

The Development and Validation of the Organisational Ethical Behaviour Questionnaire of Medical Representatives

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Abstract

Ethics has emerged as one of the major issues facing organizations. This focus is perhaps stimulated by an increase in publicity about unethical practices by organizations and their management. Although the literature has many studies on organisational ethical behaviour (Geeta, Pooja & Mishra, 2016), there is a lack of research on examining the factors influencing the organisational ethical behaviour by using qualitative study. The aim of this study was to develop and validate an instrument used to measure the organisational ethical behaviour of medical representatives in Kerala.

To assess the reliability and validity of the instrument, a random sample of 198 medical representatives were selected and the questionnaire was given. On the responses collected, exploratory factor analysis was carried out to ensure the factorial validity of the instrument. Sample adequacy was validated using Kaiser-Meyer-Olkin test. A principle component analysis was applied to extract the factors. The internal consistency and reliability of the factors was assessed using Cronbach alpha.

The factorial validity was ensured by performing PCA where the factor loading coefficient were greater than 0.4 and the cumulative percentage of the variance extracted was 78 percentage. The KMO test ensured the sample adequacy with the value of 0.657. The internal reliability of the questionnaire was reasonable with a Cronbach values greater than 0.75.

The study demonstrated that the newly developed instrument has a good level of properties measured as content and factorial validity, internal consistency and reliability.

Keywords: Scale development, Scale validation, Quantitative methods, Organisational ethical behaviour questionnaire, Medical representatives

1. Introduction

Business ethics is a highly discussed and debated subject in today's corporate and business world, as well as in educational and academic circles (Brown, Trevino, & Harrison, 2005). Organizations that are inclined towards performing according to ethical standards, morals and values, have recognized the importance and significance that ethical procedures and policies are communicated and practiced throughout the entire organization, while at the same time becoming a priority for the administration of the organization (Brimmer, 2007). Organizational ethical behaviour concerns the moral values individuals practice based on an established standard in an organization (Bishop, 2013). The values and principles of an organization are embedded in its organizational ethical culture, which, as Huhtala, Tolvanen, Mauno, and Feldt (2014) note, improves organizational commitment, trust, and well-being. Mayer *et al.* (2011) proposed three key components of an ethical environment - ethical leadership, ethical practices, and an ethical climate.

Ethical behaviour in the marketplace is of critical importance to medical representatives, first line and second line managers in their pharmaceutical companies and it is a concern that reflects both human resources and economic issues. Ethics Research Center indicates that 90 percent of sales force feels that their organizations should do what is ethically and morally right and not just what is profitable to the organization (Verschoor, 2000). The perception of ethical issues in the pharmaceutical industry is largely negative and highlights the scrutiny placed on pharmaceutical companies. The most prominent issues reported are drug safety, pricing, data disclosure, importation, clinical study design, marketing restrictions, DTC advertising, animal testing, international market, developing countries, issues related to vaccines, growth of drug counterfeiting, the cost effectiveness of treatments, and in the last ten years the Pharmaceutical fraud (Valverde, 2012).

The previous research on ethical behaviour in the pharmaceutical industry has strongly indicated the importance of in-depth study in this field. Some of the recently established scales to evaluate ethics in the organisation are Ethical Evaluation Questionnaire

(Toker,2017), Ethical sensitivity questionnaire (Muramatsu et al.,2019), Ethical Leadership Questionnaire (Langlois,2014), Ethical leadership at work questionnaire -ELW (Karianne,2011),The German Ethical Culture Scale - GECS (Tanner,2019). However, most of these scales were developed for evaluating the organisational ethics, there are very less published scales to measure the organisational ethical behaviour of the medical representatives in the Indian context. Therefore, a scale was developed to measure the organisational ethical behaviour of the medical representatives and its reliability and validity examined.

2. Methods

The initial pool of questionnaire items was created through a qualitative study (Suriyaprakash&Stephan , 2022). The study was conducted in the pharmaceutical companies in Kerala. The respondents were the sales managers of the pharmaceutical companies. The sales managers were interviewed because they could give holistic views on the ethical behaviour of the medical representatives. If the medical representatives were interviewed the responses would have been biased. A sample of 12 sales managers was utilized in the study. An organised questionnaire was administered to the respondents. Saturation is utilised in qualitative research as a norm for discontinuing data collection. In the interviews, when the researcher commence to hear the same comments repeatedly, data saturation is being reached. It is then time to halt collecting information. After interviewing 12 respondents the fresh data incline to be redundant of data already collected. Data from individual respondents was collected through purposive sampling method.

Semi-structured interview method was used in the study. The study was conducted during November 2019 to January 2020. Face to face and telephonic interviews with sales managers of 12 pharmaceutical companies were conducted. The time taken for each interview was more than one hour. The interviews were recorded utilizing a phone and important points were noted down. Self-developed questionnaire was utilized for qualitative data collection. The questionnaire comprised of 5 questions was designed and administered to all sales managers in the pharmaceutical companies by the researcher. The aim of the questionnaire was to investigate the dominant factors that influence the medical representatives organisational ethical behaviour. The questions in the questionnaire were made short and clear in order to ensure that it takes the respondents not more than 30 minutes to answer and therefore encourage participation.

The responses were documented utilizing the voice recorder and written notes. The responses gathered were scrutinized utilizing Thematic Analysis. It is a technique utilized for identifying, analyzing and reporting patterns (themes) within the data (Braun & Clarke, 2006). However, it also often goes further than this, and interprets various aspects of the research topic (Boyatzis, 1998). The following six stages of thematic analysis were conducted (Braun and Clarke, 2006): familiarization of data, generate initial codes, search for themes, review themes, define and name the themes and produce the report. While the six phases are reported in a linear fashion, an iterative approach was favored to enhance the richness and depth of the findings.

Table 1 shows all the preliminary themes that were identified in the extract, along with the codes associated with them. All the codes fit into five main themes.

Table 1: Codes and Themes

Codes	Common Themes
Motivating the medical representatives.	Leadership ethics
Giving medical representatives additional responsibilities and challenges.	
Open and caring relationship with the medical representatives.	
Manager is a good coordinator.	
Permissive leadership.	
Lack of caring relationship with the manager.	
Ethical influence of manager on his team members.	
Leadership intentionally promoting unethical practices.	
Hidden permission from the manager to engage in unethical practice.	
Doctor's request for sponsoring family trips.	Doctor's ethics
Doctor's expectation of expensive gifts.	
Active participation of the doctor in the unethical practice by the reps.	
Immediate termination for ethics violation.	Organisational ethical culture
Lack of awareness about ethics.	
Clarity of ethical norms.	
Existence of organizational ethical policies.	
Education on ethics.	
Promotional policies leading to unethical	

practices.	
Implementation of ethical policies.	
Ethics as a hindrance for their performance.	
Sustainability of unethical behaviour.	
Engaged employees need not be fully ethical.	
Medical representatives' participation in framing ethical policies.	
Lack of trust in medical representatives.	
Unrealistic target fixing.	Organisational ethical practices
Engaged employees violates ethics for achieving target.	
Target pressure.	
Medical representatives should have easy access to the benefits.	
Lack of organizational interest in personal development of the employees.	
Competence building.	
Hiring employees who don't have required qualification	
Medical representatives lack of product knowledge	Personal ethics
Attitude of the medical representatives.	
Inability to perform.	
Perceived negative image of the job.	
Privileges given to the family.	
False reporting.	
Manipulating tracking apps.	
Misuse of samples.	
Generating fake bills.	
Bribing doctor's, stockiest and the staffs of the stockiest.	

2.1 Validation of the questionnaire

The questions in the questionnaire was framed based on the above codes and their respective themes. Face and content validity of the 41 items were examined by an expert panel, which consisted of two faculty members, two sales managers and two medical representatives. Thirty-five of the 42 items were evaluated as 'easy to understand'; however, two items were noted as 'difficult to understand'. Therefore, we revised the wording of these two items. In addition, one item was deleted for redundancy; finally, the expert panel approved 41 questionnaire items. Responses to each questionnaire item were recorded on a 5-point Likert type scale

Table 2 : A sample of few items in the questionnaire corresponding to each theme

Themes	Items
Leadership ethics	I'm motivated by my manager.
	My manager influences my ethical conduct.
	I have an open and caring relationship with the manager.
Doctors' ethics	Doctors asks for favours like family trips.
	Doctors engage in unethical practises along with medical representatives.
	Doctors expect expensive gifts from the company.
Organisational ethical culture	My organisation terminates employees immediately on ethics violation.
	There is a lack of awareness about work ethics in our organisation.
	Proper organisational ethical policies exist in our organisation.
Organisational ethical practises	The sales targets set are unrealistic.
	Personal development of an employee is a main goal of my organisation
	I have easy access to employee benefits in the organisation.
Personal ethics	I have good knowledge of our products
	I have not misused the samples provided by my organisation.
	Employees generate false reports in my organisation.

3. Data Collection and Evaluation of the Instrument

To assess reliability and validity of the instrument, data were collected from a random sample of 198 medical representatives. The participants were selected using purposive sampling. Exploratory factor analysis (EFA) was carried out to determine factorial validity of the instrument. Prior to extraction of factors, Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy was checked to evaluate the fitness of the data for factor analysis. Initially, Principal component analysis (PCA) with Varimax rotation was used to extract factors based on multiple criteria, including Eigenvalue >1, the Scree test, factor loading coefficient >0.4 and the cumulative percent of variance extracted.

The internal consistency reliability of each factorially derived scale was assessed by calculating Cronbach's alpha. PCA and Cronbach's alpha calculation were carried out in Statistical Package for Social Sciences (SPSS) version 23.0

4. Results

4.1 Participant characteristics

The following table (number) shows the personal details of the respondents.

Table 3: Personal details of the respondents.

		Frequency	Percent	Cumulative Percent
Gender	Male	198	100	100
Educational Qualification	UG	156	78.8	78.8
	PG	31	15.7	94.4
	B-Pharm / M. Pharm	11	5.6	100.0
	Total	198	100.0	
Age	<=30	66	33.3	33.3
	30 - 40	103	52.0	85.4
	>40	29	14.6	100.0
	Total	198	100.0	
Experience	<=5	47	23.7	23.7
	5 - 10	52	26.3	50.0
	10 - 15	57	28.8	78.8
	>=15years	42	21.2	100.0
	Total	198	100.0	
Income	7500 - 27500	47	23.7	23.7
	27500 - 47500	66	33.3	57.1
	47500 - 67500	49	24.7	81.8
	>=67500	36	18.2	100.0
	Total	198	100.0	
Target	<1 cr	42	21.2	21.2
	1-2cr	35	17.7	38.9
	2-3 cr	94	47.5	86.4
	>3 cr	27	13.6	100.0
	Total	198	100.0	

From the table 2, it is found that all the respondents were male. There were 33.3 percent of the respondents who were below 30 years of age, 52 percent of the respondents were 30 – 40 years of age and 29 percent of the respondents were above 40 years of age.

Among the respondents, 23.7 percent had less than five years of experience, 26.3 percent had 5– 10 years of experience, 28.8 percent had 10-15 years of experience and 21.2% had more

than 15 years of experience. 23.7% were earning between Rs.7500 - Rs.27500, 33.3% were earning between Rs.27500 - Rs.47500, 24.7% were earning between Rs.47500 - 67500 and 18.2% were earning above Rs.67500.

21.2 percent of the respondents said that they were set a target less than 1crore rupees, 17.7 percent had 1-2 crore as target, 47.5 percent had 2-3 crore as target and 13.6 percent had more than 3 crores as target.

4.2 Factorial validity

All items of the instrument designed to investigate determinants of Organisational Ethical Behaviour were subjected to PCA. Prior to performing PCA, the suitability of data for factor analysis was assessed. Inspection of the correlation matrix showed the presence of many coefficients that are all significant at 1% level of confidence.

Table 4: Factorial validity

Dimension	Statistics	Leadership ethics	Doctor ethics	Organizational Ethical culture	Organizational Ethical Practice	Personal Ethics
Leadership ethics	Pearson Correlation	1	.044	.190**	.112	.060
	Sig. (2-tailed)		.0542	.007	.116	.401
	N	198	198	198	198	198
Doctor ethics	Pearson Correlation	.044	1	.0178*	.370**	.272**
	Sig. (2-tailed)	.542		.012	.000	.000
	N	198	198	198	198	198
Organizational Ethical culture	Pearson Correlation	.190**	.178*	1	.438**	.402**
	Sig. (2-tailed)	.007	.012		.000	.000
	N	198	198	198	198	198
Organizational Ethical Practice	Pearson Correlation	.112	.370**	.438**	1	.393**
	Sig. (2-tailed)	.116	.000	.000		.000
	N	198	198	198	198	198
Personal Ethics	Pearson Correlation	.060	.272**	.402**	.393**	1
	Sig. (2-tailed)	.401	.000	.000	.000	
	N	198	198	198	198	198

*significant at 1% level of significance

**significant at 5% level of significance

The KMO measures of sampling adequacy value was 0.657, exceeding the recommended value of 0.6 [47] and Bartlett's test of sphericity reached statistical significance, supporting the factorability of the correlation matrix.

Table 5 :KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.657
Bartlett's Test of Sphericity	Approx. Chi-Square	3680.156
	df	820
	Sig.	.000

The communalities table below shows the contribution of each item to the factors extracted. And it is evident that almost all the values are above 0.6 recommended level, which means that from each question 60% information has been extracted to identify the factors.

Table 6: Communalities

	Initial	Extraction
s1_q1	1.000	.678
s1_q2	1.000	.738
s1_q3	1.000	.750
s1_q4	1.000	.686
s1_q5	1.000	.760
s1_q6	1.000	.755
s1_q7	1.000	.726
s1_q8	1.000	.709
s1_q9	1.000	.693
s1_q10	1.000	.732
s1_q11	1.000	.648
s1_q12	1.000	.729
s1_q13	1.000	.689
s1_q14	1.000	.666
s1_q15	1.000	.740
s1_q16	1.000	.701
s1_q17	1.000	.712
s1_q18	1.000	.685
s1_q19	1.000	.691
s1_q20	1.000	.700
s1_q21	1.000	.695
s1_q22	1.000	.785
s1_q23	1.000	.660

C. Suriyaprakash and Chinnu Stephan (April 2022). The Development and Validation of the Organisational Ethical Behaviour Questionnaire of Medical Representatives

International Journal of Economic Perspectives,16(4), 73-86

Retrieved from <https://ijeponline.org/index.php/journal>

s1_q24	1.000	.738
s1_q25	1.000	.693
s1_q26	1.000	.717
s1_q27	1.000	.646
s1_q28	1.000	.579
s1_q29	1.000	.794
s1_q30	1.000	.715
s1_q31	1.000	.591
s1_q32	1.000	.723
s1_q33	1.000	.783
s1_q34	1.000	.754
s1_q35	1.000	.768
s1_q36	1.000	.736
s1_q37	1.000	.645
s1_q38	1.000	.594
s1_q39	1.000	.627
s1_q40	1.000	.774
s1_q41	1.000	.714

PCA with Varimax rotation demonstrated the presence of five components with Eigenvalues exceeding one, explaining 27%, 18%, 14%, 11%, and 8% of the variance, respectively. An inspection of the Scree plot also revealed a clear break after the 5th component. The following table presents the final component loadings for the retained factors. Thus, the final PCA with Varimax rotation regrouped the initially developed items under the five broad domains.

Table 7: Principal component analysis

Common Themes	Codes	Component				
		1	2	3	4	5
Leadership ethics	Motivating the medical representatives.	.878	.075	-.061	-.086	-.031
	Giving medical representatives additional responsibilities and challenges.	.787	-.174	.066	.025	.151
	Open and caring relationship with the medical representatives.	.765	.282	-.297	.274	.121
	Manager is a good coordinator.	.650	-.010	.182	-.074	.016
	Permissive leadership.	.618	.013	-.048	.182	.267
	Lack of caring relationship with the manager.	.573	.052	-.107	.367	.256
	Ethical influence of manager on his team members.	.549	.266	.230	.412	-.131
	Leadership intentionally promoting unethical practices.	.531	.220	.237	-.097	-.138
	Hidden permission from the manager to engage in unethical practice.	.514	.150	-.034	.170	.170
Doctor's ethics	Doctor's request for sponsoring family trips.	.474	.652	.278	.084	-.233
	Doctor's expectation of expensive gifts.	.436	.583	-.264	.359	-.034
	Active participation of the doctor in the unethical practice by the reps.	.414	.540	-.012	-.384	.309
Organisational ethical culture	Immediate termination for ethics violation.	.352	.341	.076	.187	-.191
	Lack of awareness about ethics.	.313	.193	.792	-.169	.059
	Clarity of ethical norms.	.083	.755	.767	.140	.028
	Existence of organizational ethical policies.	.169	.471	.727	-.112	.032
	Education on ethics.	.218	.466	.605	-.194	.091
	Promotional policies leading to unethical practices.	-.182	.456	.706	.371	.251
	Implementation of ethical policies.	-.109	.439	.661	.080	.101
	Ethics as a hindrance for their performance.	.305	.429	.617	-.105	.083
	Sustainability of unethical behaviour.	.140	.350	.601	-.253	.073
	Engaged employees need not be fully ethical.	.121	-.160	.507	.027	-.040
Organisational ethical practices	Medical representatives' participation in framing ethical policies.	-.077	-.005	.497	-.111	.224
	Lack of trust in medical representatives.	-.101	-.006	.029	.827	.339
	Unrealistic target fixing.	.132	-.107	-.082	.795	.073
Organisational ethical practices	Engaged employees violates ethics for achieving target.	-.353	.012	-.063	.717	-.130
	Target pressure.	.216	.240	-.056	.676	-.112
	Medical representatives should have easy access to the benefits.	.086	.252	-.009	.608	-.314

	Lack of organizational interest in personal development of the employees.	.096	.295	.036	.530	-.066
	Competence building.	-.159	.302	.213	.524	.005
	Hiring employees who don't have required qualification	-.357	.052	.380	.519	.266
Personal ethics	Medical representatives lack of product knowledge	-.094	-.071	.120	.242	.641
	Attitude of the medical representatives.	.318	.129	.149	.104	.669
	Inability to perform.	-.212	.196	.159	-.203	.558
	Perceived negative image of the job.	-.065	-.105	.006	.091	.573
	Privileges given to the family.	.365	.260	.177	.241	.553
	False reporting.	.130	.229	-.002	-.020	.548
	Manipulating tracking apps.	-.037	.031	.096	.044	.493
	Misuse of samples.	.087	.110	.421	.264	.479
	Generating fake bills.	.078	.202	-.111	-.014	-.448
	Bribing doctor's, stockiest and the staffs ofthe stockiest.	.226	.012	.389	.177	.421

4.3 Internal Consistency

Internal consistency reliability, which was measured by Cronbach's alpha ranged from 0.764 for Leadership ethics to 0.883 for Doctors ethics.

The reliability results are given below.

Table 8: Internal consistency reliability

Variables	Sub Category	Reliability
Organizational Ethical Behavior	Leadership Ethics	0.764
	Doctors Ethics	0.863
	Organisational ethical culture	0.790
	Organisational ethical practices	0.834
	Personal ethics	0.786

The reliability co-efficients are greater than 0.6, ranging from 0,764 to 0.863 and are reasonably closer to unity. This ensures the reliability of the questionnaire.

4.4 Normality

To apply statistical tests, the data should follow normal distribution. The following table gives the descriptive statistics of the constructs under study.

Table 9: Descriptive statistics of the constructs

Dimensions	Mean	Median	Mode	Std. Deviation	Skewness	Kurtosis
Leadership Ethics	32.9545	34.0000	35.00	4.69398	-.329	.082
Doctors ethics	8.2323	8.0000	8.00	2.26125	.377	-.036
Organisational ethical culture	41.07	41.00	42	5.640	.376	.390
Organisational ethical practices	21.9848	22.0000	22.00	3.45306	.376	.131
Personal ethics	32.5051	32.5000	31.00	3.32770	.111	.287

The mean, median and mode are approximately equal for all the constructs. Also the skewness and kurtosis are approximately nearer to zero. Hence the data is asymptotically normal.

5. Conclusion:

This study demonstrated that the newly developed measurement instrument has overall good level of properties measured as content and factorial validity, internal consistency and reliability. The instrument is robust enough to investigate determinants of Organizational Ethical Behaviour among medical representatives in Kerala. Investigating determinants of Organizational Ethical Behaviour using this instrument may provide comprehensive information that will assist the development of appropriate strategies to improve ethical behaviours of medical representatives. Since the nature and working conditions of the medical representatives are almost similar in various regions, this instrument may be used in general for the measurement of organisational ethical behaviour of medical representatives.

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