Implications of Ethical Climate on Organisational Commitment In Microfinance Banks In Nigeria: A Case Of Abakaliki Metropolis, Ebonyi State.

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Abstract: *Microfinance banks in Nigeria and Abakaliki metropolis in particular face a lot of challenges that could be surmounted by committed workers. While many organisational commitment predictors abound, little attention has been given to ethical climates. Thus, the study was aimed at determining the strength and direction of relationship between ethical climate dimensions and organisational commitment dimensions with a view to determining the predictive ability of the former in respect to the latter. It was a survey research, and 3 out of 7 Microfinance Banks in the metropolis were conveniently chosen for the study based on their popularity. Their combined staff strength was 56 employees and the entire staff was the respondents. Data generated was analysed using correlation and regression analysis. The result shows that caring and efficiency have significant positive relationships with affective commitment. Also, caring, efficiency and instrumental ethical climate dimensions have significant positive relationships with continuance commitment. While no evidence of positive relationship was observed between normative commitment and most dimensions of ethical climates. Therefore, developing these ethical climates (caring, efficiency and instrumental) will likely improve significantly the level of commitment of the employees to the Microfinance Banks.*

Keywords: *Ethical climate, organisational commitment, microfinance banks*

I. Introduction

1.1 Background of the Study

Every organisation requires employees that are committed to their vision, mission and goals to sustain its existence and remain relevant in its market (Obalola, Aduloju & Olowokudejo, 2012). The importance of organisational commitment lies in its relevance in reducing negative organisational variables such as turnover intention and absenteeism (Sims & Kroeck, 1994; Valentine, Goldkin & Lucero, 2002); and enhances the positive outcomes such as productivity, profitability, and job satisfaction (Brett, Cron, & Slocum, 1995; Lum, Kervin, Klard, Reid & Sirola, 1998). Understanding potential factors that influence employees commitment to organisation is very imperative because of the likely positive effects it will likely have on the organisation (Moore, 2012). Since no organisation can perform at its peak in today's competitive world unless each employee is committed to the organisations' objectives (Dorgham, 2012), much focus has been on the ways of enhancing employees commitment in organisation by researchers and practitioners alike. Organisational commitment is synonymous to employee commitment and are used interchangeably by researchers, for example (Ma'amor, Ann, Munir, Munir and Hashim 2012; Dorgham, 2012; Vitell & Singhapakdi, 2007), and focuses on commitment of employees to the organisation, thus, organisational commitment and employee commitment are used interchangeably in this study and refers to the commitment the employees exhibit towards the organisation they are working in.

Cullen, Parboteeah, Victor, (2003) noted that antecedents of employee commitment have been vigorously researched for decades, however, the predictive power of ethical climate on organisational commitment has relatively been understudied (Obalola et al, 2012). A firm's ethical climate that fits ethical value of the employees seem to create favourable conditions in the work place and acts as a force in keeping employees from leaving the organisation, and also improves employees performances since absenteeism and turnover is at minimum (Osman, 2013, Sims & Kroeck, 1994). Ethical climate of a business organisation has the ability to affect employee behaviour and organisational outcomes positively (Sims & Kroeck, 1994; Ma'amor et al, 2012), this may also apply in microfinance banks since they are service oriented in nature and requires constant contact between the employees and the customers.

Since the advent of microfinance banks (MFB) in Nigeria, they have continued to face many challenges (Acha, 2012), such as low patronage, employee turnover, low customer retention and so on. These challenges could be reduced drastically if the employees are committed to the organisation. Microfinance banks began operation in Nigeria in 2007 with existing community banks and non-governmental organisation (NGO) banks transiting into microfinance banks (Acha, 2012). Specifically, they were licensed to carry on the business of providing financial services such as collection of savings, provision of loans, insurance, money transfer services and other non-financial services that are needed by the poor as well as the micro enterprises (Jenyo & Adebayo, 2014). Given that microfinance banks have no exclusive right over any dedicated group of customers, they face a lot of competition not only from their peers, but also from conventional commercial banks in Abakaliki metropolis. More so, the metropolis is mostly inhabited by civil servants and artisans, thus, both commercial banks and microfinance banks seem to compete in the same market. There are seven microfinance banks in the metropolis, namely: Ebonyi State University (EBSU), Izzi, Ndiagu, Ummunnachi, Ozziza, LAPO and Monarch, all of them transited from community bank except EBSU microfinance bank which was established in 2011. The banks share virtually the same characteristics and the same challenges such as ill-defined ethical climate and competition. In view of this, there is need to look at ethical climate in MFBs in the metropolis since it is an essential dimension of organisational survivability (Khan, 2011), and has the ability to boost workers commitment (Sims & Kroeck, 1994; Obalola et al, 2012). Many predictors of employee commitment abound in literature, example, job satisfaction (Aameri, 2000; Sikorska, 2005; Warsi, Fatima, & Shibzada, 2009) but much is not known about how ethical climate affects employees commitment (Obalola et al, 2012), especially in microfinance banks in Abakaliki metropolis. This study hopefully helps to establish empirically the influence and the relationship between ethical climates and organisational commitment. Although some studies have shown that ethical climate is positively related to organisational commitment, (e.g. Tsai & Huang, 2008; Omer, 2012), most of the studies were conducted in the western world (e.g. Schwepker, 2001, Fritzsche, 2000; Shafer, 2009), to mention a few. These studies cannot be used to generalize in the Nigerian environment. Moreover, banks have been rarely considered and more worrisome is that most of the studies (e.g. Tsai & Huang, 2008; Okpara & Wynne, 2008; Moore & Moore, 2014) treated commitment as a single construct against the argument of Allen & Meyer (1991) that they relate differently to behavioural outcomes. These form parts of departures for the present study. The study, therefore, seeks to establish the relationship between ethical climate dimensions and organisational commitment dimensions. It also seeks to find out the extent to which ethical climate could predict the level of organisational commitment.

II. Literature Review

2.1 Ethical Climates

Ethics deals with choices and judgments defined by acceptable standards of conduct of behaviours of individuals and groups. (Erondu, Sharland & Okpara, 2004). Ethical on the other hand refers to "acceptable standards" of behaviour in personal and social conduct within a given environment (Alas, 2005). Organisational climate is seen as employee shared perception of the psychological aspect of work environment (Mohammad, Ghasem, Razieh & Arefeh, 2013). It captures qualities of work environments as experienced by people working in them (Glisson & Green, 2011), though it cannot be seen or touched, it is real and affects everything within the organisation (Ceyda & Sevinc, 2012). Ethical climate is a type of organisational climate that refers to behaviours perceived to be satisfactory or generally accepted in a given environment (Moore & Moore, 2014). Victor and Cullen (1988) see ethical climate as the prevailing perceptions of organisational practices and procedures that have ethical content. It represents the organisational values, practices, and procedures that pertain to moral behaviours and attitudes (Cullen, Parboteeah, & Victor, 2003), and defines what is good or bad (Gareth, 2007). Organisational ethical climate is shared perceptions of personnel about how issues should be addressed and what constitutes ethically correct behaviour (Deshpande, 1996), an unspoken understanding among employees of what is seen as acceptable behaviour and what is not (Nafei, 2015), and provides the basis for taking decision when confronted with ethical situation (Khan, 2012). It arises when employees believe that certain forms of ethical reasoning and behaviour are expected standards for decisions making in the organisation. In other words, it does not measure individual's moral development or ethical standards, rather, individual's environmental components as perceived by them (Cullen, et al, 2003). Organisation's ethical climate not only helps employees to address issues relating to the content of decisions as it relates to their jobs such as "what should I do" but also the process which defines how the job should be done (Omer, 2012). Thus, ethical climate of an organisation summarizes the prevailing "morality criteria" upon which most decisions are based and also tend to determine actions and may even affect thought processes of members since it determines to an extent actions to be taken by employees when faced with ethical issues. Two categorical dimensions of ethical climates, each with three levels were identified by Victor and Cullen (1987, 1988) (Shacklock, Manning & Hort, 2011), the first dimension was known as ethical criteria. Ethical criteria were seen as dominant or prescribed moral philosophy that provides guides in making ethical decisions in the interest of the organisation

or group (Shacklock et al, 2011). It consists of egoism, benevolence and principled (Elci & Alpkan, 2009; Cullen et al, 2003; Moore & Moore, 2014; Shacklock et al., 2011). Egoism deals with behaviour that supports the satisfaction of self interest (Elci & Alpkan, 2009; Cullen et al., 2003). Egoistic action centers on preservation of individual dignity and self interest irrespective of opposition from the society and other people (Venezia, Venezia & Hung, 2010). Benevolence ethical climate criterion focuses on satisfying the interest of many people such as immediate work group, firm, the community or even the society (Lemmergaard & Lauridsen, 2008; Elci & Alpkan, 2009; Agarwal & Malloy, 1999). Principled ethical climate criterion centers on adherence to universal standards and beliefs on the applications of rules, regulations and laws in decision making (Perterson, 2002; Lemmergaard & Lauridsen, 2008); strict observance of policies and organisational procedures (Agarwal & Malloy, 1999). The second dimension is the locus of analysis which is also made up of three levels namely, individual, local and cosmopolitan (More & More, 2014; Cullen et al, 2003; Nafei, 2015). This defines the central concern that influences the decision (Shacklock et al, 2011). The locus of analyses provides the basis upon which ethical decision is made, by locating the interest sought to protect. It is a referent group that provides the source of moral reasoning used for applying ethical criteria (Victor & Cullen, 1988). In essence, the locus of analysis only helps to understand the point of reasoning. The individual locus of analysis centers on self interest, the local locus of analysis draws it reference from immediate work group or the firm. The cosmopolitan locus of analysis extends beyound the work group and the firm, behaviour is shaped by outside forces such as professional organisation. The combination of ethical criteria (Egoism, Benevolence, and Principled) and loci of analysis (Individual, Local and Cosmopolitan) according to Victor and Cullen (1988) provides nine distinct theoretical ethical climates that can be found in organisation. The combination of each ethical criterion with the three loci of analysis provides a focus and identifies whose interest is paramount in making ethical decision. The combination is presented in table 1 below for better understanding. From the table, it is clear that while egoism for instance focuses on satisfying self, the interest or referent could be on the employee (egoism individual); the self interest here could be personal gain, self defense or preservation of self dignity. It could also be company interest (Egoism local), e.g. company profit, growth and so on or the larger society (Egoism cosmopolitan) e. g. climate change, safety, efficiency (Victor & Cullen, 1988; Agarwal & Malloy, 1999). In essence, the loci of analysis only help to understand the point of reasoning, if the locus of analysis is individual, the way the individual accepts as being right will take pre-eminence, if local, then the organisation takes pre-eminence and decision will be guided by the best interest of the organisation based on established norms of judgment while cosmopolitan derives its source from either the professional body or regulatory body outside the organisation based on the established standard norms as perceived by the organisational members.

Table 1: Ethical work climate matrix

		LOCUS OF ANALYSIS		
		Individual	Local	Cosmopolitan
ETHICAL CRITERIA	Egoism	Self-interest	Company Profit	Efficiency
	Benevolence	Friendship	Team Interest	Social Responsibility
	Principle	Personal Morality	Company Rules and Procedures	Law & Professional Codes

Typical decision criterion

Source: Victor and Cullen (1988)

However, Ethical climate questionnaire (ECQ) developed by Victor and Cullen (1988) to empirically test the dimensions failed to confirm the nine dimensions, rather five ethical climate dimensions were extracted using principal component analysis (PCA) followed by varimax rotation. The following were extracted: caring, law and code, rules, instrumental and independence (Victor & Cullen, 1988, Shacklock et al, 2011). Table 2 shows how Victor and Cullen (1988) extracted five dimensions from the questionnaire items designed for the nine theoretical ethical dimensions gotten from the combination of ethical criteria and locus of analysis. From the table, egoism is equivalent to instrumental; benevolence is equivalent to caring; while three dimensions were extracted from principled namely: Independence, rules and law & codes.

Table 2: Ethical work climate matrix

		LOCUS OF ANALYSIS		
		Individual	Local	Cosmopolitan
ETHICAL CRITERIA	Egoism	SELF-INTEREST *Instrumental***	COMPANY PROFIT *Instrumental**	EFFICIENCY
	Benevolence	FRIENDSHIP *Caring*	TEAM INTEREST *Caring*	SOCIAL RESPONSIBILITY
	Principle	PERSONAL MORALITY *Independence*	COMPANY RULES AND PROCEDURES *Rules*	LAW & PROFESSIONAL CODES *Law & Codes*

Source: Agarwal and Malloy (1988)

Wimbush, Shephard and Markharm (1997) on the other hand, examined the components extracted by Victor and Cullen (1988) with ethical climate questionnaire in a single multiunit organisation using (PCA) and varimax rotation, they also extracted five components which they labeled as caring, law & rules, service, independence and instrumental. In their study, two different dimensions (law & code and rules) in that of Victor and Cullen (1988) loaded in one to form law & rules.

Shacklock et al. (2011) used the ethical climate questionnaire to identify the dimensions of ethical climate, they also identified 5 different dimensions namely law & rules, caring, independence, instrumental and efficiency. Agarwal and Malloy (1999) also used the same ethical questionnaire to assess the dimensions of ethical climate, using confirmatory factor analysis (CFA), the extracted five components which they labeled individual caring, Machiavellianism, independence, social caring, and law and code.

There is therefore, a tendency that ethical climate have five dimensions since all the exploratory and confirmatory factor analysis confirmed five dimensions using the same instrument. The differences in nomenclature may be relatively, the result of individual bias. Irrespective of little swapping of items among various components, five dimensions have always emerged with little variations which might not be far from the argument of Manning (2010) that pattern of relevant climate dimensions will always vary not only between organisations in different industries, but also between types of organisations within an industry. Thus, Shacklock et al (2011) observe that different patterns of ethical climate dimensions will be found in different types of organisations. The five dimensions are explained below using Shacklock et al (2011) nomenclature:

Law & Rules ethical climate is mostly associated with principled ethical criterion (Nafei, 2014). It emphasizes employees' obedience to the rules and laws of both their organisation and professional body. Independence is another subset of principled ethical criterion. It focuses on employees following their own moral beliefs in their decision making. Principled ethical climate criterion generally encourages decision making based on rules and codes (Cullen et al, 2003), with less emphasis on its impact on people. This could be internal to the individual (Principled Individual), organisational rules, procedures and policies (Principled Local) or even outside the organisation (Principled Cosmopolitan) such as the Bible, professional body or societal laws (Victor & Cullen, 1988).

Caring ethical climate dimension is synonymous with benevolence ethical criterion because it was extracted from questionnaire items designed to measure Benevolence Individual (BI) and Benevolence Local (BL) (Agarwal & Malloy 1999; Victor & Cullen, 1988; Nafei, 2015). Caring ethical climate depicts an environment in which the decision maker seeks to maximize joint interest even if it entails sacrificing his/her own comfort and satisfaction (Cullen et al., 2003). It defines an environment in which workers are sincerely interested in the well being of each other (Shacklock et al, 2011), well being of the organisation and even people outside the organisation (Moore & Moore, 2014). Organisation that promotes benevolent ethical climate (Caring) encourages a perception of a local caring environment which is more likely to have positive effect on members of the organisation (Moore & Moore, 2014).

Instrumental ethical climate dimension is synonymous with egoism since almost all the items that loaded in it were designed to measure Egoism Individual (EI), and Egoism Local (EL) (Victor & Cullen, 1988; Agarwal & Malloy, 1999; Nafei, 2015). It refers to behaviour that centers mainly on self-interest (Agarwal & Malloy, 1999). The decision maker chooses alternative that most satisfies his/her need without considering the impact his/her choice will have on others (Cullen et al., 2003). Thus, the dimension is seen as the degree to which employees look out for their own self interest (Shacklock et al, 2011), especially when considering egoism-individual.

Efficiency stems from egoism local and egoism cosmopolitan. In this case, employees see their organisation as mostly concerned in attaining greater profit through dedication to efficiency by each employee (Venezia et al, 2010).

2.2 Organisational Commitment

Organisational commitment (Employee Commitment to organisation) is the employee attitude or orientation which shows that he identifies with the organisation (Gautam, Van, Wagner, Upadhyay & Davis, 2005), belongingness to the organisation (Markovits, Ullrich, Van & Davis, 2008). It is a force that helps connect, combine and attach an individual to the way of accomplishment of goals and objectives of any organisation (Meyer and Herscovitch, 2001), the extent to which employee experience loyalty to the organization, and could also be seen as a psychological bond between the employees and the organisation (Arti, Atul and Kuldeep, 2011; Meyer & Allen, 1990). Commitment enhances productivity, decreases absenteeism and turnover in any organization as a result of display of positive attitudes by employees and acceptance of both goals and objectives of the organisation (Kahn & Rashid, 2015), and high level of commitment could add value to employees' lives, improve employees performance and reduce counterproductive behaviours (Omer, 2012; Robbins and Coulter, 2005). Commitment could also lead to dedication and invariably will benefit organisations in several ways, especially as it regards performance.

There has been a growing support of multidimensional approach to the study of organisational commitment as proposed by Allen & Meyer, the model is classified into three: affective commitment, continuance commitment and normative commitment (Allen & Meyer, 1990), it has been empirically evaluated (Darja, 1999). Allen and Meyer (1990) argue that multidimensional approach to the study of commitment provides a more thorough understanding. This study adopts the classification of commitment by Allen and Meyer (1990):

Affective commitment is the worker's attachment to, recognition with, and participation in the organization (Sabir, Ilyas, and Amjad, 2011). It is the emotional attachment and identification that propels employee to be deeply involved in the organisational affairs (Sari & Noermijati, 2014; Dorghan, 2012), a sentimental attachment, sense of belonging and participation in the organization (Meyer and Allen, 1997). Cohen (2003) sees it as optimistic fondness toward the organization, that is exhibited to ensure that organization succeeds in attaining its aims and objectives.

Normative commitment results when a worker stays with an organization because he feels grateful to maintain employment (Singh and Pandey, 2004). Normative commitment is an emotion of requirement to carry on service (Bashir and Ramay, 2008). It is defined as "an employee's feelings of obligation to remain with the organization" (Meyer and Allen, 1997), or as a responsibility (Abdullah and Ramay, 2012).

Continuance commitment is based on costs associated with the employee leaving the organisation (Chang, Tsai, & Tsai, 2011), attachment to the organisation as a result of losses that the employee might incur if he/she leaves the organisation (Arti et al, 2011; Saris & Noermijati, 2014). It is acute awareness of the perceived cost associated with leaving the organisation that makes the employee to stay in the organisation (Moore & Moore, 2014). In this case, employee may decide to continue working in the organisation because of friendship built over the working years or other non-transferable funds like retirement fund and benefits (Imam, Raza, Shah & Raza, 2013). When an employee perceives that the cost of leaving the organisation is more than the benefits, he is compelled to sustain the relationship with the organisation as a necessity (Dorgham, 2012).

2.3 Ethical Climate and Organisational Commitment

Several studies have been carried out to assess the relationship between ethical climate and organisational outcomes; but no consensus has been reached as can be seen from the studies presented below: Cullen et al (2003) studied the effects of ethical climate on organisational commitment: a two-study analysis. A positive relationship was found between benevolent (caring); principled ethical climate criteria and organisational commitment, while negative relationship was found between egoism (Instrumental) and commitment. Tsai and Huang (2008) studied the relationship among ethical climate types, facets of job satisfaction and the three components of organisational commitment in Taiwan. Findings showed significant positive relationship between caring, independence and rules climate and organisational commitment. In Nigeria, Okpara and Wynne (2008) studied the impact of ethical climate on job satisfaction, and commitment. Finding revealed a significant positive correlation between ethical climate and organisational commitment. Omer (2012) studied relationship between organisational commitment and ethical climate: the mediating role of job satisfaction dimensions: a study in a group of companies in Turkey. Finding showed a strong positive relationship between ethical climate and affective commitment, also, a strong positive relationship was found between ethical climate and continuance commitment. Ma'amor, Ann, Munir, Munir and Hashim (2012) studied the relationship between ethical climates and organisational commitment in manufacturing companies in Malaysia. They found a strong positive relationship between benevolent (caring) ethical climate only while egoism and principled have no relationship with commitment. Moore and Moore (2014) studied the effect of ethical climate on organisational commitment of faculty members in United States of America. Finding showed that benevolent (caring) ethical climate leads to higher commitment, principled leads to lower commitment while egoism (Instrumental) has negative relationship with organisational commitment. From the studies reviewed, we hypothesize the following:

H₁: Affective commitment is positively related to ethical climate dimensions
H₂: Normative commitment is positively related to ethical climate dimensions
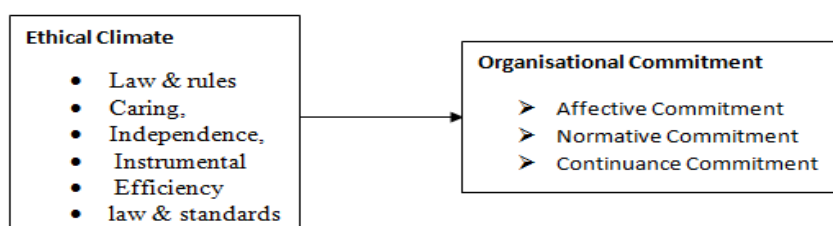**H₃:** Continuance commitment is positively related to ethical climate dimensions

Figure 1: Theoretical Framework

III. Research Methodology

3.1 Research Design

The study is descriptive survey research and correlational design was adopted. It involves the design of structured instrument through which data was generated. The design was meant to test the relationship between ethical climate dimensions and organisational commitment dimensions. Ethical climate dimensions are the independent variables while organisational commitment dimensions are the dependent variables. The essence of the design is to identify both the strength and direction of their relationships and by so doing, determine the influence of ethical climate on employees' commitment.

Out of 7 Microfinance banks in the State (Ebonyi State University (EBSU), Izzi, Ndiagu, Ummunnachi, Ozziza, LAPO and Monarch), 3 were conveniently chosen for the study. The choice was based on popularity of the banks. The 3 chosen Microfinance Banks are well known and seems to have over 70 per cent of the customers in the metropolis. The populations of the 3 Microfinance banks as at the time of carrying out this study were as follows: Ndiagu, 16; Monarch, 18 and EBSU, 22. The total populations of the staff of the 3 Microfinance Banks were 56. The Questionnaire was distributed to the entire staff of the selected Microfinance Banks. However, out of the 56 copies of questionnaire distributed, 49 copies were retrieved while 46 copies were found fit for the study. Hence, the analysis was based on 46 copies correctly filled.

3.2 Instrumentation/Data Generation

Most research in the area of ethical climate employed ethical climate questionnaire (ECQ) developed by Victor and Cullen (1997; 1988) (Agarwal & Malloy, 1999). This study is not exempted because the scale items have been validated by many studies (e.g. Cullen et al, 2003; Darja, 1999, Shacklock et al, 2011). The items were adapted from the study of Shacklock et al (2011) and amended to reflect the current study setting. Caring was measured using four items while instrumental was measured using five items. In the same vein, the three component model of commitment was developed and popularized by Allen and Mayer (1990; 1991). Ever since then, the items developed for its measure have undergone extensive empirical evaluation and validation (Darja, 1999). Employee commitment was, therefore, measured in this study using Allen and Meyer (1990; 19991) scale items. The scale items were adapted from the study of Darja (1999) and amended appropriately. All the three components were measured using six items each. See appendix A, for details.

Data was collected directly from the staff of the microfinance banks through self administered structured questionnaire. All the items were close ended questions and 5 point Likert scale was used. Thus, the points ranged from "strongly agree" which has a scale point of '5' to "Strongly disagree" with '1' point.

3.3 Validity/Reliability of the Instrument

Content validity was employed to determine the validity of the instrument. As suggested by Hair, Anderson, Tatham and Black (2010), factor analysis was used to establish the validity of the measuring instrument. Factor loadings, principal component analysis with varimax rotation were mode of extraction. In this case, all the items meant to measure a particular construct should load highly on the construct to establish validity (Al-Swidi & Al-Hosam, 2012). Most of the items loaded highly on the constructs they were intended to measure and also as they loaded in previous studies. However, the items meant to measure law & code loaded into four places. One statement loaded as a construct alone, the other statement loaded with a statement intended to measure instrumental to form a separate construct while three statements each loaded together to form two different constructs and consequently labeled as rules & code and law & standards in this study. Instrumental was measured with 3 items only in this study because one statement loaded alone to form the ninth construct. From the loading, nine dimensions were extracted, but six was adopted for the purpose of this study, while the statements that loaded in the other three were ignored. The six dimensions extracted for this study are: rules & code, instrumental, independence, caring, efficiency, and law & standards. Organisational commitment on the other hand has no change because all the items loaded highly on the dimensions of commitment they were intended to measure as well as they loaded in previous studies, see appendix for details.

Reliability measures the internal consistency of the measuring items. Cronbach alpha (α) is considered the most popular indicator of internal consistency and high values are most preferable (Pallant, 2011). Alphas (α) of the various dimensions are presented on diagonal in table 3.

IV. Analysis And Result

Table 3 contains a correlation matrix of all the constructs in the study and their inter-relationships. From the table, there is evidence that ethical climate contributes to organisation commitment. Affective commitment which is seen as the most important in the 3 component model of commitment received most support. It has positive correlations with all the six dimensions of ethical climate used in the study, but statistically significant relationship exist between affective commitment and two dimensions: caring (r = 0.435) and efficiency (0.581) only. This supports the findings of previous studies that benevolent or caring ethical

climate boosts organisational commitment (Tsai & Huang, 2008; Cullen et al, 2003; Omer, 2012). The table also shows the importance of efficiency (Egoism cosmopolitan/local) in boosting affective commitment in the Microfinance Banks. This is at variance with the finding of Cullen et al (2003); Moore and Moore (2014) who found negative relationship and Ma'amor et al (2012) who found no relationship with egoistic ethical criterion as a whole with organisational commitment.

Normative commitment has negative correlation with most ethical climate dimensions except caring and efficiency. However, none is statistically significant, therefore, direct relationship does not exist between normative commitment and ethical climate dimensions. Thus, the second hypothesis is not supported. This is in line with the findings of Omer (2012).

Continuance commitment has significant positive relationship with instrumental, caring and efficiency and indirect positive relationship with independence, law & standards. The only exception is rules & code. Therefore, to a great extent, hypothesis three is supported. This also corroborates the findings of Omer (2012).

Table 3: Descriptive statistics, Cronbach Alpha and correlation matrix of constructs

Constructs	Mean (S.D)	1	2	3	4	5	6	7	8	9
1. Affective	3.24(0.96)	(.811)								
2. Normative	3.18(0.82)	.165	(.754)							
3. Continuance	2.68(0.77)	.454**	.520**	(.855)						
4. Rules & Code	3.65(1.33)	.248	-.063	-.028	(.890)					
5. Instrumental	2.82(1.15)	.171	-.110	.396**	-.200	(.825)				
6. Independence	2.49(1.01)	.124	-.205	.256	-.313*	.386**	(.733)			
7. Caring	3.68(0.86)	.435**	.080	.440**	.336*	.061	.151	(.730)		
8. Efficiency	4.25(0.75)	.581**	.242	.381**	-.052	.276	.211	.323**	(.544)	
9. Law & Standards	4.12(0.71)	.230	-.265	.214	.027	.271	.234	.339	.111	(.592)

**. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Note: Cronbach Alphas are shown on the diagonal in parenthesis

Multiple regression analyses were performed in furtherance of the hypotheses testing and also to test the ability of ethical climate to predict organisational commitment. This was done in respect of the 3 component model of organisational commitment. The result is presented in table 4. Before the test, variance inflation factor (VIF) and tolerance values were used to check multi-collinearity among the independent variables. The result showed that multi-collinearity was not a problem since the condition set by Hair, Anderson and Tatham (1998) and Pallant, (2011) were met. VIF ranges from 1.345 to 1.363 which is far less than 10 while Tolerance ranged from 0.744 to 0.813 which is also far above 0.10. Two out of the three regression models posses significant *F*-test score, this shows that they have good explanatory powers.

The regression results indicate that the significant positive relationship between affective commitment and dimensions of ethical climate is partially supported. This is so because despite having positive relationships with all the dimensions, only efficiency is statistically significant ($\beta = 0.521$, P < 0.001). We hereby accept hypothesis I with a caveat that emphasis should be on developing a caring (benevolent) and efficiency (Egoism local/cosmopolitan) ethical climates.

There is strong evidence of negative relationships between normative commitment and ethical climate dimensions. Caring ($\beta = 0.200$, P < 1.169) and efficiency ($\beta = 0.270$, P < 1.753) which are positive are not statistically significant. *F*-score was also not statistically significant, thus, hypothesis two was not supported.

Regression analysis also shows that ethical climate dimensions model has a good explanatory power in respect of continuance commitment ($F = 3.801$, P < 0.005). However, only instrumental ($\beta = 0.309$, P < 0.039) and caring ($\beta = 0.405$, P < 0.014) are statistically significant. Rules & code and Law & standards have negative relationships and are not statistically significant while independence seems not to have relationship at all. Therefore, hypothesis three is supported to a great extent.

We therefore, have evidence to support the assertion of Allen and Meyer (1991) that the 3 model of commitment relate to behavioural outcomes differently. Therefore, gestalt analysis of commitment and ethical dimensions as seen in majority of the studies in this area seem to have created ambiguities by reporting results with empirical evidence but lacks value in practical application because only few ethical climate dimensions might have carried others. Understanding the type of commitment lacking in organisation will definitely help in focusing effort in developing required ethical climate that will help boost such commitment.

Table 5: Multiple Regression Analysis Result

	Independent Variables	(β)	T-value	P-value
Dependent Variable: Affective Commitment	Rules & Code	.239	1.758	.086
	Instrumental	.026	.194	.847
	Independence	.033	.242	.810
	Caring	.146	1.016	.316
	Efficiency	.521	4.030	.000
	Law & Standards	.102	.784	.438
	R^2	.458		
	Adjusted R^2	.376		
	F-value	5.626		.000[b]
Dependent Variable: Normative Commitment	Rules & Code	-.204	-1.259	.215
	Instrumental	-.059	-.372	.712
	Independence	-.268	-1.651	.107
	Caring	.200	1.168	.250
	Efficiency	.270	1.752	.087
	Law & Standards	-.278	-1.800	.079
	R^2	.229		
	Adjusted R^2	.113		
	F-value	1.980		.091[b]
Dependent Variable: Continuance Commitment	Rules & Code	-.087	-.590	.558
	Instrumental	.309	2.140	.038
	Independence	.022	.146	.885
	Caring	.405	2.608	.013
	Efficiency	.158	1.130	.265
	Law & Standards	-.027	-.194	.847
	R^2	.363		
	Adjusted R2	.268		
	F-value	3.801		.004[b]

V. Conclusions

An examination of descriptive statistics (mean & standard deviation) shows the existence of mainly affective and normative commitment in the microfinance banks. On 5-point scale, the mean of affective (3.240); Normative (3.180), and Continuance (2.680) shows that majority of the respondents believe they are emotionally attached to their organisations, wish to remain in the banks because they need to and not necessarily because of cost associated with leaving (Continuance commitment). On the other hand, a careful examination of the ethical dimensions suggests that instrumental (2.82) and independence (2.49) are dominated by other ethical climates. Efficiency has the highest score of (4.25), followed by law & standards (4.12), caring (3.68), and rules & codes (3.65). They are evidence of Egoism, benevolence and principle ethical criteria existence in the microfinance banks.

The findings indicate that not all ethical climate dimensions are relevant in enhancing commitment of employees in the microfinance banks studied. A careful look shows that only caring and efficiency have statistical strong positive relationships with affective and continuance commitment with moderate but not significant relationships with normative commitment. Instrumental has only statistical positive relationship with continuance commitment. Worthy of note is that efficiency and instrumental emanate from egoism, while caring is synonymous to benevolent ethical criteria. Thus, only two ethical criteria with different loci of analysis are considered important. Therefore, there is evidence to support the findings of Cullen et al, (2003); Ma'amor et al (2012); Moore and Moore (2014); and Tsai and Huang (2008) that caring ethical climate is positively related to organisational commitment. The study is at variance with the findings of negative relationships between egoism ethical criterion (instrumental and efficiency) and organisational commitment by Cullen et al (2003); Moore and Moore (2014) and the study of Ma'amor et al (2012) who found no relationship at all. Finally, the findings do not support the findings of positive relationships between principled ethical criteria and organisational commitment by Cullen et al (2003); Tsai and Huang (2008); but supports to an extent that of Ma'amor et al (2012) who found no relationship at all between principled and organisational commitment.

VI. Implications For Managers And Practitioners

Developing the right ethical climates may be what is required in the Microfinance Banks to increase their commitment. There is need for managers to understand that ethical climate has the potentials of enhancing organisational commitment which may likely improve performances. Caring and efficiency dominated all other ethical climates, while instrumental has significant positive relationship with continuance commitment only.

Caring (benevolent) ethical climate criteria holds the highest promise in raising the level of commitment of employees. A benevolent ethical climate leads to cooperation, mutual understanding and positive feelings among organisational members (Wech, Mossholder, Steel & Bennett, 1998). This could increase organisational goodwill and positive feelings towards the organisation. It also encourages willingness to assist each other, leading to cohesiveness among the organisational members (Cullen et al, 2003). This in turn could lead to people having more interest in the activities of their group, and that could lead to greater harmony and productivity of the group, thus, commitment is enhanced.

Previous studies found negative relationship between egoism and organisational commitment. But this study found positive relationship; mainly egoism-local (instrumental) and egoism-cosmopolitan (Efficiency). It shows that employees though, will not be committed to the organisation that promotes selfishness (Cullen et al, 2003), will certainly be committed when the organisation takes steps to ensure its continuity by institutionalizing actions that are in the best interest of the organisation (Instrumental or Egoism Local) and also those actions that are in the best interest of the public which will invariably give the organisation good public image (Efficiency or Egoism Cosmopolitan). Employees derive some psychological satisfaction when they are working with an organisation with good image and brand, thus, instrumental and efficiency ethical dimensions, which is subset of egoism proves to be very important in enhancing organisational commitment in the Microfinance Banks. Managers of Microfinance Banks in Abakaliki metropolis should therefore focus on developing these ethical climates that has significant positive relationship with affective and continuance commitment in their organisation as they hold high potentials of boosting organisational commitment.

VII. Limitations

First, the study concentrated on microfinance banks in the metropolis. Caution should be taken in generalizing the finding to non-comparable population such as Microfinance Banks in the rural areas or even in other cities. Since Nigeria is multi-ethnic and multi-religious society, the findings may not be valid in different setting with different culture, religion and other social characteristic. Secondly, the use of microfinance banks only, limits the findings to that sector. Finally, the study made use of questionnaire and therefore, limited also by some shortcomings that are mostly associated with questionnaire as an instrument of data generation.

VIII. Future Research

Future research should cover different settings (rural areas, different cities with different cultures) so as to be able to provide results that can be applicable overboard.

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