compared the skewness (degree of asymmetry in a distribution) and kurtosis (the relative peakedness or flatness of a distribution compared to the normal distribution) of the original and Express scale distributions. The results of the analysis, presented in Table 1, indicate that the two distributions are relatively similar.

Table 1. Comparison of Ethics Scale Distributions

Scale	Skewness	Kurtosis
Business Ethics (original scale)	- 0.40	0.02
Ethics Express	- 0.20	- 0.16

A correlation was also computed between the original measure and the Express scale to determine the degree of similarity between the scales. The resulting coefficient ($r = .94$) indicates the Ethics Express scale is comparable to the original measure.

Reliability Analysis

Cronbach’s coefficient alpha was computed in order to assess the internal consistency of the Ethics measures. Table 2 provides the alpha values for the original Business Ethics scale as well as the Express version of the scale. The Ethics Express scale produced an alpha reliability coefficient of .82, while the original scale reliability coefficient was .81. These results indicate that the internal consistency of the Ethics Express scale is similar to that of the original scale.

Table 2. Reliability of Ethics Measures

Scale	Sample N	# of Items	Alpha
Business Ethics (original scale)	12,770	18	.81
Ethics Express	12,770	12	.82

Equal Employment Opportunity Commission (EEOC) Compliance

The potential for the Ethics Express scale to adversely impact protected groups (i.e., racial minorities and women) was assessed using the Equal Employment Opportunity Commission's (EEOC's) four-fifths rule. This rule states that the proportion of protected group members that are successful in obtaining a given score must be at least 80% (4/5) of the proportion of non-protected group members obtaining the same score. The proportions of protected and non-protected groups reaching a percentile score of 20 on the Ethics Express scale were used as thresholds in the analysis. This scale standard is the recommended cut score set on the Ethics Express scale when used in the selection process. Results of the analysis, presented in Table 3, indicate that the Ethics Express scale does not adversely impact any protected group. That is, all of the passing rates of the protected groups are greater than 80% of the passing rates of the base groups. It is important to note, however, that these results must be considered preliminary due to the small sample of some protected group members. EEOC compliance will be periodically monitored and adjustments will be made to the scale standard to ensure compliance, if necessary.

Table 3. Ethics Express EEOC Analysis

Race	N	Percentage Successful	EEOC Ratio	Compliance Met?
White	2,769	89%		
African American	331	85%	.95	YES
Hispanic	149	91%	1.02	YES
Native American	4	100%	1.12	YES
Asian	72	89%	1.00	YES
Gender	N	Percentage Successful	EEOC Ratio	Compliance Met?
Male	3,095	84%		
Female	1,439	89%	1.06	YES

VALIDATION OF THE ETHICS EXPRESS SCALE

The validity of the Ethics Express scale was documented by two concurrent, criterion-related validation studies. The first study was conducted using 266 assistant managers at a national discount store chain. The second one was completed using a sample of 368 store managers at a clothing store chain.

Study 1: Validation of the Ethics Express Scale at a Discount Store Chain

Correlations were computed between assistant manager scores on the Ethics Express scale and district manager ratings of performance. Specifically, district managers were asked to rate assistant manager performance using a performance evaluation form. The form included 12 questions related to ethics in three categories of performance: Appearance and Professionalism, Work Ethic, and Management Orientation. District managers provided ratings using a five-point scale ranging from Always to Never. Specifically, district managers were asked to rate assistant manager performance on the following performance related to measures:

Appearance and Professionalism

- Does the assistant manager adhere to proper grooming and hygiene standards?
- Does the assistant manager dress appropriately for this position?
- Does the assistant manager consistently wear his/her name tag?

Work Ethic

- Would the other store employees describe the assistant manager as a hard worker?
- Does the assistant manager make productive use of his/her time?
- Does the assistant manager have a good record of being on time for work?

Management Orientation

- Does the assistant manager lead by example?
- Is the assistant manager perceived by store employees as fair?
- Does the assistant manager have a thorough understanding of the company's values, mission, and strategy?
- Does the assistant manager have a thorough understanding of the store's operations mission?
- Can others see the company's values and mission in the assistant manager in daily speech and action?
- Does the assistant manager demonstrate that his/her actions are aimed for the well being of each employee and the store?

The ratings within each dimension were also summed to provide an overall performance rating for each of the dimensions. Finally, an Overall Rating was developed to provide a measure of overall performance in the study. The Overall Rating dimension was derived by summing together all 12 of the district manager ratings.

The results of the analysis (Table 4) indicate that the Ethics Express scale was effective in predicting district manager ratings of performance in the sample. Significant correlations were found between the Ethics Express scale scores and district manager ratings of performance on all three of the overall rating dimensions (Appearance and Professionalism, Work Ethic, Management Orientation). Importantly, the Ethics Express scale also correlates significantly with the Overall Rating ($r = .19, p < .01$). These results indicate that high scorers on the Ethics Express scale are more likely to be seen by their supervisors as professional, responsible, dedicated, and value driven than low scorers on the scale.

Table 4. Correlations between Ethics Express Scale Scores and Performance Ratings

Performance Ratings	N	r
Proper grooming/hygiene?	266	.16*
Dress appropriately?	266	.12
Wear name tag?	266	.14*
Overall appearance and professionalism	266	.17**
Described as hard worker?	265	.11
Productive use of time?	264	.08
On time?	265	.17**
Overall work ethic	264	.13*
Lead by example?	264	.11
Perceived as fair?	266	.17**
Understands values and mission?	264	.21**
Understands store operations?	264	.16*
See values exhibited in action?	265	.15*
Actions linked to employee well being?	265	.17**
Overall management orientation	262	.19**
Overall Ratings	261	.19**

* $p < .05$, ** $p < .01$

Study 2: Validation of the Ethics Express Scale at a Clothing Store Chain

Correlations were computed between store manager scores on the Ethics Express scale and supervisor ratings of performance. Supervisors were asked to rate employee performance using an online performance evaluation form. The form included three categories of performance: work-related competencies, work-related behaviors, and overall performance. The first section of the online rating form included the following work-related competencies associated with business ethics.

Work-Related Competencies

Leadership/Management Skills – Inspires respect and trust, is a good role model for others, understands responsibilities, demonstrates integrity, empathy, positive actions and commitment. Motivates and trains associates to provide optimum customer service and sales performance.

Performance Management – Effectively leads, motivates, supports and develops team to reach optimum customer service and sales performance.

Knowledge of Business Finances – Demonstrates the ability to accurately calculate and interpret business metrics such as profit and loss figures, percentage of sales, and value of inventory.

Integrity – Behaves ethically when faced with the possibility of making a decision or doing something that may break laws or work policies, even when it would be easier not to.

Responsibility – Works hard to become skilled at performing tasks, and displays high standards of attendance, punctuality, and personal energy in approaching and completing tasks; can be counted on to meet deadlines and to be highly productive, even under difficult circumstances.

Decision Making – Demonstrates the capacity to make sound and timely decisions, even when data are limited, or when solutions produce unpleasant consequences; takes full responsibility for his/her work-related decisions; uses multiple sources of information when making decisions.

Interpersonal Sensitivity – Acts in a manner that indicates an understanding, and accurate interpretation, of the concerns, motives, feelings, strengths, and limitations of others; treats others in a courteous, considerate, and respectful way; is sensitive to the needs of others, and takes others' feelings into consideration.

Teamwork – Demonstrates the ability to work cooperatively and collaboratively and contribute ideas, suggestions, and effort to finding solutions that benefit all involved parties when part of a team; is open to other team members' ideas and opinions, and is supportive of team members and team decisions.

Supervisors provided ratings on the work-related competencies using a 6-point rating scale ranging from Poor Performance to Outstanding Performance.

The results of the analysis (Table 5) indicate that the Ethics Express scale was effective in predicting supervisor ratings of the competencies. Significant correlations were found between the Ethics Express scale scores and five of the work-related competencies including Leadership/Management Skills, Performance Management, Responsibility, Decision Making, and Teamwork. These results indicate that high scorers on the Ethics Express scale are more likely to be seen by their supervisors as professional, responsible, leadership driven, and team oriented than low scorers on the scale.

It should be noted that while the low correlation between the Ethics Express scale and supervisory ratings of integrity seems counterintuitive, it appears that correlation may be suppressed. An analysis of the criterion measures indicate that the employees were rated consistently high on this competency as indicated by a low standard deviation (.84) and high mean rating (5.21 on the 6-point rating scale). Such a distribution of ratings might reasonably be expected in the study sample of current store managers who, as a group, presumably exhibit levels of integrity at least sufficient to remain employed. However, because correlations assume a normal distribution, this likely had the impact of reducing the correlation coefficient.

Table 5. Correlations between Ethics Express Scale Scores and Work-Related Competency Ratings

Competency Ratings	N	r
Leadership/Management Skills	368	.18**
Performance Management	368	.19**
Knowledge of Business Finances	368	.09
Integrity	368	.10
Responsibility	368	.14*
Decision Making	368	.24**
Interpersonal Sensitivity	368	.10
Teamwork	368	.18**

Correlations were corrected for unreliability of the ratings and scale restriction of range.

* $p < .05$, ** $p < .01$

The second section of the online rating form asked supervisors to rate the managers on several work-related behaviors. The following work-related behaviors associated with business ethics were included on the evaluation form.

Work-Related Behaviors

- How often does this associate reach his/her goals at work? (5-point rating scale ranging from Never to Very Often)
- How often does this associate react positively to being supervised? (5-point rating scale ranging from Never to Very Often)
- How often does this associate complete work assignments in a careful manner? (5-point rating scale ranging from Never to Very Often)
- How often does this associate work effectively with other people at work? (5-point rating scale ranging from Never to Very Often)
- How often does this associate produce high quality work? (5-point rating scale ranging from Never to Very Often)
- How often does this associate represent the organization favorably to others? (5-point rating scale ranging from Never to Very Often)
- How often does this associate get ready to begin working immediately after arriving at work? (5-point rating scale ranging from Never to Very Often)
- How often has this associate become someone you can depend on to get the job done right? (5-point rating scale ranging from Never to Very Often)
- Would you say that this associate fits in well with the organization's culture? (5-point rating scale ranging from Definitely No to Definitely Yes)
- Would you say that this associate has the competencies needed to be successful in his or her position? (5-point rating scale ranging from Definitely No to Definitely Yes)
- Would you say that this associate is a self-directed, independent worker? (5-point rating scale ranging from Definitely No to Definitely Yes)
- Would you say that this associate is going to stay employed with the organization for a long time? (5-point rating scale ranging from Definitely No to Definitely Yes)
- Would you say that this associate has what it takes to be successful in the organization in the long run? (5-point rating scale ranging from Definitely No to Definitely Yes)
- How productive is this associate at work? (5-point rating scale ranging from Not at all to Extremely)
- How skilled is this associate at solving work-related problems? (5-point rating scale ranging from Not at All to Extremely)

The results of the correlation analysis between Ethics Express scale scores and the work-related behavior ratings are presented in Table 6. It should be noted that for the analyses the rating scale was recoded, where necessary, so that positive behaviors were associated with higher ratings. As a result, positive relationships with the Ethics Express scale scores are consistent with more desirable behaviors.

The results of the analysis indicate that the Ethics Express scale was effective in predicting supervisor ratings of the work-related behaviors in the sample. Specifically, significant correlations were found between the Ethics Express scale scores and nine of the work-related behaviors (60%).

Table 6. Correlations between Ethics Express Scale Scores and Work-Related Behavior Ratings

Behavioral Ratings	N	r
Reaches work goals	368	.14*
Reacts positively to supervision	368	.07
Completes work assignments	368	.08
Works effectively with others	368	.16**
Produces high quality work	368	.16**
Represents the organization favorably	368	.13*
Begins working immediately after arriving	368	.10
Can be depended on to get job done right	368	.24**
Fits in well with organization's culture	368	.17**
Possesses competencies necessary for success	368	.09
Is a self-directed, independent worker	368	.09
Will stay employed for a long time	368	.20**
Has what it takes to be successful in the long run	368	.13*
Productivity	368	.09
Problem solving skills	368	.13*

Correlations were corrected for unreliability of the ratings and scale restriction of range.

* $p < .05$, ** $p < .01$

The final section of the online rating form asked supervisors to provide ratings of the managers overall performance on the job using the following questions.

Overall Performance

- Overall, how effectively does this associate complete the required aspects of his or her job? (5-point rating scale ranging from Not at All to Extremely)
- Overall, how often does this associate do things at work that are not required but have a positive effect on others or the organization? (5-point rating scale ranging from Never to Very Often)
- How would you rate the overall quality of this associate's job performance? (5-point rating scale ranging from Poor to Outstanding)
- How would you rate the overall quantity of this associate's job performance? (5-point rating scale ranging from Poor to Outstanding)
- How would you rate this associate's total job performance? (5-point rating scale ranging from Poor to Outstanding)

The results of the correlation analysis between Ethics Express scale scores and the overall performance ratings are presented in Table 7. The results indicate that the Ethics Express scale was effective in predicting supervisor ratings of overall performance in the sample. Significant correlations were found between the Ethics Express scale scores and all of the overall performance ratings. These results indicate that high scorers on the Ethics Express scale are more likely to demonstrate attitudes and behaviors that are associated with high performance on the job.

Table 7. Correlations between Ethics Express Scale Scores and Overall Performance Ratings

Performance Ratings	N	r
Effectively completes required aspects of job	368	.13*
Going beyond what is required	368	.13*
Overall performance quality	368	.12*
Overall performance quantity	368	.13*
Total job performance	368	.14*

Correlations were corrected for unreliability of the ratings and scale restriction of range.

* $p < .05$

CONCLUSION

The results described above indicate that high scorers on the Ethics Express scale are more likely to demonstrate attitudes and behaviors that are associated with high business standards and practices on the job. The combination of significant validity coefficients, acceptable reliability, and freedom from adverse impact indicates that the Ethics Express scale can serve as a valuable screening tool in the selection process.