

**SUPERVISORS' SELF-PERCEIVED SOCIAL CLASS AND ETHICS:  
A Cross-Cultural Analysis****Chung-wen Chen**Department of Business Administration  
National Taiwan University of Science and Technology  
[freemanc@hotmail.com](mailto:freemanc@hotmail.com)**John B. Cullen**Department of Management, Information Systems, and Entrepreneurship  
Washington State University  
[cullenj@wsu.edu](mailto:cullenj@wsu.edu)**ABSTRACT**

*We employed Robert Merton's anomie theory to examine supervisors' ethics. We examined whether supervisors with a lower self-perceived social class are more likely to justify ethically suspect behaviors than are those with a higher self-perceived social class and whether cultural values influence this individual-level association. The results did not show that supervisors' self-perceived social class is able to predict their ethics. However, supervisors' self-perception of social class could explain their ethics under the influences of cultural values, and the statistical report indicated that assertiveness, in-group collectivism, future orientation, humane orientation and the importance of the economy exert a moderating effect on the individual-level relationship between supervisors' self-perceived social class and ethics. The sample contained 11,728 supervisors from 28 countries.*

**Keywords:** supervisor, social class, ethics, cultural values, anomie theory

**1. INTRODUCTION**

Business ethics has continued to gain increasing attention from academic researchers and practitioners in the business world. Among empirical studies in ethics, research papers focused on the management of firms have also increased steadily (Siu & Lam, 2009). This phenomenon might be attributable to increasing business scandals associated with managers (Siu & Lam, 2009), who are viewed as carrying the expectations and anticipated norms of a firm (Ruiz-Palomino & Martinez-Cañas, 2011), which can influence employer behaviors (Brown & Treviño, 2006) and eventually firm outcome (Ibrahim, Angelidis, & Tomic, 2009).

However, what factors contribute to the unethical or unlawful behaviors of firm managers or supervisors? Alternatively, why do some managers or supervisors engage in deviance whereas others do not? Researchers have found determinants affecting people's ethical decision-making, such as decision style (Guidice, Alder, & Phelan, 2008) and religion (Fernando & Chowdhury, 2010), which are factors at the individual level, and organizational culture (Forte, 2004) and subjective norms (Reynolds, 2006), which are factors at the organizational level. However, scholars have seemingly ignored the effect of people's social background and environment on their ethics.

To address this research gap, this study adopted Merton's (1968) anomie theory to analyze supervisors' ethics. According to anomie theory, people's deviant behavior is determined by their social class and cultural contexts. Therefore, the primary purpose of this study was to use firm supervisors as the research subjects and examine whether firm supervisors' self-perceived social class predicts their ethical reasoning, and whether this individual-level association is influenced by cultural values. The individual-level data of the study was obtained from the latest wave (2010–2014) of the World Values Survey (WVS), and the final samples contained 11,728 subjects from 28 countries.

**2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT****2.1. Ethics and its determinants**

A person's ethics are associated with his or her moral principles, which guide ethical reasoning, judgment, and eventually behavior. Ethics are crucial to a firm's employer; however, it is more crucial to a firm's supervisors, because they bear the responsibility of establishing an ethical standard for the firm and have the power to

influence the organization's culture (Clinard, 1983; Posner & Schmidt, 1992). Pastoriza and Ariño (2013) indicated that the ethical leadership of supervisors is positively associated with a firm's social capital; Toor and Ofori (2009) also found that ethical leadership can increase employee's willingness to exert additional efforts. Collecting data from China, Miao, Newman, Yu, and Xu (2013) showed that ethical leadership and workers' unethical proorganizational behavior has an inverted U-shape relationship. Moreover, research has also indicated that ethical leadership can affect the willingness of organizational members to report problems (Bhal & Dadhich, 2011), deviant behavior at work and turnover intention (Avey, Palanski, & Walumbwa, 2011), and job satisfaction and organizational commitment (Ruiz, Ruiz, & Martínez, 2011).

The factors determining people's ethics can be from the individual level and from the organizational level. O'Fallon and Butterfield (2005) and Craft (2013) conducted extensive reviews of the decision-making literature during the 1996–2003 and 2004–2011 periods, respectively. They found that diverse factors influence peoples' morals. For instance, both papers showed that individual-level factors including age, gender, nationality, value orientation, education, employment, and work experience, and organizational-level factors containing organizational culture, organizational size, and rewards and sanctions can exert an effect on behaviors related to ethics. Other variables associated with ethics were discussed in these two studies.

## 2.2. The Development of Anomie Theory

Anomie theory is an influential sociological theory; it has three stages of development and has been gradually introduced in management. Durkheim (1897, 1966) is considered the founder of anomie theory; in his insightful work, *Suicide*, he asserted that the causes of deviant behavior are at the societal level rather than at the personal level, contrasting with the traditional opinion. He contended that social changes associated with technological advancement or economic changes weaken conventional social controls that are based on family and social relationships; these social changes lead to the disappearance of existing social norms, or anomie, and the result is increasing deviant behaviors.

Following Durkheim's anomie concept, Merton (1968) further illustrated that for certain societies, being anomic can be a persistent situation. Merton noticed the pressure for deviance is from cultural values and social structures. He suggested that anomie is the result of a society that overly emphasizes cultural values, particularly monetary values, while ignoring the legitimacy of the means to reach socially desired ends; under the pressure of cultural values, people consider technical expediency as the first priority to attain goals. Merton also observed that access to legal means to accomplish goals is unequally distributed; certain societal members who are from a lower social class because they lack sufficient economic resources and education, are blocked from legitimate methods to reach their goals. Consequently, they are more likely to engage in deviant behaviors.

At the third stage, contemporary anomie theorists advanced the original anomie theory into institutional anomie theory (IAT; Messner & Rosenfeld, 2001; Rosenfeld & Messner, 1997). They identified four cultural values (achievement, individualism, universalism, and pecuniary materialism) and four social institutions (economy, polity, family, and education) that influence a person's egoistic thinking. Anomie theorists did not consider the effect of social stratification on deviance as Merton did, and they argued that anomie is the result of economic power that dominates or penetrates noneconomic institutions.

Although anomie theory has existed in sociology for a long time, it is new in managerial research. In 2004, anomie theory was introduced into the research of management by Cullen et al., who examined the influences of cultural values and social institutions on managers' ethics; they found that the country-level variables of universalism, pecuniary materialism, degree of industrialization, family and education can predict managers' ethics. In 2007, Martin et al. extended the application of anomie theory to predict a firm's bribing behavior; the results showed that at the firm level, financial constraints and competitive intensity are associated with a firm's bribing activity; at the country level, in-group collectivism, welfare socialism and political constraints are related to firm's bribery. In addition to theory-expansion and theory-testing research (e.g., Chen, 2014; Martin, Johnson, & Cullen, 2009), anomie theory has also been used in predicting firms' anomic behaviors (Johnson, Martin, & Saini, 2011), innovation activities (Nam, Parboteeah, Cullen, & Johnson, 2014) and entrepreneurship activity at the national level (Cullen, Johnson, & Parboteeah, 2014).

From Merton's perspective, people's anomic pressure is associated with their cultural values and class structure. Whereas cultural values exist at the national level, class structure exists at the individual level. To gain enhanced understanding of supervisors' ethics, this study examined both the individual-level association between supervisors' class structure and ethics and the cross-level interacting effects of cultural values and social class on ethics.

Similar to the studies of Chen (2014) and Cullen et al. (2004), the dependent variable of this paper was termed “willingness to justify ethically suspect behaviors.” Although willingness to justify ethically suspect behaviors is not equal to conducting such behaviors, it is the antecedent of conducting such behaviors. Hence, it can be viewed as accepting or supporting these behaviors (Szwajkowski, 1992), which therefore fits the framework of anomie theory.

### 2.3. Individual-level Main Effect

A person’s social class represents the resources and opportunities to which he or she has access to advance in society. The higher the social class of a person is, the greater is his or her chance to reach desired social goals. Merton (1968) considered that people from a lower social class have limited access to legitimate methods of accomplishing goals, and therefore, are more likely to engage in deviant behaviors than those from a higher social class. Chen (2014) used Merton’s perspective to argue that workers are more likely than managers to engage in deviance to accomplish desired goals because they lack sufficient economic resources and educational background to do so legitimately, and statistical results support this argument.

As to self-perceived social class, it refers to “the individual’s perception of his own position in the status hierarchy” (Jackman & Jackman, 1973: 569). From the perspective of anomie theory, self-perceived social class reflects a person’s subjective estimation and evaluation of the legitimate approaches to which they have access to achieve desired social goals. However, people’s objective social class is not equal to their subjective social class (Jackman & Jackman, 1973). In other words, not all supervisors have similar access to legitimate means to accomplish desired goals, given the fact that supervisors occupy a higher position in a firm. In other words, some supervisors might have more or greater opportunities to reach desired social goals (e.g., being richer or having a higher social status) because they have better education or more economic resources; thus, they are less likely to resort to illegal to accomplish desired goals. Conversely, from the perspective of anomie theory, supervisors who consider themselves to be from a lower social class are more likely to resort to illegal methods because they lack sufficient opportunities to accomplish goals legitimately.

**Hypothesis 1.** Supervisors with a lower self-perceived social class have a stronger willingness to justify ethically suspect behaviors than do supervisors with a higher self-perceived social class.

### 2.4. Cross-level Moderating Effects

Hofstede (1980, p. 9) defined culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another,” and it also represents the characteristics of a group’s reaction to their environment. Based on anomie theory, people’s deviant behavior is decided not only by their social class, particularly for those from lower social strata, but also by their cultural contexts (Merton, 1968). In other words, cultural values influence people’s ethical reasoning (Cullen et al., 2004) and the effect is more salient for people at lower social stratification than for people at higher stratification. In the next section, the hypotheses for the moderating effect were discussed.

The cultural dimension of assertiveness is defined as “the degree to which individuals are assertive, confrontational, and aggressive in their relationship with others” (Javidan, Dorfman, Sully, & House, 2006, p. 69). This cultural value is associated with Hofstede’s culture dimension of masculinity and femininity (Brock, Shenkar, Shoham, & Siscovick, 2008), which focuses on material success. In societies with lower assertiveness, people tend to value cooperation, emphasize relationships among people, and value who a person is rather what a person does (Den Hartog, 2004). However, societies scoring high on assertiveness stress competition and performance, value success and progress, and emphasize results over interpersonal relationships (Den Hartog, 2004).

According to anomie theory, the cultural value of assertiveness emphasizes the importance of monetary accomplishment and causes people to focus on the results only. People could thus ignore the influences of their behaviors to other individuals. In other words, the cultural value of assertiveness exerts anomic pressure on supervisors, particularly those with a lower self-perceived social class. They are thus more likely to engage in deviance under cultural influence. We have proposed that supervisors with a lower self-perceived social class are more deviant than those with a higher self-perceived social class; under the influence of assertiveness, the association is reinforced.

**Hypothesis 2.** As assertiveness increases, the positive relationship between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors also increases.

The cultural dimension of in-group collectivism is associated with the relationships among people in a group. In a society scoring low on collectivism, the ties among societal members are loose, and the prime orientation for people is to the self rather than to the group (Trompenaars & Hampden-Turner, 1998). Because such societies encourage people to separate from the group, people tend to make egoistic decisions (Cullen et al., 2004). Gelfand, Bhawuk, Nishii, and Bechtold (2004) asserted that people from societies that favor collectivism are integrated strongly into groups, such as participating in group activities and emphasizing relatedness with others. In addition, in societies with high collectivism, personal goals are subject to the goals of society and people's behaviors are related to sharing, cooperation, and group harmony (Parboteeah, Addae, & Cullen, 2012). To avoid destroying group cohesion, people from high collectivism societies tend not to engage in illegal activities (Chen, 2014).

The cultural dimension of future orientation refers to the valuation of long-term consequences over short-term satisfaction (Fu et al., 2004) and is defined as "the degree to which individuals in organizations or societies engage in future-oriented behaviors such as planning, investing in the future, and delaying individual or collective gratification" (House, Javidan, & Dorfman, 2001, p. 495). In societies that score lower on future orientation, people tend to be more risk-oriented (Fu et al., 2004) and, according to Ashkanasy, Gupta, Mayfield and Trevor-Roberts (2004), prefer to spend now rather than save for the future and place higher priority on instant rewards. By contrast, people from societies with higher future orientation focus on long-term success and are more flexible (Ashkanasy et al., 2004); they pay more attention to developing and building relationships (Fu et al., 2004). Consequently, societal members from the context of high future orientation emphasize the results of their behaviors to other people, reducing the opportunity for them to engage in deviant behaviors.

The cultural dimension of humane orientation is related to friendliness, generosity, tolerance of mistakes, and showing concern for and sensitivity toward others (Kabasakal & Bodur, 2004). Humane orientation is defined as "the degree to which a culture's people are fair, altruistic, generous, caring and kind toward others" (Javidan, Stahl, Brodbeck, & Wilderom, 2005, p. 62). This cultural value is similar to Hofstede's (2001) femininity dimension, which does not focus on material success. Kabasakal and Bodur (2004) indicated that in low humane orientation societies, self-interest is crucial and the motivations of people are power and material possessions, whereas people from high humane orientation societies view others as valuable and people provide social support to each other. Because a high humane orientation culture is less materialistic and encourages people to offer mutual support in the environment, people have less anomic pressure to be deviant. Consequently, people are less likely to engage in illegal behaviors.

The cultural values of in-group collectivism, future orientation, and humane orientation are all associated with building relationships with societal members and providing mutual support. From the perspective of anomie theory, these cultural dimensions tend to reduce the anomic pressure for people in the environment to be unethical. Societal members are able to receive more assistance and help from other people, and the use of illegal methods to achieve socially desired outcomes is thus less likely to occur. Conversely, because close interpersonal relationships are crucial in the context, individuals must pay attention to the consequences of their behaviors, reducing the occurrence of deviance. For supervisors with a lower self-perceived social class, anomic pressure decreases under these cultural influences, because more assistance is available. Hence, under the influence of in-group collectivism, future orientation, and humane orientation, the original positive association between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors decreases.

**Hypothesis 3.** As in-group collectivism increases, the positive relationship between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors decreases.

**Hypothesis 4.** As future orientation increases, the positive relationship between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors decreases.

**Hypothesis 5.** As humane orientation increases, the positive relationship between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors decreases.

A country's economy is composed of diversified activities for producing and distributing goods and services, and its primary purpose is to satisfy the needs for human existence (Messner & Rosenfeld, 2001). The more essential the economy is in a nation, the more likely the people of the country are to consider economic accomplishment as crucial. According to modern anomie theorists (Messner & Rosenfeld, 2001; Rosenfeld & Messner, 1997), when the economy dominates peoples' lives, traditional controls, such as the family, break

down. That is, the emphasis on the economy of a society would lead the societal members focus on the economic results and ignore the consequences to other individuals.

From Merton's perspective, the emphasis of economic achievement exerts anomie pressure on societal members, including supervisors, particularly those with a lower self-perceived social class because they consider themselves as having insufficient access to legitimate means to accomplish desired goals. Consequently, for supervisors with a lower self-perceived social class, engaging in deviance or resorting to illegal methods to reach desired social goals becomes a viable option. As the economy becomes more critical, supervisors with a lower self-perceived social class are even more likely to be deviant than those with a higher self-perceived social class.

**Hypothesis 6.** As the importance of the economy increases, the positive relationship between supervisors with a lower self-perceived social class and willingness to justify ethically suspect behaviors also increases.

### 3. METHODS

#### 3.1. Sample

The individual-level data of this study were obtained from the latest wave of the WVS (Wave 6, 2010–2012). The surveys were originally conducted in Europe, followed by the rest of the world. The primary purpose of the WVS is to assist scientists and policymakers in clarifying the changes in the beliefs, values, and motivations of people worldwide. The World Bank has conducted the survey six times since 1981 and in nearly 100 nations, covering nearly 90% of the world's population. The sixth wave of the WVS included 57 nations and more than 85,000 respondents.

The WVS data were collected through face-to-face interviews. The surveys were performed by social scientists; each nation and wave had a principal investigator for collecting data in his or her country. Standardized English questionnaires were used and translated into local languages. The randomly selected participants were required to be 18 years old or older and each country was required to have a minimal number of 1,000 subjects for the data-collecting process. Additional information regarding the procedure can be found on the WVS website (<http://www.worldvaluessurvey.org>).

The country samples selected in this research were based on the availability of the individual-level dependent variable and the cultural measures at the national level. Because certain countries neither offer the value of the dependent variable of interest nor have the corresponding measures of cultural values, the final country number of this paper was reduced from the original 57 to 28. The final sample contained 11,728 supervisors; among them, approximately 40% were women. More information regarding the sample distribution is shown in Table 1.

-----  
Insert Table 1 about here  
-----

#### 3.2. Dependent variable: Willingness to justify ethically suspect behaviors

The sixth wave of the WVS posed several questions for supervisors to express the degree to which they were willing to justify behaviors that are ethically questionable. Referring to Cullen et al. (2004), the dependent variable of this paper was composed of 5 items, including "Claiming government benefits to which you are not entitled," "Avoiding a fare on public transport," "Stealing property," "Cheating on taxes if you have a chance," and "Someone accepting a bribe in the course of their duties." Responses were scored on a scale from 1 to 10, with 1 indicating *never justifiable* and 10 indicating *always justifiable*. The alpha for the measure was 0.827.

#### 3.3. Individual-level independent variable: Self-perceived social class

Self-perceived social class was the individual-level independent variable of this research. The WVS asked participants which of five classes they belong to. The five classes were upper class, upper-middle class, lower-middle class, working class, and lower class; the lower the class, the higher the number the participants selected. Among the 11,728 supervisors, the five classes, in the order mentioned previously, occupied 2.3%, 28.7%, 39.5%, 24.3%, and 5.2% of the total population.

#### 3.4. Country-level moderators: Cultural values

The country-level moderator in this study was cultural values, comprising assertiveness, in-group collectivism, future orientation, humane orientation, and the importance of the economy. The last variable was formed from Merton's anomie perspective, whereas the other four cultural dimensions were derived from the Global

Leadership and Organizational Behavior Effectiveness (GLOBE) study (House, Hanges, Javidan, Dorfman, & Gupta, 2004). The cultural measures of the GLOBE study can be divided into cultural values and cultural practices; whereas cultural values represent “how things should go” in a society, cultural practices reflect “how things are going” in a group. This study used cultural values as the moderators because they are considered the dominating research method in the field (Shteynberg, Gelfand, & Kim, 2009) and they more fitted with the measure of the WVS dependent variable used in the study.

The variable, the importance of the economy, is associated with Merton’s anomie concept. Merton (1968) argued that cultural values that are related to economy tend to create anomic pressure. Therefore, this study measured the importance of the economy in a nation to represent the status that the economy occupies in the group. WVS asked participants whether the environment or economic growth should be prioritized in their country. The importance of the economy was based on the percentage of participants considering economic growth as the top priority.

### 3.5. Control variables

The sixth wave of the WVS contained several measures at the individual level that were determined in previous studies (e.g., Chen, 2013; Cullen et al., 2004) to be associated with the dependent variable of the research. The analysis therefore included them as the control variables. These included gender (male = 1; female = 0), age, marital status (married = 1; other = 0), education (1–9), income level (1–10), and religiosity (religious-activity attendance).

### 3.6. Analysis techniques: Hierarchical linear modeling

Because the variables of this study were derived from both the individual level and the country level, we used the hierarchical linear modeling (HLM; Bryk & Raudenbush, 1992) approach to conduct the data analysis to form a suitable selection. HLM avoids sample dependence situations that the traditional ordinary least squares regression method encounters, and tests hypotheses at various levels simultaneously (Peterson, Arregle, & Martin, 2012). Although the first hypothesis testing in the study involved only individual-level data, we adopted the HLM method to remove the country-level effect and thus obtain an enhanced statistical result. Regarding the hypothesis testing of cross-level moderating effects, we used the slope-as-outcome model for the data analysis and the group-centering method, which is able to produce an unbiased within-group level estimate (Hofmann & Gavin, 1998). In addition, we employed multiple regression analysis for multicollinearity diagnostics; the VIF (variance inflation factors) were less than 10, suggesting no multicollinearity issue (Studenmund, 1992).

## 4. RESULTS

Tables 1 and 2 present the sample description and correlations among the variables from individual and country levels. When conducting the correlation calculations, to ensure an equal contribution of each nation, the data were counterweighted by the sample size of each nation; the correlations among country-level variables were the same as those for the 28 nations before weighting. The correlation-counting approach has also been observed in other studies (e.g., Martin, Cullen, Johnson, & Parboteeah, 2007). Table 3 shows the HLM analytical outcomes for the main effect and the cross-level interacting effects. In addition, Figure 1 presents five plots of cross-level interactions. All the variables were standardized before plotting.

-----  
Insert Table 2 and Table 3 here  
-----

In the first hypothesis, we proposed that supervisors from a lower social class are more likely to justify ethically suspect behaviors than are those from a higher social class; however, the statistical result did not support this argument. For Hypothesis 2, we suggested that assertiveness enhances the positive association between social class and ethics, and the HLM analysis supported this hypothesis ( $\gamma_{11} = 0.05, p < .01$ ). As shown in Figure 1a, the slope between social class and ethics steepened at high assertiveness (from 0.018 to 0.061). Regarding Hypotheses 3 to 5, we argued that in-group collectivism, future orientation, and humane orientation decrease the positive social-class–ethics association. Although the analytical results were significant for the three hypotheses, the hypotheses for future orientation ( $\gamma_{13} = -0.14, p < .05$ ) and humane orientation ( $\gamma_{14} = -.30, p < .001$ ) were supported; the hypothesis for in-group collectivism was significant in the opposite direction. Figures 1c and 1d show that the positive slope between social class and ethics flattened at high future orientation (from 0.068 to 0.01) and humane orientation (from 0.08 to -0.001), respectively. By contrast, Figure 1b shows that the slope for the individual-level association between social class and ethics strengthened at high in-group collectivism (from 0.008 to 0.071). Similarly to Hypothesis 2, Hypothesis 6 ( $\gamma_{15} = .01, p < .001$ ), that the importance of the

economy exerts a significant positive moderating effect on the social-class–ethics association, was supported; Figure 1e shows that the greater the importance of the economy, the steeper the slope (from -0.007 to 0.086) for the relationship between social class and ethics.

For the six control variables, the results were consistent; age, marital status, and education were significantly negatively related to willingness to justify ethically suspect behaviors in Models 1 and 2. Regarding gender, income level, and religiosity, the results for the data analysis were nonsignificant in both models.

-----  
Insert Figure 1a to Figure 1e here  
-----

## 5. DISCUSSIONS

This study examined supervisors' ethics by using Merton's anomie theory. We proposed that supervisors' social class is related to their willingness to justify ethically suspect behaviors, and that cultural values moderate the aforementioned individual-level relationship. The paper makes two major contributions to management research. First, the study proved that not only people's objective social class can be applied in Merton's anomie theory; their subjective social class can also be used in the framework of the theory. Second, the statistical report showed that single-level analysis is unable to provide sufficient information regarding human behaviors; the results confirmed that Merton's argument that "it is the *combination* of the cultural emphasis and the social structure which produces intense pressure for the deviation" (Merton, 1968, p. 199).

Four of the six hypotheses were supported in the study. The statistical result for the individual-level hypothesis proposing that supervisors with a lower self-perceived social class are more likely to be deviant than are those with a higher self-perceived social class was not supported. However, five cultural values exerted significant moderating effects on the perceived social-class–ethics relationship, showing that human behavior is complex and cannot be determined by only one level factor. As proposed, assertiveness and the importance of the economy increased the positive individual-level association and future orientation, whereas humane orientation decreased the same association.

The HLM result for in-group collectivism was unexpected. Contrary to the original hypothesis, cultural value enhanced the positive association between perceived social class and ethics. One possible explanation is that in-group collectivism cultural value focuses on strong family ties (Brewer & Venaik, 2011); people thus express pride, loyalty, and cohesiveness only to family members. Hence, when competing with people outside the family circle, people still face anomic pressure to be deviant, particularly for those with a lower self-perceived social class.

The results of this study have crucial implications for firms. The statistical outcomes showed that with high cultural values of assertiveness, in-group collectivism, and importance of the economy, supervisors with a lower self-perceived social class become more unethical than those with a higher self-perceived social class. Because people in managerial positions or supervisors are able to establish the ethical tone of an organization (Posner & Schmidt, 1992), firms have difficulty managing employees when supervisors have diverse ethical standards. Hence, employing supervisors with similar self-perceived social backgrounds in certain contexts are essential for firms to maintain their operations and to pursue enhanced firm performance. However, in these contextual environments, firms must also be aware that supervisors with a lower self-perceived social class are more unethical, which might have an impact on firm workers' behaviors.

In future research, scholars can examine other moderators from various levels. For instance, Merton did not discuss the influences of social institutions such as education and family on ethics as contemporary anomie theorists did. Hence, future studies can investigate the interacting effects of social institutions at the country level on the perceived social-class–ethics association. The research target of this study was supervisors; future studies can include workers. Because social background is a key factor that decides people's ethics, predicting the relationship between workers' self-perceived social stratification and ethics, and the related interactions warrants research. In addition, at the individual level, because age and gender are the primary variables in ethics studies, researchers can test their moderating effects on the perceived social-class–ethics association. Merton's anomie theory can be applied at the individual level.

This study had some limitations. Because the data were collected by local institutions, the data-collecting process might not have been identical. Furthermore, to decrease the risk of Type 2 errors and increase statistical power, the HLM models did not include any control variables at the country level. However, the findings

suggest that human behaviors are sophisticated and that supervisors' social class and cultural contexts jointly influence their ethics. Thus, to obtain an in-depth understanding of human behaviors, future studies can adopt a multilevel theory and approach to study ethics in the field of management.

## REFERENCES

1. Ashkanasy, N., Gupta, V., Mayfield, M. S., & Trevor-Roberts, E. (2004). Future orientation. In House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W. and Gupta, V. (Eds.). *Culture, leadership, and organizations: The GLOBE study of 62 societies* pp. 282-342. Thousand Oaks, CA: Sage.
2. Avey, J., Palanski, M., & Walumbwa, F. (2011). When leadership goes unnoticed: The moderating role of follower self-esteem on the relationship between ethical leadership and follower behavior. *Journal of Business Ethics*, 98(4): 573-582.
3. Bhal, K., & Dadhich, A. (2011). Impact of ethical leadership and leader-member exchange on whistle blowing: The moderating impact of the moral intensity. *Journal of Business Ethics*, 103(3): 485-496.
4. Brewer, P., & Venaik, S. (2011). Individualism-collectivism in Hofstede and Globe. *Journal of International Business Studies*, 42(3): 436-445.
5. Brock, D. M., Shenkar, O., Shoham, A., & Siscovick, I. C. (2008). National culture and expatriate deployment. *Journal of International Business Studies*, 39(8), 1293-1309.
6. Brown, M. E., & Treviño, L. K. (2006). Ethical leadership: A review and future directions. *The Leadership Quarterly*, 17(6): 595-616.
7. Bryk, A. S., & Raudenbush, S. W. (1992). *Hierarchical linear models: Application and data analysis methods*. Thousand Oaks, CA: Sage.
8. Chen, C. W. (2014). Are workers more likely to be deviant than managers? A cross-national analysis. *Journal of Business Ethics*, 123(2): 221-233.
9. Clinard, M. (1983). *Corporate ethics and crime: The role of middle management*. Beverly Hills, CA: Sage.
10. Craft, J. L. (2013). A review of the empirical ethical decision-making literature: 2004-2011. *Journal of Business Ethics*, 117(2): 221-259.
11. Cullen, J. B., Johnson, J. L., & Parboteeah, K. P. (2014). National rates of opportunity entrepreneurship activity: Insights from institutional anomie theory. *Entrepreneurship Theory and Practice*, 38(4): 775-806.
12. Cullen, J. B., Parboteeah, K. P., & Hoegl, M. (2004). Cross-national differences in managers' willingness to justify ethically suspect behavior: A test of institutional anomie theory. *Academy of Management Journal*, 47(3): 411-421.
13. Den Hartog, D. N. (2004). Assertiveness. In House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.). *Culture, leadership, and organizations: The GLOBE study of 62 societies* pp. 395-436. Thousand Oaks, CA: Sage.
14. Durkheim, E. (1897/1966). *Suicide: A study in sociology*. NY: Free Press.
15. Fernando, M., & Chowdhury, R. M. M. I. (2010). The relationship between spiritual well-being and ethical orientations in decision making: An empirical study with business executives in Australia. *Journal of Business Ethics*, 95(2): 211-225.
16. Forte, A. (2004). Business ethics: A study of the moral reasoning of selected business managers and the influence of organizational ethical climate. *Journal of Business Ethics*, 51(2): 167-173.
17. Fu, P. P., Kennedy, J., Tat, J., Yukl, G., Bond, M. H., Pend, T., et al. (2004). The impact of societal cultural values and individual social beliefs on the perceived effectiveness of managerial influence strategies: A meso approach. *Journal of International Business Studies*, 35(4): 284-305.
18. Gelfand, M. J., Bhawuk, D. P. S., Nishii, L. H., & Bechtold, D. J. (2004). Individualism and collectivism. In House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.). *Culture, leadership, and organizations: The GLOBE study of 62 societies* pp. 438-512. Thousand Oaks, CA: Sage.
19. Guidice, R. M., Alder, G. S., & Phelan, S. E. (2008). Competitive bluffing: An examination of a common practice and its relationship with performance. *Journal of Business Ethics*, 87(4): 535-553.
20. Hofmann, D. A., & Gavin, M. B. (1998). Centering decisions in hierarchical linear models: Implication for research in organizations. *Journal of Management*, 24(5): 623-641.
21. Hofstede, G. (1980). *Culture's consequences: International differences in work-related values*. Beverly Hills, CA: Sage.
22. Hofstede, G. (2001). *Cultures consequences*. Thousand Oaks, CA: Sage.
23. House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (2004). *Culture, Leadership and*

- Organizations: The GLOBE study of 62 cultures*. Thousand Oaks, CA: Sage.
24. House, R., Javidan, M., & Dorfman, P. (2001). Project GLOBE: An introduction. *Applied Psychology: An International Review*, 50(4): 489-505.
  25. Ibrahim, N., Angelidis, J., & Tomic, I. M. (2009). Managers' attitudes toward codes of ethics: Are there gender differences? *Journal of Business Ethics*, 90(3): 343-353.
  26. Jackman, M. R., & Jackman, R. W. (1973). An interpretation of the relation between objective and subjective social status. *American Sociological Review*, 38(5): 569-582.
  27. Javidan, M., Dorfman, P., Sully de Luque, M., & House, R. J. (2006). In the eye of the beholder: cross cultural lessons in leadership from project GLOBE. *Academy of Management Perspective*, 20(1): 67-90.
  28. Javidan, M., Stahl, G. G., Brodbeck, F., & Wilderom, C. P. M. (2005). Cross-border transfer of knowledge: Cultural lessons from project GLOBE. *Academy of Management Executive*, 19(2): 59-76.
  29. Johnson, J. L., Martin, K. D., & Saini, A. (2011). Strategic culture and environmental dimensions as determinants of anomie in publicly-traded and privately-held firms. *Business Ethics Quarterly*, 21(3): 473-502.
  30. Kabasakal, H., & Bodur, M. (2004). Humane orientation in societies, organizations, and leader attributes. In House, R. J., Hanges, P. J., Javidan, M., Dorfman, P. W., & Gupta, V. (Eds.). *Culture, leadership, and organizations: The GLOBE study of 62 societies* pp. 564-601. Thousand Oaks, CA: Sage.
  31. Martin, K. D., Cullen, J. B., Johnson, J. L., & Parboteeah, K. P. (2007). Deciding to bribe: A cross-level analysis of firm and home country influence on bribery activity. *Academy of Management Journal*, 50(6): 1401-1422.
  32. Martin, K. D., Johnson, J. L., & Cullen, J. B. (2009). Organizational change, normative control deinstitutionalization, and corruption. *Business Ethics Quarterly*, 19(1): 105-130.
  33. Merton, R. K. (1968). *Social theory and structure*. NY: Free Press.
  34. Messner, S. F., & Rosenfeld, R. (2001). *Crime and the American dream*. Belmont, CA: Wadsworth.
  35. Miao, Q., Newman, A., Yu, J., & Xu, L. (2013). The relationship between ethical leadership and unethical pro-organizational behavior: Linear or curvilinear effects? *Journal of Business Ethics*, 116(3): 641-653.
  36. Nam, D., Parboteeah, K. P., Cullen, J. B., & Johnson, J. L. (2014). Cross-national differences in firms undertaking innovation initiatives: An application of institutional anomie theory. *Journal of International Management*, 20(2): 91-106.
  37. O'Fallon, M. J., & Butterfield, K. D. (2005). A review of the empirical ethical decision-making literature: 1993-2003. *Journal of Business Ethics*, 59(4): 375-413.
  38. Parboteeah, K. P., Addae, H. M., & Cullen, J. B. (2012). Propensity to support sustainability initiatives: A cross-national Model. *Journal of Business Ethics*, 105(3): 403-413.
  39. Pastoriza, D., & Ariño, M. A. (2013). Does the ethical leadership of supervisors generate internal social capital? *Journal of Business Ethics*, 118(1): 1-12.
  40. Peterson, M. F., Arregle, J., & Martin, X. (2012). Multilevel models in international business research. *Journal of International Business Studies*, 43(5): 451-457.
  41. Posner, B. Z., & Schmidt, W. (1992). Values and the American manager: An update updated. *California Management Review*, 25(3): 80-94.
  42. Reynolds, S. J. (2006). Moral awareness and ethical predispositions: Investigating the role of individual differences in the recognition of moral issues. *Journal of Applied Psychology*, 91(1): 233-243.
  43. Rosenfeld, R., & Messner, S. (1997). Market, morality, and an institutional anomie theory of crime. In Passas, N. and Agnew, E. (Eds.). *The future of anomie theory* pp. 207-224. Boston: Northeastern University Press.
  44. Ruiz-Palomino, P., & Martínez-Cañas, R. (2011). Supervisor Role modeling policies, and employee ethical intention: The moderating impact of moral ideology. *Journal of Business Ethics*, 102(4): 653-668.
  45. Ruiz, P., Ruiz, C., & Martínez, R. (2011). Improving the leader-follower relationship: Top manager or supervisor? The ethical leadership trickle-down effect on follower job response. *Journal of Business Ethics*, 99(4): 587-608.
  46. Shteynberg, G., Gelfand, M. J., & Kim, K. (2009). Peering into the "Magnum Mysterium" of culture: The explanatory power of descriptive norms. *Journal of Cross-Cultural Psychology*, 40(1): 46-69.
  47. Siu, N. Y. M., & Lam, K. C. J. (2009). A comparative study of ethical perceptions of managers and

- non-managers. *Journal of Business Ethics*, 88(1): 167-183.
48. Studenmund, A. H. 1992. *Using Econometrics: A practical guide*. New York: Harper Collins.
49. Szwajkowski, E. (1992). Accounting for organizational misconduct. *Journal of Business Ethics*, 11(5/6): 401-411.
50. Toor, S., & Ofori, G. (2009). Ethical leadership: Examining the relationship with full range leadership model, employee outcomes, and organizational culture. *Journal of Business Ethics*, 90(4): 533-547.
51. Trompenaars, F., & Hampden-Turner, C. (1998). *Riding the waves of culture: Understanding cultural diversity in global business*. NY: McGraw Hill.
52. World Values Survey Wave 6 2010-2014 Official Aggregate v.20140429. World Values Survey Association ([www.worldvaluessurvey.org](http://www.worldvaluessurvey.org)). Aggregate File Producer: Asep/JDS, Madrid SPAIN.

**Table 1. Sample distribution among nations**

Country	Number	Country	Number
Argentina	188	Philippines	274
Australia	650	Poland	166
China	281	Russia	435
Colombia	435	Singapore	694
Ecuador	157	Slovenia	356
Egypt	154	South Africa	334
Germany	628	South Korea	300
Japan	773	Spain	205
Kazakhstan	225	Sweden	363
Malaysia	442	Taiwan	315
Mexico	509	Thailand	808
Netherlands	644	Turkey	232
New Zealand	403	USA	1044
Nigeria	379	Zimbabwe	334

**Table 2. Descriptive statistics and correlations<sup>a,b,c</sup>**

Variables	Mean	s.d.	1	2	3	4	5	6	7	8	9	10	11	12
1. Willingness to justify ethically suspect behaviors	2.23	1.62												
<b>Individual Level</b>														
2. Self-perceived social class	3.01	0.91	.014											
3. Gender	0.60	0.49	-.002	.027										
4. Age	46.88	15.82	-.193	-.033	.062									
5. Marital status	0.63	0.48	-.054	-.077	.103	.225								
6. Education	6.62	2.18	-.020	-.304	-.073	-.125	-.020							
7. Income level	5.36	2.15	.022	-.427	-.003	-.008	.069	.267						
8. Religiosity	4.32	2.15	-.100	-.030	.021	.074	-.061	.091	-.088					
<b>Country Level</b>														
9. Assertiveness	3.84	0.78	.058	.045	.023	.008	.110	.007	-.047	.001				
10. In-group collectivism	5.70	0.30	.008	.017	-.068	.067	-.128	.050	.055	.039	-.162			
11. Future orientation	5.51	0.35	.090	.101	-.010	-.169	-.050	-.162	-.012	-.317	-.133	.332		
12. Humane orientation	5.41	0.23	-.014	-.047	-.030	.043	-.013	.088	.060	.077	-.007	-.182	-.322	
13. The importance of the economy	42.99	12.60	.035	-.036	.013	-.041	.029	-.046	.056	-.203	-.180	-.216	.163	.109

<sup>a</sup> n = 11,728 level 1; n = 28, level 2

<sup>b</sup> The correlation coefficients among variables were weighted according to the sample size of each nation.

<sup>c</sup> Correlations of 0.012 or greater are significant at  $p < .05$ , and correlations of 0.016 or greater are significant at  $p < .01$ .

**Table 3. Statistical results for hierarchical linear modeling analysis**

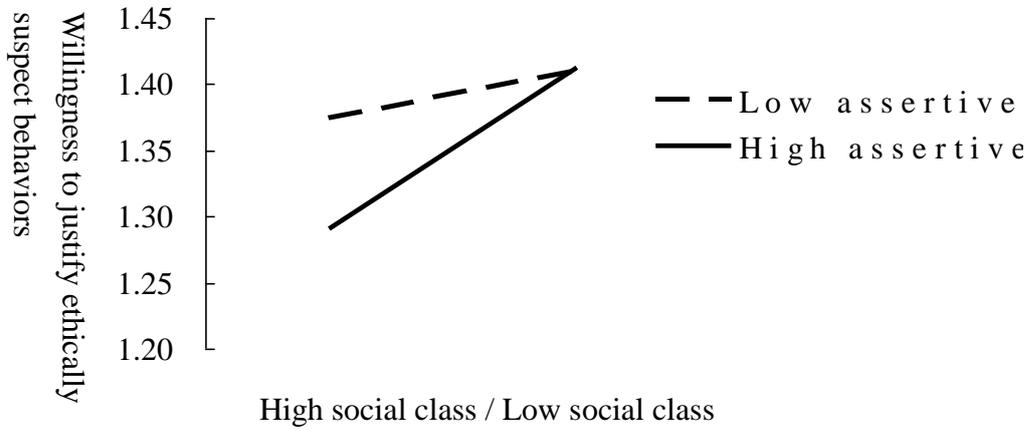
Variable	Estimate			
	Model 1		Model 2	
	<i>b</i>	<i>s.e.</i>	<i>b</i>	<i>s.e.</i>
<b>Individual-level main effect</b>				
Self-perceived social class ( $\beta_1$ ) (SPSC)	-0.02	0.02	0.82	0.55
<b>Control variables</b>				
Gender	0.07	0.04	0.07	0.04
Age	-0.01	***	0.00	***
Marital status	-0.11	**	0.04	**
Education	-0.05	*	0.02	*
Income level	0.01		0.01	0.01
Religiosity	0.01		0.01	0.02
<b>Country-level main effect</b>				
Assertiveness			-0.04	0.12
In-group collectivism			-0.32	0.27
Future orientation			0.19	0.18
Humane orientation			-0.00	0.44
The importance of the economy			0.00	0.01
<b>Cross-level moderating effect</b>				
SPSC X Assertiveness ( $\gamma_{11}$ )			0.05	**
SPSC X In-group collectivism ( $\gamma_{12}$ )			0.19	***
SPSC X Future orientation ( $\gamma_{13}$ )			-0.14	*
SPSC X Humane orientation ( $\gamma_{14}$ )			-0.30	***
SPSC X The importance of the economy ( $\gamma_{15}$ )			0.01	***

Level 1: n = 11,728, Level 2: n = 28

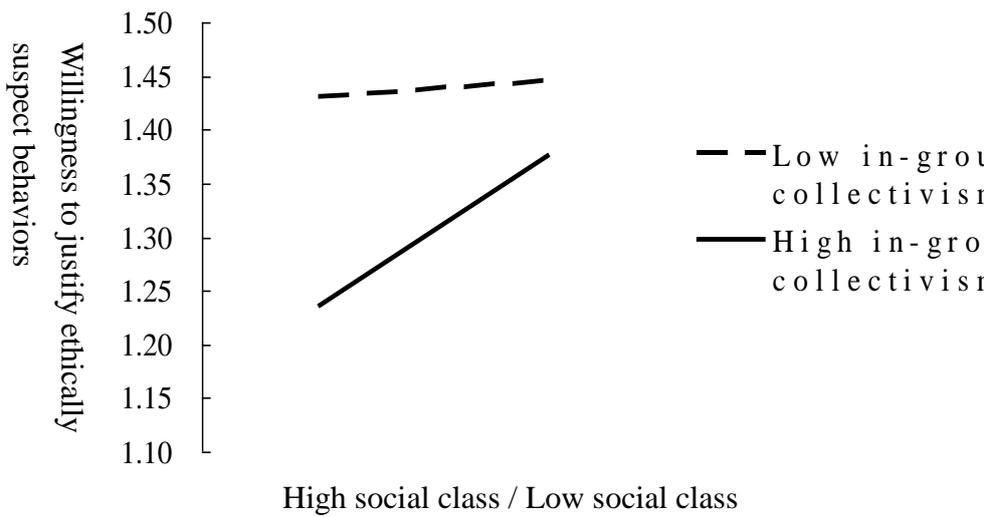
† $p < .10$ , \*  $p < .05$ , \*\*  $p < .01$ , \*\*\*  $p < .001$

**Figure 1. The influence of cultural values on social class-ethics relationship**

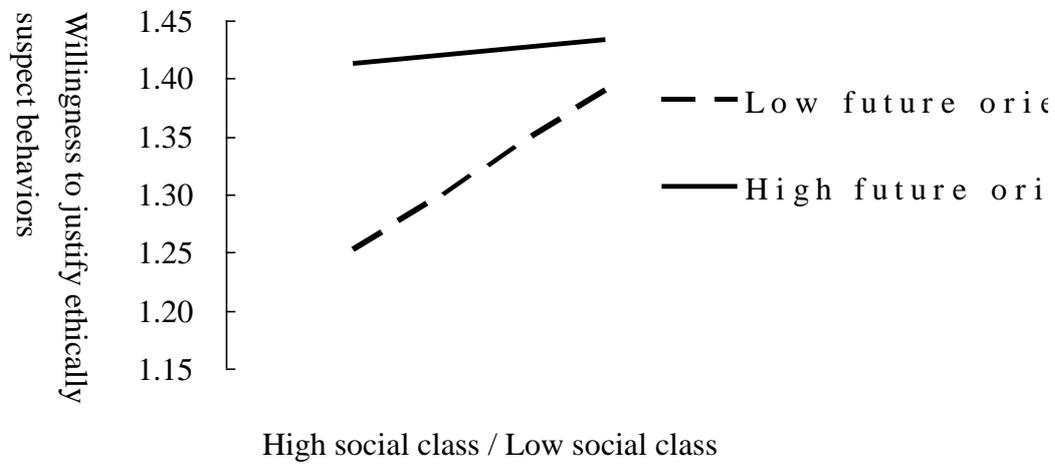
**a. Assertiveness**



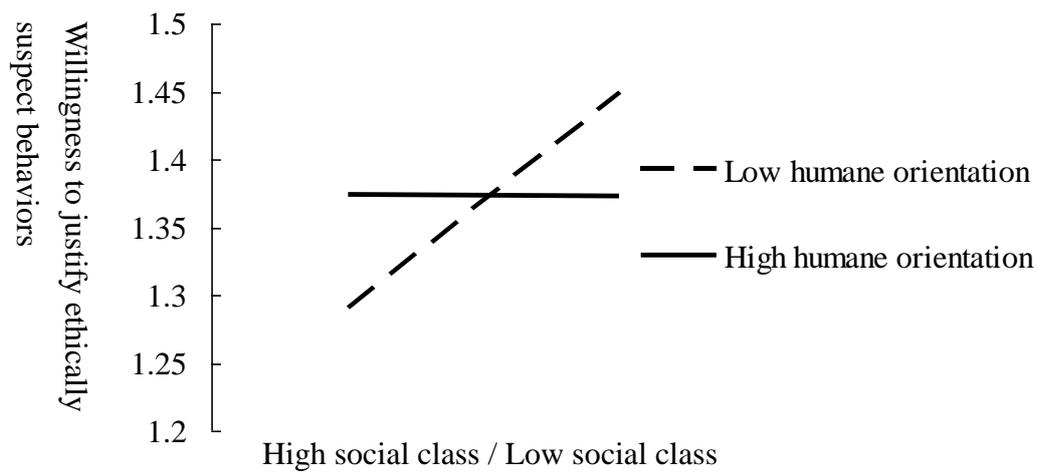
**b. In-group collectivism**



**c. Future orientation**



**d. Humane orientation**



**e. The importance of the economy**

