Antecedents of ethical infrastructures against workplace bullying: The role of organizational size, perceived financial resources and level of high-quality HRM practices

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Abstract

Purpose Drawing on the resource based view, this study examined the extent to which the level of the organization’s human resource management (HRM) practices, perceived financial resources, and organizational size predict the existence of a well-developed ethical infrastructure against workplace bullying.

Methodology The human resource (HR) manager or the main health and safety representative (HSRs) in 216 Norwegian municipalities responded to an electronic survey, representing some 50% of the municipalities.

Findings Level of high-quality HRM practice predicted the existence of an ethical infrastructure against workplace bullying, particularly informal systems represented by a strong conflict management climate (CMC). Perceived financial resources did not predict the existence of such ethical infrastructure. Organizational size predicted the existence of policies and having training against bullying.

Practical implications This study informs practitioners about what organizational resources that are associated with having a well-developed ethical infrastructure against workplace bullying. A high level of high-quality HRM practices seems to be more important for the existence of a well-developed ethical infrastructure against workplace bullying compared to financial resources and organizational size, at least as perceived by HR managers and HSRs.

Originality This study provides empirical evidence for the importance of having a high level high-quality of HRM practices as predictors of the existence of ethical infrastructure to tackle workplace bullying. An essential finding is that the existence of such an infrastructure is not dependent on distal resources, such as organizational size and perceived financial resources.

Keywords: ethical infrastructure, formal systems, informal systems, workplace bullying, HRM practices, psychosocial work environment.
Introduction

The study of unethical behavior in organizations and how organizations address such misbehavior is important, both for internal and external reasons (Crane and Matten, 2016). Unethical behavior is namely about actions by organizational members that may be harmful to individuals, groups, the organization, the surrounding environment, or society at large, and which is not morally accepted by the larger society (Jones, 1991; Russell et al., 2017; Treviño and Weaver, 2003). One of the most prevalent examples of unethical behavior in organizations is the repeated interpersonal mistreatment of employees by their superiors and peers, often conceptualized as workplace bullying (see Nielsen et al., 2010; Valentine et al., 2018), a problem that is even legally addressed in many countries (Yamada, 2011). The concept of workplace bullying refers to direct or indirect aggressive behavior directed either deliberately or unintendedly toward organizational member(s) by other members, perceived as humiliating, offensive and causing severe distress for the victim and in some cases obstructing job performance and/or causing a general unpleasant work environment (Einarsen and Raknes, 1997; Glambek et al., 2018). Researchers have argued strongly for organizations to implement effective measures against workplace bullying (Escartin, 2016; Einarsen et al., 2011, Hodgins et al., 2014, Vartia and Tehrani, 2012) and for studies on the potential effectiveness of systems and procedures in use (see Dollard et al., 2017). Drawing on the resource-based view (RBV), this study focuses on organizational resources as predictors of an organization’s ethical infrastructure for the prevention and management of workplace bullying. The concept of ethical infrastructure refers to formal and informal systems in organizations that prevent organizational members from acting unethically (e.g. Martin et al., 2014, Tenbrunsel et al., 2003, Treviño, 1990). Formal systems consist of elements observable within and outside the organization, such as documented ethics and compliance programs, while informal systems are
the subtle messages about the organization’s actual values and behavior in relation to ethical issues (Tenbrunsel et al., 2003). The presence of formal and informal ethical systems within an overarching ethical infrastructure has shown to be associated with less unethical behavior and practices in organizations (Jacobs et al., 2014, Kaptein, 2015), increased awareness of unethical behaviors (Ethics Resource Center, 2014, Rottig et al., 2011), less reports of bullying (Dollard et al., 2017) and to the successful management of unethical behaviors, in particular workplace bullying (Einarsen et al., 2017). In this regard, it should be mentioned that former research has also linked general unethical corporate values with workplace bullying (Valentine et al., 2018). Focusing on the ethical infrastructure also meets the calls for developing a system-wide approach to organizational measures against workplace bullying (e.g. Cooper-Thomas et al., 2013; Escartin, 2016).

Building on the assumption that workplace bullying should be sought prevented and managed within the framework of such an ethical infrastructure, as shown by Einarsen et al. (2017), we will investigate organizational antecedents of such an infrastructure. In this respect a RBV suggests that resources are important for an organization in order to survive, grow, and in general, to be effective (Barney, 1991). While Dollard et al. (2017) looked at how individual cases of bullying may be related to subsequent better informal systems to handled cases workplace bullying within the organization, the present study looks at how three different organizational resources is related to an organization having a well-developed ethical infrastructure to prevent and handle bullying. Having a well-developed ethical infrastructure is defined as having a high degree of implemented formal systems, as well as having informal systems that are assumed to enable ethical behavior and disable unethical behavior.

More specifically, we investigate the extent to which organizational resources, be it the proximal factor of the general level of human resource management (HRM) practices and the more distal factors of financial resources and organizational size, predict the existence of a
well-developed ethical infrastructure against workplace bullying. Specifically, it will explore whether these three resources are associated with the ethical infrastructure’s formal systems, be it policies, training, recurrent communication, and sanctions, and informal system, in our case the conflict management climate (CMC). Figure 1 shows a model of the empirical study presented. To our knowledge, this study is the first to investigate antecedents of an ethical infrastructure against workplace bullying.

The study is furthermore based on a representative sample of all Norwegian municipalities. The public sector in general, and occupations typically represented in municipalities, have in many studies been identified as high-risk settings for workplace bullying (Hutchinson and Jackson, 2015; Hurley et al., 2016). Municipalities are generally organizations with relatively many employees, have some basic common structure, missions, values and tasks across countries, and is generally in a constant lack of resources as they tend to address basic needs in the population, needs which in many respects are endless. As municipalities therefore must conserve their resources, it is of both theoretical and practical interest to understand the antecedents of having a well-developed ethical infrastructure through the theoretical lenses of a RBV.

**Ethical infrastructure**

A central theme in the business ethics literature has been to describe factors that either prohibit or stimulate unethical behavior in organization (e.g. Jones, 1991, Treviño, 1986, Treviño et al., 2014). Ethical infrastructure involves the development of systems and procedures that may counteract unethical behavior, such as bullying, as they “will
communicate and reinforce the ethical principles to which organizational members will be held” (Tenbrunsel et al., 2003, pp. 286).

An ethical infrastructure is important for organizations for several reasons. It defines acceptable behaviors in the organization and facilitates the development of learning and knowledge transfer routines (Hess and Broughton, 2014). It signals the potential consequences if the organization’s norms of unethical conduct were violated (Warren and Smith-Crowe, 2008), and it acts as a guide and recipe for how to effectively respond to and manage unethical behavior (Einarsen et al., 2017; Tenbrunsel et al., 2003).

Ethical infrastructure may be divided into formal and informal ethical systems (see Table 1). Formal ethical systems are the explicit regulations and rules, whereas informal systems are the implicit signals about acceptable behavior (Eisenbeiß and Giessner, 2012, Tenbrunsel et al., 2003). The formal systems are usually under the control of the organizational decision makers (Kaptein, 2009, Martin et al., 2014) and encompass implemented procedures designed to maintain the ethical standard by the organization (see Table 1).

Informal ethical systems are intangible and implicit messages about how to behave in situations of ethical issues (Tenbrunsel et al., 2003; Treviño et al., 2014). This study assumed that informal systems may be more or less harmonized with the formal systems, depending on the lived norms and codes of ethics by organizational members (Smith-Crowe et al., 2015). Different elements of the formal and informal ethical systems have been operationalized within the literature of ethical infrastructure (Table 1), yet with no final agreement on which elements to include.
In this study, the elements of the formal systems are policies against workplace bullying, training systems related to workplace bullying, recurrent communication, and the use of sanctions in cases of bullying.

Policies are “prescriptions developed by a company to guide the behavior of managers and employees,” (Kaptein, 2011, pp. 233). Being an explicit expression of the organizational ethical values, policies bring together the ideals and value systems of the organization (Stevens, 2008). Written anti-bullying policies generally contain information about 1) the values of the organization in this area; 2) how the organization aims to prevent such misbehavior; and 3) how the organization will react to and handle claims of bullying (Rayner and Lewis, 2011; Vartia and Leka, 2011). Organizational policies, including anti-bullying policies, can be used as tools to guide HR managers’ reactions and actions when dealing with employee issues, such as bullying (Cowan, 2011). Researchers have consistently emphasized the need for organizations to adopt their own anti-bullying policies to cope with and prevent such unethical behavior (see Einarsen et al., 2011). However, within business ethics, research on the effectiveness of formal codes of ethics has yielded mixed results (Tenbrunsel et al., 2003). Kaptein (2011) argues that the mixed results on the effects of policies may stem from the fact that the mere existence of policies is not enough to make policies effective. Rather, other factors related to policies, such as communication of the codes, the quality of policy content, and management efforts to induce the policies into the organization, may be vital for their effectiveness (McKinney et al., 2010). Nevertheless, most researchers recommend that organizations incorporate written policies into their formal ethical infrastructure (Stevens, 2008; Svensson et al., 2009).

Ethics training and shared ethic codes enhances positive work attitude such as job satisfaction and intentions to stay (Valentine and Godkin, 2016). Ethical training programs are constructed to enhance employees’ awareness of acceptable business conduct (Valentine and
Fleischman, 2004; Warren et al., 2014). Training programs may be effective tools if they “make the (ethical) standards understood and ensure their proper dissemination within the organizational structure” (Palmer and Zakhem, 2001, pp. 83). It is important to assess whether organizational members understand and fully grasp organizational ethical guidelines (Rottig et al., 2011). Salin (2013) argued that if leaders gain more knowledge about how to deal with bullying, it might help reduce workplace bullying. However, knowledge and awareness are required at all levels of the organization to combat such unethical behavior (Salin, 2008; salin, 2013). Hence, increasing all organizational members’ competence in handling bullying behavior is of great importance, and may be achieved by training in interpersonal conflict management skills (Rayner and Lewis, 2011; Einarsen et al., 2016; Einarsen et al., 2017).

Salin (2013) identified three important elements to make anti-bullying training programs effective. First, the participants must learn the detrimental effects of bullying. Second, instead of focusing on undesirable behaviors, one should also address and coach alternative acceptable behaviors. Third, training should make participants aware of third party and bystander roles, which may include managers, colleagues, and others, in either escalating or de-escalating unethical behavior such as bullying. By making third parties comfortable in how to intervene in cases of bullying, it may be stopped at earlier stages.

Recurrent communications are formal actions taken by the organization to increase and maintain knowledge of policies and desired ethical norms and values. This can be done by communicating policies and value statements, attitude campaigns, and systematical work on developing social climate (Salin, 2008). Rottig et al. (2011) suggest that recurrent communication may enhance both awareness and motivation for open discussions amongst organizational members concerning ethical issues and what is considered appropriate conduct. Also, increased exposure and repetition of ethical issues may have positive effects on learning and retention (ibid.).
Formal sanctions state that unethical behaviors will be met with formal reactions from the organization. Such punitive measures could include a fine, warnings, dismissals, or loss of formal positions (downgrading), to mention a few. The effectiveness of sanctions may be dependent on situational and individual factors, but in general, research has found that sanctions reduce unethical behaviors (Ashkanasy et al., 2006; Mantel, 2005; Shafer and Simmons, 2011; Smith et al., 2007; Watson and Berkley, 2009). Kaptein (2015) argued that the lack of enforcement of sanctions weakens the effectiveness of ethical standards. Sanctions have been regarded as an important measure against workplace bullying, where punitive measures toward bullies and their unethical behavior send a clear signal against such behavior (Salin, 2009; Einarsen, et al., 2017). Therefore, it is important to increase the perceived risk that perpetrators will be caught and reprimanded when engaging in such conduct (Salin, 2008).

Informal systems may be understood as the perceptions on how policies, procedures and practices are put into practice, and thus, this study will employ CMC as a relevant proxy for informal systems. CMC is defined as “employees’ assessments of the organization’s conflict management procedures, and of how fair and predictable the interaction patterns between managers and employees are perceived to be in this regard” (Einarsen, et al., 2016, pp. 2). Since most jobs involve some degree of interaction between individuals, interpersonal conflicts are probably unavoidable (Chung-Yan and Moeller, 2010). Hence, the ability to manage interpersonal conflicts are vital as conflicts are recognized as prominent precursors of workplace stress and bullying (De Raeve et al., 2008, Einarsen, et al., 2016). Thus, this study argues that a strong CMC are an important element within the informal systems for preventing, and successfully handling, workplace bullying.

As indicated above, it might be argued that ethical infrastructure is highly relevant when organizations are faced with critical ethical issues, in our case workplace bullying (Rayner and Lewis, 2011, Vartia and Leka, 2011). However, the organizational resources that precede the
ethical infrastructure against workplace bullying still remain largely unknown, as little research has been undertaken in this respect.

**Resource based view (RBV) and ethical infrastructure**

An organization’s resources consist of all the capabilities, processes, attributes, information, and assets that the organization holds and controls, and that enable the organization to implement measures leading to effective goal attainment (Bryson et al., 2007). Barney (1991) identified three important categories of resources within RBV. These are physical, organizational, and human resources. This study focused on three such resources as potential predictors of ethical infrastructure elements that are relevant for the prevention and management of workplace bullying; one proximal, which is the level of high-quality HRM practices in the organization, and two distal ones, financial resources and organizational size (see Figure 1).

**Level of high-quality HRM Practices as a resource**

A high level of high-quality HRM practices may influence an organization’s performance by developing a bundle of HRM practices that create a competitive advantage for the organization (e.g. Gannon, Roper, & Doherty, 2015). HRM is a functional discipline at the core of an organization’s design and practice, devoted to an optimal use of the workforce, that is, all activities associated with the management of people and related work tasks in an organization (e.g. Jiang et al, 2012, Kuvaas et al., 2014, Subramony, 2009). HRM practices influence employee role behaviors, and thereby relate to organizational outcomes. Hence, when employees act in ways consistent with company goals, then the performance should improve (Darwish et al., 2016, Singh et al., 2012). Ideally, HRM practices influences the ways in which
organizations operate, including their handling of ethical issues and social interactions such as workplace bullying (Lewis and Rayner, 2003).

A range of different HRM practices have been developed, such as training programs, personnel selection systems, and performance management systems, to mention but a few (Ulrich and Dulebohn, 2015). High quality HRM practices integrate the organizations’ overall HR processes with business strategies; the more systems synchronized and implemented the higher the level of HRM practices, presumably leading to an effective management of organizational members (Heffernan and Flood, 2000, Salin, 2008, Wright et al., 2001). Implementing HRM practices against workplace bullying might indirectly affect organizational performance, because they have an indirect impact on employee well-being, which in turn may impact performance (Woodrow and Guest, 2014). Salin (2008) concluded that municipalities that generally employed high-quality HRM practices also had a range of measures against workplace bullying. Hence, high-quality HRM practices may be seen as a resource used to also develop a well-developed ethical infrastructure against workplace bullying. However, such a positive relationship between the two is not self-evident, as critical voices have argued that workplace bullying may actually have been fueled by the development of HRM practices (Rayner and Lewis, 2011). To the authors knowledge, the topic of bullying is rather seldom studied together with more general HRM issues, and consequently, we know little about the relative importance of having a high-quality HRM practices on the one hand and having specific measures, such as ethical infrastructure against bullying, on the other (Salin, 2008). Therefore, this study investigated whether high-quality HRM practices predict elements within formal and informal systems of the ethical infrastructure against workplace bullying. As such, this study explores:

1) Does level of high-quality HRM practices predict the having a well-developed ethical infrastructure, here defined as having policies against workplace bullying,
training against workplace bullying, recurrent communication, and sanction, as well as having a strong CMC?

In this study, level of high-quality HRM practices refers to the perceived quality of or emphasis given to the different subareas of HR.

Financial resources

The physical resources are in this paper limited to the organization’s financial resources. Financial resources constitute constraints and provide possibilities for further development of the organization in terms of customer, product, or service development. This might also apply for the ethical infrastructure. Fernández and Camacho (2015) found that cash constraints acted as barriers of implementing ethical infrastructure in small and medium enterprises (SMEs) in the Madrid region.

Furthermore, implementation of measures for developing the optimal use of the workforce in an organization may be expensive (Barrett and Mayson, 2008). Hence, organizations will most likely choose those organizational systems and structures that will profit the organization the most (Chaparro and Lora, 2014). Wright et al. (2001) argued that in times of economic prosperities, it is easier for organizations to justify expenses on training programs, recruiting, and other systems involving employees. Consequently, resources related to employees is thus often were organizations reduce the expenditure when facing financial constraints (Barrett and Mayson, 2008; Chaparro and Lora, 2014). Thus, implementing formal systems of the ethical infrastructure against workplace bullying, such as developing policies, providing training programs, and providing recurrent communication through attitude campaigns, may be sacrificed, postponed or cancelled in organizations with lower financial resources.
Hence, it is likely that the organization’s financial resources are associated with the organization’s infrastructure concerning unethical behavior, in our case workplace bullying. Thus, this study investigated whether the financial status of the organization, as perceived by our respondents, predict elements of formal and informal systems within the ethical infrastructure against workplace bullying.

As such, this study explores:

2) Does level of financial resources predict the having a well-developed ethical infrastructure, here defined as having policies against workplace bullying, training against workplace bullying, recurrent communication, and sanction, as well as having a strong CMC?

Organizational size as a resource

The mere size of an organization may have several implications for an organization’s ability to acquire and retain resources (Josefy et al., 2015). Research has argued the pros and cons of both large and small organizations (Reino and Vadi, 2010). Smaller organizations may be regarded as less bureaucratic and thus more flexible towards changes in external environment (Hannan and Freeman, 1984). However, large organizations hold more diverse and complex skills, capabilities, and resources, and are thus more able to be for example innovative (Cáceres et al., 2011). Larger organizations may be less vulnerable to constraints regarding the distribution of resources (Lin et al., 2007) and accordingly less susceptible to resource allocation. Furthermore, as organizations increase in size, they may have access to more internal resources, thus becoming less dependent on acquiring external resources. In addition, larger organization may have more resource slack, that is, surplus of resources (Josefy et al., 2015) thereby also having resources to invest in employee wellbeing.
Salin (2008) found that organizational size influenced the choice of organizational responses when dealing with workplace bullying. The results showed a positive association between organizational size and the use of transfer as organizational responses to workplace bullying, as well as a positive association between the likelihood of avoiding dealing with the bullying and organizational size - the bigger organization the higher likelihood of avoidance.

On the other hand, one may expect that larger organizations are less transparent; hence, misdeeds are easier to conceal. For example, larger organizations may provide anonymity and thereby a potential shelter for bullies, reducing risks and potential costs to any perpetrator (Hearn and Parkin, 2001). Hence, this study will explore to what degree organizational size may predict elements of formal and informal systems within the ethical infrastructure against workplace bullying.

As such, this study explores:

3) Does organizational size predict the having a well-developed ethical infrastructure, here defined as having policies against workplace bullying, training against workplace bullying, recurrent communication, and sanction, as well as having a strong CMC?

Methods

Participants and procedures

The study used an internet-based survey to collect the data. All Norwegian municipalities (N = 429, hereinafter called ‘organizations’) were chosen as the organizations of interest, as they are spread across the country, are homogeneous in basic nature while being heterogeneous in size and in respect to the variables in the present study. Having identical missions, types of employees, organizational structure, technical solutions employed, and legal environments, these organizations employ from less than a hundred to several thousand
employees, and they exist in both rural and urban environments. The respondents were HR managers and elected HSRs in each organization.

The organizations were contacted by phone to obtain respondents’ e-mail addresses, and the respondents received emails with information about the survey and a link to the online survey. The questionnaire was developed and extended based on a previous Finnish study (Salin, 2008), and the study was carried out with two reminders.

Valid responses were received from 216 municipalities (response rate = 50.2). In 21 cases, both the HR manager and the HSR from the same organization responded, and in those instances, one of them was randomly chosen to represent their organization. Thus, each organization was represented in the sample only once, by either the HR manager or the HSR.

Among the respondents, 54.8% were HR managers, 45.2% were HRSs, and 51.6% were males. Most respondents belonged to the 41-50 years age group (51.6%), while 37.6% were younger, and 62.8% had a Bachelor-level education or above. Municipalities with between 2000 and 9999 inhabitants accounted for 46.8% of the sample.

Measures

The questionnaire was an adapted and expanded version of a survey by Salin (2008). The present study contained one proximal and two distal independent variables. First, the proximal independent variable level of high-quality HRM practice as perceived by the HR managers and HSRs, hereafter called level of high-quality HRM practice, was assessed with a sum-score based on a six-item scale (α=.71). The respondents were asked, “How would you rate your municipality in the following areas?” The items were; “Your municipality’s ability to recruit and retain employees”, “Your municipality’s emphasis on work training (e.g. higher education, courses and seminars)”, “Access to appropriate labor”, “The general health condition of the municipality’s employees (e.g. sick leave)”, ” Your municipality’s emphasis
on follow-up of employees (e.g. performance appraisals), and “Your municipality’s emphasis on safety, health, and environment (SHE). The responses ranged from 1 to 5, with the highest scores indicating “very good” and the lowest score indicating “very bad.” An internal consistency of $\alpha=0.85$ was obtained in the current study.

Second, the financial resource was assessed with a sum-score based on two items ($\alpha=.71$), asking “How would you rate your municipality’s present economic situation” and “How would you rate your municipality’s future economic prospects”. The responses ranged from 1 to 5, with the higher scores indicating “extremely good” and the lower score indicating “extremely bad”.

Third, organizational size was measured by determining the number of inhabitants the municipality. The responses were measured on a 7-point scale (lowest being “less than 2000”, “2000-4999 inhabitants”, “5000-9999 inhabitants”, “10 000-19 999 inhabitants”, “20 000 - 49 999 inhabitants”, “50 000 - 99 999 inhabitants”, and “more than 100 000”). The size of the municipality, measured by the number of inhabitants residing within its borders, reflects the municipality organization’s size and complexity.

The elements of the ethical infrastructure consisted of four formal and two informal ethical systems variables.

Policies against bullying, hereafter called policies, were examined by a single item asking whether the organization had policies related to bullying and harassment. The respondents marked 0 for no policies and 1 for policies in place.

Formal training on bullying, hereafter called training, was measured using a sum-score based on three items. These three items asked whether (1) HR managers, (2) MRPs, and (3) all employees in general received formal training in bullying and harassment. The response alternatives were “No formal training” (0) or “Yes, formal training” (1). The sum-score then of 0 indicated that none of the parties had received training, score of 1 indicated that one of the
parties had received training, score of 2 indicated that two of the parties had received training, and score of 3 indicated that all of the parties had received training.

Recurrent communication was computed based on three items measuring the ways in which the organization internally and formally worked with the work environment. These three items asked about the degree to which the organization (1) conducted attitude campaigns and disseminated other information about anti-bullying work environment, (2) conducted well-being campaigns with the focus on workplace bullying and harassment, and (3) completed other systematic work to build an anti-bullying culture within the organization. The responses were provided on five point scales ranging from 1 (very low degree of) to 5 (very high degree of) ($\alpha=.65$).

Sanctions were measured using a single item asking the respondent about the likelihood warning people who engaged in bullying. The statement was measured on a 5-point Likert scale that ranged from 1 (not likely at all) to 5 (very likely).

CMC was measured using a version of Rivlin’s (2001) questionnaire adapted by Einarsen et al. (2016). The scale comprised 9 items. Examples of items are, “If an employee has a conflict with someone at work, the employee knows who to turn to for help” and “Employees feel free to contact the personnel manager if they experience unjustified treatment at work.” The responses were measured on 7-point scales ranging from 1 (completely true) to 7 (completely wrong). An internal consistency of $\alpha = 0.91$ was obtained in the current study.

Statistical procedures

SPSS Version 21 was used for statistical analyses. The mean values, ranges, standard deviations, and Cronbach’s alpha coefficients of the sum-scores were calculated along with frequency distributions of the single item variables and central tendency indicators, when appropriate.
The correlations between independent and dependent variables were calculated using Pearson’s $r$. Finally, multiple regression analyses were employed to examine the effects of the three independent resource variables on the dependent variables (the elements of the formal and informal systems of the ethical infrastructure). Tests for collinearity were run using VIF and Tolerance analyses. A logistic regression analysis was finally applied to reassure the internal validity of one of the predictors, as the variable ‘policies’ was a dichotomous variable not suited for standard multiple regression procedures.

**Results**

Most municipalities (47 percent) had between 2000 and 19,999 inhabitants. The most typical municipality had between 2000 and 4999 inhabitants, representing about 28 percent of the included municipalities. Thirteen percent of the municipalities had less than 1999 inhabitants, and 12 percent had between 20 000 and 49 999 inhabitants. Less than 4 percent had more than 50 000 inhabitants while 50 000 to 99 999 amounted for 2.1 percent and only 1.7 percent had more than 100 000 inhabitants. Sixty-seven percent of the organizations had implemented *policies related to bullying*, and about one in five organizations had provided bullying management training to all organizational members.

Means, standard deviations, and correlations for the study variables are displayed in Table 2.

Significant and strong positive correlations were found between the two independent variables, level of high-quality HRM practice and financial resources (Table 2). Except for sanctions, level of high-quality HRM practice correlated significantly and positively with all
ethical infrastructure elements. Contrary to this, perceived financial resources variable was unrelated to the ethical infrastructure elements. Size was significantly and positively related to having policies and having training systems, in that larger size organizations are more likely to have training on workplace bullying, and policies. Most of the dependent variables were positively correlated, except sanctions that had significant (and positive) correlations only with CMC.

Hierarchical multiple regression analyses were used to explore more rigorously whether level of high-quality HRM practices, financial resources, and organizational size may predict the presence of elements of ethical infrastructure against workplace bullying and their summative explained variance (Table 3). Tests for collinearity were conducted using VIF ranging from 1.00 to 1.12, which is well beyond the recommended threshold of 10 (Dormann et al., 2013, Mason and Perreault Jr, 1991). The test for Tolerance ranged from 1.00 to 0.90. Thus, it was concluded that collinearity was not a major problem for the multiple regression analyses.

Size predicted only the existence of policies and training against workplace bullying. Financial resources did not predict any of the elements within the ethical infrastructure. Level of high-quality HRM practices still significantly predicted all elements within the ethical infrastructure, except for the use of sanctions in cases of bullying. The level of high-quality HRM practices had the strongest predictive power on CMC, followed by recurrent communication, while it had the weakest predictive power on training and policies. As expected, from the correlation analyses, the beta values were positive, indicating that organizations where the municipality were perceived as having higher level of high-quality HRM practices were more likely to have implemented most of the elements of the ethical infrastructures against bullying. Sanctions were the only element in the ethical infrastructure
that were not predicted by any of the independent variables. For explained variance, see table 3.

Place table 3 about here

Since the existence of policies was a dichotomous variable; it cannot be analyzed using multiple regression as a dependent variable, thus, a logistic regression was also conducted to reassure the validity of the results. The results of a logistic regression with the existence of policies as the dependent variables showed similar results as the multiple regression, indicating that 1) size predicted the existence of policies (Exp(β) 1.3), 2) level of high-quality HRM practice predicted the existence of policies (Exp(β) 1.78), while 3) financial resources did not significantly predict existence of policies (Exp(β) 0.93).

Discussion
Drawing on the RBV, this study examined the extent to which organizational resources predict the existence of a well-developed ethical infrastructure against workplace bullying. The results showed that ethical infrastructure was mainly related to the level of high-quality HRM practices. Organizational size was related to having workplace bullying policies and training, whereas financial resources were not related to any of the elements within the formal and informal systems in the ethical infrastructure. These findings suggest that ethical infrastructure is closely related to the level of high-quality HRM practices, at least for ethical infrastructure against workplace bullying. These findings are in line with Salin (2008), who found that municipalities with the higher levels of high-quality HRM practices also had measures against workplace bullying. This may imply that the level of high-quality HRM practices relates to
having a well-developed ethical infrastructure against workplace bullying. Some HRM practices endeavor to seek high employee performance, while other HRM practices focus on promoting and protecting employee well-being (Woodrow and Guest, 2014), such as ensuring a safe work environment, finding a work-life balance, and providing a healthy psychosocial work environment, which can support the organization's productivity and goal attainment. In this case, ethical infrastructure against workplace bullying may be regarded as a proxy for the organization's attempts to protect employee well-being (Einarsen et al., 2017), which aligns with the main goals of HRM practices in organizations. In this light, high levels of high-quality HRM practices could be seen as a proximal antecedent or a resource that also increases the possibility of the organization having a well-developed ethical infrastructure. As such, high levels of high-quality HRM practices seems not to be a risk factor for bullying, as has been argued by UK researchers (Rayner and Lewis, 2011), at least not in Norwegian municipalities and as reported by HR managers and HSRs.

On the other hand, the financial resources of the municipality were not related to any of the formal and informal elements within the ethical infrastructure. Although researchers (e.g. Rottig et al., 2011) have claimed that organizations spend millions of dollars on formal systems, the findings in paper 1 suggest that an organization's financial resources are not related to having a well-developed ethical infrastructure. Therefore, having scarce financial resource is not an excuse for failing to develop such an infrastructure. The finding further contradicts conclusions from Fernández and Camacho (2015) on constraints and enablers when implementing ethical infrastructure in small and medium-sized Spanish enterprises (SMEs). They found that cash constraints served as barriers to such implementation. However, while Fernández and Camacho (2015) studied SMEs, this study investigated municipality organizations. These two types of organizations are somewhat different and feature in different national contexts. Thus, it may be that they cannot be compared. Hence, more research is
needed on this issue with the use of other kinds of organizations and better, more nuanced financial resource measures than was the case in the present study.

The size of an organization only related to two elements of the formal systems in the infrastructure against workplace bullying. This finding may reflect that larger organizations are less transparent, and thus, are more dependent on having formal systems in place (Kalleberg, 1996; Josefy et al., 2015). However, it may also reflect that larger organizations have more resources available, which in turn enables them to implement such formal elements as policies and training. This finding supports the findings of Salin (2008). She found that the size of the municipality was important for whether or not these organizations had policies on workplace bullying. Other studies have also found that larger organizations are generally more formalized and administratively intense (e.g. Kalleberg 1996; see Price, 1997), while smaller organizations tend to be less bureaucratic (Hannan and Freeman, 1984). The finding in this thesis may be seen in light of other empirical research on organizational size and workplace bullying. Several studies (Hodson et al., 2006; Privitera and Campbell, 2009) have investigated if organizational size impact the prevalence of workplace bullying. However, no such associations have been found. This may imply that having a well-developed ethical infrastructure in which several elements are in place against workplace bullying is perceived as important and necessary, regardless of the organization’s size.

The contradictions in the results compared to some other studies (e.g. Fernández and Camacho, 2015); that is, financial resources do not relate to a well-developed ethical infrastructure, may also be due to different measures of the ethical infrastructure or the fact that the organizations are different. First, whereas this thesis investigated elements within the ethical infrastructure in a narrow sense, i.e. directed at workplace bullying, other studies related to economic resources and organizational size may have measured elements that embody a broader approach to (un)ethical behavior (e.g. Fernández and Camacho, 2015).
Perhaps the most interest finding is that the decision to implement a variety of elements of an ethical infrastructure against workplace bullying do not have to rest on the perception of having sufficient financial resources nor on being a large enough organization. The results in this paper support the findings of Salin (2008), who concluded that organizations that focus on personnel issues may place greater emphasis on preventing and coping with workplace bullying in general.

**Strengths, limitations, and future research**

This study is one of the first to explore the antecedents of having an ethical infrastructure, in our case related to the prevention and management of workplace bullying, a field where knowledge on effective interventions are sorely missing. The reported study has some notable strengths as well as some important limitations. The study seems to be rather representative of all Norwegian municipalities, with a response rate of over 50%.

This study is one of the first to address several measures simultaneously, presented as ethical infrastructure, to combat unethical behavior in organizations. As a result, some elements of the formal systems were measured using partly self-composed single questions, while other elements were assessed using multiple item scales. Still, the items and scales used in this study should be elaborated and refined in future studies to enhance their validity over and above their rather clear face validity.

Furthermore, our informants were key actors with first-hand knowledge of the measured variables. It was assumed that HR managers and HSRs in general play an active role in reporting and handling of workplace bullying by the organization. As the respondents may not have all information about the formal and informal systems within the organization, the results must be interpreted with caution. Future studies on ethical infrastructure should also include line managers at all levels of the organization, thereby ensuring as much knowledge as
possible about the formal and informal systems within the organization as seen from their point of view.

The study employed a cross-sectional design with only one informant per organization, prohibiting any firm causal inferences about the observed relationships, and it utilized a rater crude measure of financial resources. Hence, future studies should explore other types of organizational settings and branches, employing measures that are even more objective and contain multiple sources of information on both dependent and independent variables. If our conclusion holds, in that the best predictor of having an effective ethical infrastructure against bullying is the general level of high-quality HRM practices (extensive training, the use of formal performance appraisal, and regular employee attitude surveys), potential moderators and mediators of this relationship should be explored. That is, the circumstances under which the organizations are more likely to extend their general HRM practices to also include an effective ethical infrastructure and the mechanisms that may explain how general HRM practices translate into strong informal ethical infrastructures should be explored. In addition, studies should explore the effectiveness of the ethical infrastructure and its development, utilization, and integration within an organization.

**Practical implications and conclusion**

Level of high-quality HRM practices appears to be an important organizational antecedent of the ethical infrastructure against workplace bullying, whereas financial resources and to some extent organizational size are irrelevant. The findings suggest that having higher levels of high-quality HRM practices is a central factor characterizing the organizations that have adopted ethical infrastructures to combat workplace bullying. This is in line with Salin (2008) who found that those with sophisticated HRM practices also had measures against workplace bullying. Organizations with higher level of high-quality HRM practices in terms of recruiting and maintaining employees along with using performance management systems
and systems for maintaining good health conditions among their employees are most likely to have developed some form of ethical infrastructure against workplace bullying, including informal ones.

Perhaps the most interest finding is that implementing elements of ethical infrastructure against workplace bullying should not be primarily about having sufficient financial resources nor about being a large organization, but about serious attention to the human resources. This further supports the findings of Salin (2008) who concluded that organizations that focus on personnel issues may in general place greater emphasis on preventing and coping with workplace bullying as well.

Our findings have expanded the business ethics literature on ethical infrastructure by exploring the organizational drivers of ethical infrastructure. The study also contributes to the workplace bullying literature by suggesting they ways in which theories of business ethics, such as ethical infrastructure, may be used to combat workplace bullying.

References


