Trust, ethical climate and nurses' turnover intention

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Abstract

Background: Nursing turnover is a very serious problem, and nursing managers need to be aware of how ethical climates are associated with turnover intention.

Objectives: The article explored the effects of ethical climates on nurses' turnover intention, mediated through trust in their organization.

Methods: A cross-sectional survey of 285 nurses from three Indian hospitals was conducted to test the research model. Various established Likert-type scales were used to measure ethical climates, turnover intention and trust in organization. Hierarchical regression analysis and mediation analysis were used to test the model.

Results: Hierarchical regression analysis and mediation analysis were used to test the model. The indirect effect of benevolent ethical climate on turnover intention through trust in organization was –0.20 with a 95% bootstrap confidence interval of lower level = –0.31 and upper level = –0.01. The indirect effect of principled ethical climate on turnover intention through trust in organization was –0.39 with a 95% bootstrap confidence interval of lower level = –0.58 and upper level = –0.17.

Ethical considerations: The study adheres to the ethical standards recommended by the American Psychological Association for conducting research with informed consent, confidentiality and privacy.

Conclusion: Both benevolent and principled ethical climates decreased turnover intention indirectly through trust in organization. Only principled ethical climates were directly associated with turnover intention. Our results suggest that nurse managers and leaders should try and establish principled and benevolent climates in order to engender trust in organization and to reduce turnover intention.

Keywords

Ethical climate, nurses, trust in organization, turnover

Introduction

The nursing profession is subject to a high degree of turnover. Indeed, nursing as a profession has among the highest rates of turnover, and there are nursing related shortages across national boundaries.[1–7] A major factor behind these high rates of turnover are the working conditions that nurses have to function in and

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sometimes endure.[2,5,8] These shortages result in exacerbated increases in overtime and patient loads, which then drive up turnover intention, and that worsens patient care experiences.[9]

Another factor to consider here which is particularly important for nurse managers and healthcare organizations is that turnover rates are exceedingly high among nurses. Some scholars[10] have found that the turnover rates for registered nurses is as high as 28% during the first year of their service. They also reported that the turnover rate was about 21% in over 10 European countries. Similarly, other scholars[4] found that the rates of turnover range from 15.1% to as high as 44.3% in countries like the United States of America, Australia, Canada and New Zealand. The implications of this are manifold – for starters, turnover results in a loss of intellectual capital,[10] and the cost of replacing and training can be exceedingly high.[11] These factors make it imperative to understand the mechanisms through which nurse turnover is affected and perhaps reduced.

Understanding these mechanisms is important because only by completely understanding the process of how turnover happens can nurse managers or nurse leaders take steps to reduce turnover. One theoretical framework that is applicable here is Ethical Climate Theory (ECT).[12] Ethical climates are employees' perceptions of what practices and ethical issues are considered right or wrong in an organization.[13,14] In fact, ethical climates have been associated with turnover intention in past studies.[15–17] However, those studies did not specifically study the mechanisms through which turnover intention is impacted by ethical climates. Our contention is that the relationship between ethical climate and turnover intention is likely an indirect relationship through trust in organization.

In this study, we specifically look at how perceived trust in organization mediates the relationship between ethical climate and turnover intention. ECT has been used by several scholars to study various workplace phenomena.[8,16,18,19] The purpose of this study was to examine nurses' perceptions of ethical climate and to specifically test how those perceptions were associated with turnover intention through trust in organization. Our primary research question was to determine if trust in organization mediated the relationship between ethical climate and turnover intention. We tested our research question on a sample of Indian nurses.

Ethical climate

While there are many ways by which one can categorize ethical climates, in this study, we focused on two types of ethical climates, which we hypothesize as being beneficial towards reducing turnover intention. These two ethical climates are benevolent and principled climates,[18,19] and have generally been found to have positive beneficial outcomes for organizations. The benevolence construct is based on concern for others, while the principle construct is based on adherence to rules and laws.[12] We believe that these two climates are particularly appropriate in the context of nursing, because both the constructs of benevolence and principle apply very aptly to the nursing profession itself. Benevolent climates are based on concern for others, which is the very raison d'etre of nursing. That strongly implies that benevolent climates are pertinent in a nursing context. Principled climates on the contrary focus on adherence to rules and laws, and while care of patients is of paramount importance in nursing, so too is adherence to best practices and professional codes of ethics.[20,21] Hence, we focused our study around these two ethical climates.

In a benevolent climate, most employees will perceive that their employer has a sincere interest in their well-being.[14,22,23] This will then imply that employees working in benevolent organizations are likely to have high levels of trust in their organization. Similarly, in a principled climate, most employees will perceive that their employer will adhere to clearly established rules and laws. This again will lead to them likely having high levels of trust in their organization. In both cases, we conjecture that employee turnover intention will then be at a reduced level, thanks to high levels of trust in organization.

Hypotheses

We test the following hypotheses in this study:

> *Hypothesis 1:* Nurses' perception of benevolent climates will be positively associated with their trust in their organization.
>
> *Hypothesis 2:* Nurses' perception of principled climates will be positively associated with their trust in their organization.
>
> *Hypothesis 3:* Benevolent climates have an indirect relationship with turnover intention through trust in organization.
>
> *Hypothesis 4:* Principled climates have an indirect relationship with turnover intention through trust in organization.

Methods

Research design and participants

The research design is cross-sectional survey research. Data were collected from three hospitals in the southern state of Kerala in India. The sample size was decided based on a priori Sample Size Calculator for Hierarchical Multiple Regression.[24] We took the standard values of anticipated effect size of 0.15, desired statistical power level of 0.8 and probability level of 0.01 (5; 6; 31). This led us to minimum required sample size of 132 respondents required for our model. We therefore targeted 400 nurses to account for non-response and missing responses to finally arrive at 285 usable responses.

In all, 400 questionnaires were distributed to nurses in those hospitals, and we finally used 285 completed responses in the analysis. This was after accounting for non-response and missing responses, which gives us a 71.25% response rate. The mean age of the sample was 28.9 years with a standard deviation of 5.5 years. The average work experience was 5.2 years with a standard deviation of 3.7 years. The sample had 50 males (17.5%) and 235 (82.5%) females.

Ethical considerations

The appropriate authority in the institute follows the ethical standards recommended by the American Psychological Association covering. This included informed consent, confidentiality and privacy for the respondents. These standards were maintained throughout the study. All work has been done according to these guidelines.

Measures

All of the responses were measured on a Likert-type scale that ranged from 1 to 7, with 1 being 'completely disagree' and 7 being 'completely agree. The survey respondents were asked how much they agreed or disagreed with the various statements. All the scales we used for our research model are provided as Appendix 1. The survey respondents were asked how much they agreed or disagreed with the various statements.

1. *Ethical Climate Questionnaire:* Ethical climates measure the perceptions related to the correct behaviour and ways of grappling with ethical issues.[19,25] In this study, we focused on the local principled and local benevolent climates, and therefore, we used the items pertinent to the local principled and benevolent climates to measure the perceptions of ethical climate. These items were obtained from the ECT scale created by Victor and Cullen.[12] This yielded two 4-item scales. The

Table 1. Intercorrelations and descriptive statistics table.

Variable	Mean	SD	1	2	3	4	5	6
1. Age	28.91	5.76	1					
2. Gender	0.8	0.39	−0.06	1				
3. Work Experience	5.17	4.04	0.79**	0.021	1			
4. Benevolent Climate	3.7	0.84	−0.074	0.066	−0.079	1		
5. Principled Climate	3.79	0.72	−0.13*	0.112	−0.105	0.71**	1	
6. Trust in Organization	3.77	0.82	−0.07	0.036	−0.069	0.753**	0.74**	1
7. Turnover Intention	3.03	1.26	−0.24**	0.093	− 0.17**	−0.083	0.004	−0.136*

$*p < 0.05$; $**p < 0.01$.

    Cronbach's alpha for Benevolent Climates was $\alpha = 0.812$, while the Cronbach's alpha for Principled Climates was $\alpha = 0.756$. Sample items are 'Our major consideration is what is best for everyone in this hospital' and 'It is important to follow strictly the hospital's rules and procedures here' for benevolent and principled climates, respectively.

2. *Trust in Organization:* Trust in organization was measured by a four-item scale adapted from Robinson.[26] A sample item is 'I am confident that my hospital will treat me fairly'. The Cronbach's alpha for this measure was $\alpha = 0.798$.

3. *Turnover Intention:* Turnover intention was measured by a three-item scale by Mobley et al.[27] A sample item is 'If I could choose again, I would choose not to work for the current hospital'. The Cronbach's alpha for this measure was $\alpha = 0.842$.

Preliminary analysis

SPSS version 25 and Andrew Hayes' PROCESS macro were used to test the various hypotheses. Table 1 presents the descriptive statistics with correlation coefficients. Principled ethical climate has the highest mean and smallest standard deviation, whereas turnover intention has the lowest mean and highest standard deviation. Our variance inflation factor values range from 1.0 to 2.9, which are much below the prescribed limits[28] and suggest that multicollinearity is not an issue for our data.

    Harman's single-factor test[29] was conducted to test for common method bias. The variance explained by the single factor was 37.52%, which is below the prescribed percentage of 50, thus suggesting that common method bias was not an issue in our data. The content validity was initially established by having the questionnaire evaluated by three subject matter experts. The face validity was likewise ensured by having the questionnaire evaluated by three nurses.

Analyses

In our model, turnover intention was our dependent variable; the two ethical climate types (i.e. benevolent and principled) were independent variables, while trust in organization was the mediating variable. Age, gender and work experience were used as control variables. The PROCESS macro[30] model 4 for mediation was used. We used 10,000 bootstrap samples, and a confidence interval (CI) of 95%, to test our hypotheses.

Results

Table 2 presents the regression results of our model. We found that benevolent ethical climate was positively and significantly related to trust in organization ($\beta = 0.75, p < 0.001$) thus supporting Hypothesis

Table 2. Hierarchical regression results.

	Trust in Organization	Turnover Intention	Trust in Organization	Turnover Intention
Control variables				
Age	−0.02	−0.23**	0.03	−0.22**
Gender	−0.01	0.1†	0.04	0.09
Work Experience	0.01	−0.01	-0.04	−0.01
Independent variables				
Benevolent	0.75***	0.04		
Principled			0.85***	−0.33**
Trust in Organization		−0.20**		−0.39**
R^2	0.57	0.09	0.60	0.10
F	92.06***	5.38***	88.56***	6.38***

$N = 205$. Standardized coefficients reported.
†$p < 0.1$; *$p < 0.01$; **$p < 0.05$; ***$p < 0.001$.

1. Similarly, we found that principled ethical climate was positively and significantly related to trust in organization ($\beta = 0.85$, $p < 0.001$) thus supporting Hypothesis 2.

The direct effect of benevolent ethical climate on turnover intention is 0.04 and not significant $p = 0.77$. However, the indirect effect of benevolent ethical climate on turnover intention through trust in organization is –0.20 with lower level CI (LLCI) = –0.31 and upper level CI (ULCI) = –0.01, thus supporting Hypothesis 3.

The direct effect of principled ethical climate on turnover intention is –0.33 which is significant at $p = 0.03$. The indirect effect of principled ethical climate on turnover intention through trust in organization is –0.39 with LLCI = –0.58 and ULCI = –0.17, thus supporting Hypothesis 4.

Discussion

The results show the mechanisms through which ethical climate impacts turnover intention. Both kinds of ethical climates led to an increase in the trust in hospitals of nurses. Principled ethical climate directly as well as indirectly (through trust in hospital) decreases turnover intention whereas benevolent ethical climate decreases turnover intention only indirectly through trust in the organization.

Our results suggest that when it comes to reducing turnover intention in nurses, perhaps nurse managers and healthcare leaders should focus on establishing principled and benevolent ethical climates. Between the two types of ethical climates, principled climates are much more straightforward to establish. Leaders and nurse managers could perhaps focus their attention on establishing principled climates in their organizations. They would need to ensure that the rules and codes applicable to the organization are clearly demarcated and accessible to everyone. Clear communication from the nurse managers/leaders about the organizational rules and procedures would be a very vital step in establishing a principled climate. In addition, empowering nurses to have a voice and be able to suggest changes in processes (i.e. improving a certain patient interaction process). Both these practices have been found to be effective in establishing both principled and benevolent climates.[31] Empowering nurses to be able to suggest changes in processes in particular may be even more helpful, when one considers that sometimes rigid rules may become inordinately hard to follow (e.g. a hospital may have a rule that mandates a nurse must stay on the floor after their shift ends, but that rule is inexorably affected by short staffing).

Benevolent climates also have the advantage of being linked negatively with turnover intention through trust in organization. It does appear that when trust in their organization rises, nurse turnover intentions

decrease. And, similar to engendering principled climates, communication and empowerment will be beneficial in establishing benevolent climates. However, our results indicate that principled climates are perhaps more effective than benevolent climates in reducing turnover intention among our study's respondents.

It could be that principled climate due to their adherence on laws and codes provides more security to the workers and therefore gives them more confidence in their workplace. In a benevolent climate, perhaps, employees may fear that even errant workers are given the benefit of doubt that they would not in a principled climate. In addition, nurses may have felt that the element of benevolence was dependent on managerial whims. A study in Poland[32] found that benevolent climates were positively associated with organizational corruption in Polish hospitals. Perhaps, some element of pervasive corruption existed in the environment of the hospitals in our study. This may also be a function of some unique environmental factor pertinent to our sample – perhaps, for instance, if there is a presence of pervasive corruption or nepotism in the local labour market, then, it would explain why principled climates were more effective in reducing turnover.

Conclusion

The main limitation of this study is that the study is cross-sectional and based on self-reported estimates of turnover intention. In addition, the study was conducted on a sample of Indian nurses, and it could be that the results could vary depending on the cultural context. Perhaps, these results would vary depending on the cultural context. In particular, we believe that our results pertaining to the benevolent climates may be dependent on the specific cultural context at play here. However, considering how ethical climates have consistently given similar results across countries and contexts,[19] we believe that our results are robust and generalizable to other contexts. Future studies could also look at lay healthcare workers and community healthcare workers in emerging economies.[33,34]

The strengths of this study are that the mediation analysis conducted are done with the very latest mediation analysis methodology,[30] and so our results are trustworthy and up to date. The primary implication from our study is that nurse managers and healthcare leaders should focus on creating principled and benevolent ethical climates in order to increase trust in their organizations and/or to reduce turnover intention.

In terms of future studies, we would encourage future studies to consider replicating our findings with a variety of cross-cultural samples and to also use objective measures (i.e. to consider actual turnover rates rather than just turnover intention). In addition, we would suggest that future studies tease out the various nurse occupations to see if that makes any difference in how ethical climates function. Perhaps, nurses working in emergency rooms would benefit more from a principled climate, and perhaps nurses working in a hospice or gerontology context would benefit more from a benevolent climate.

Implications for nursing managers

The implications from our findings for nurse managers are that nurse managers need to focus on establishing principled and benevolent ethical climates, because both those climates have positive consequences for trust in organization. If nurses trust their organizations more, then they will be less likely to have an intent to turnover, and that can then result in beneficial outcomes for the nursing profession itself. As past research[31] suggests, communication and empowerment are two managerial practices nurse managers can do to establish principled and benevolent climates. Our findings suggest that nurse managers should practice these two practices in order to establish principled and benevolent climates.

Conflict of interest

Funding

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Appendix 1

Appendix of scales (all scales ranged from 1 to 7 with 1 being 'completely disagree' and 7 being 'completely agree')

Ethical Climate Theory scale

Please answer the following questions about the general climate in your hospital. Please be as candid as possible; remember, all your responses will remain strictly confidential and anonymous. Please indicate the extent to which you agree with each of the following statements about your hospital.

1. Our major consideration is what is best for everyone in this hospital
2. People are very concerned about what is generally best for hospital employees
3. Employees in this hospital view team spirit as important
4. The most important concern is the good of all of the people in the hospital
5. Everyone is expected to comply with hospital rules and procedures
6. It is important to follow strictly the hospital's rules and procedures here
7. Successful people in this hospital go by the rules book
8. Successful people in this hospital strictly obey the hospital's rules

Trust in organization scale

Please answer the following questions about your hospital. Please be as candid as possible; remember, all your responses will remain strictly confidential and anonymous. Please indicate the extent to which you agree with each of the following statements about your hospital.

1. I am confident that my hospital will treat me fairly
2. I feel like my ideas are valued by my hospital
3. My hospital is a good citizen of the community
4. My hospital has a good future

Turnover intention scale

How well do the following statements describe your attitude towards your job? For each statement below, use the following scale to indicate your level of agreement or disagreement:

1. I often think of leaving the hospital
2. It is very possible that I will look for a new job next year
3. If I could choose again, I would choose not to work for the current hospital