Identifying Norms and Normative Expectations in an Organisational Hierarchy

A Study of Social Norms within Human Resources

by

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Master's Programme in Management

October 2016

Lund University

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Abstract

This study will investigate and understand the social norms that resides within a globally operating organisation. Within this organisation, this study targeted the Human Resource department for its unique role and close bond to the company policy which can provoke ethical dilemmas that require a collective understanding among the employees and managers to resolve. The Krupka-Weber method is applied in this study to investigate if there are collectively shared social norms, normative beliefs and expectations between two different levels in an organisational hierarchy, Employees and Managers. The method includes a survey methodology in combination with a pure matching coordination game, which allows for the elicitation of social norms rather than the participants personal norms. To achieve this, the study presents ethical dilemmas which can arise in a Human Resource department in order to elicit the social norms, normative beliefs and expectations which are subsequently analysed statistically to investigate if a pattern emerges and thus examine if there is a collectively share social norm while simultaneously identify if any patterns of miscommunication exists.

Keywords: social norms, behavioural economics, human resources, organisational psychology, economics, management, normative expectations, normative beliefs, personal norms, ethically, socially, coordination game

Acknowledgements

Firstly, I would like to acknowledge the company and the participants which allowed for this study to be possible; without them and their constant support this would not have been possible.

Secondly, I would like to acknowledge Stein Kleppestø at the Department of Business Administration and Julienne Stewart-Sandgren at Lund University School of Economics and Management and for providing me with the unique opportunity and guidance to accomplish this thesis.

Thirdly, the Master's in Management class of 2015/2016 has played an enormous part, not only in this thesis but also in the overall year that we shared together; you will always have a special place in my heart – No Pressure.

Lastly, and perhaps most importantly I would like to express my deepest gratitude and love for my Dad, Jozsef and my Mom, Edith, for their constant support, inspiration and their remarkable ability to put up with me as their sole child – I love you both. I would also like to thank my family and friends for their support, encouragement and presence in my life – you make life simple and excellent.

This achievement would not have been possible without you all.

Thank you.

Mikael Szalay

October 2016

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1   Introduction

Social norms are the informal laws that govern our society, culture, behaviour and ultimately has the power to transform and shape the future. They exist universally and are reformed constantly as a result of various factors. For example, the creator and CEO of Facebook, Mark Zuckerberg, once said on the topic of sharing information *"People have really gotten comfortable not only sharing more information and different kinds, but more openly and with more people - and that social norm is just something that has evolved over time."* (Johnson, 2010); this is an illustration of how a social norm can develop and be constructed over time.

The ultimate difficulty regarding social norms, reveals itself when groups with diverse beliefs of social norms clash together or, when groups who are meant to cooperate lack in realisation of a difference in social norms; consequentially causing undesirable disorder and complexity. Therefore, it is of great value to consider the significance of social norms when regarding to the functioning of a social unit.

Understanding the aspects of social norms has long been a noteworthy topic within a majority of the fields in social science (Cialdini et al., 1990) while in other fields, such as economics, social norms has been absent only until relatively recently; where it has now been brought to significant attention**.** Arguments as to why there has been an absence of social norms in economic research often emphasises its difficulty to measure or quantify; and, as a consequence, research is therefore often implemented subsequently to explain outcomes rather than á priori to predict behaviour (Krupka & Weber, 2009). Another possible reason as to why this type of research is scarce within economics could be the frequent criticism on the use of psychology to explain certain outcomes and behaviours. Economist point to its tendency to produce errors and biases, while lacking any recommendations on how to advance in alignment with the existing standard rational model (Kahneman, 2003).

As a result, the current economic and organisational research touching upon the impact and significance of social norms is still in its infancy. However, recent findings display the weight of behavioural economics, where it has been used to explain irregular behaviour patterns and decision making that resides outside the standard rational model; where authors such as

Daniel Khaneman, awarded the Nobel Memorial Prize in economics 2002 for his work; and Richard Thaler have successfully demonstrated its importance and impact in the world of business and economics. Therefore, it is a fast growing field in need of, not only exploration, but also expansion (Harford, 2014).

Thus, to grow this field further and to attempt to reduce its scarcity, this study will present a unique multimethod approach which elicits and examines the social norms in the internal Human Resource (abbreviated *HR*) Department of a globally operating tech company. This is especially interesting, since Human Resource Departments are responsible for conveying corporate policy both externally and internally as well as managing staff, internal organisations and compensation among other. Accordingly, the need of having a consistent internal normative behaviour among the staff is crucial to avoid social consequences and to be able to stand behind the corporate policy. Furthermore, from a practical perspective, to avoid miscommunication and similar consequences it is vital to have a consistency in behaviour between managers and employees; it is of advantage to know and agree upon what is expected and what is actually implemented in order to drive the organisation forward in unity and target the same vision and goals. Besides, Human Resource management is an important aspect to consider when observing the company performance. The influence on practices and policies of human resource management is an important matter in the research field of Human Resource management, industrial relations and organisational psychology (Boudreau, 1991; Huselid, 1995).

Therefore, since Human Resources can be considered a 'middle-line' amid managers and employees as well as in the organisation, it has an elevated risk of facing ethical and social dilemmas; where one usually has to pick a side and stand fast; it could, for example, be following the corporate policy versus the request from an employee/manager.

The approach mentioned in the former paragraph is inspired by a relatively new multimethod, introduced by Krupka and Weber (2009). This study will both challenge and expose this method outside the primarily conducted laboratory setting and in its place challenge the method in an 'on-the-job' setting; this in combination with an objective to identify norms, normative expectation and normative behaviour in an organisational hierarchy within a Human Resource department. Approaching with this method will also separate this study from the traditional sociological direct approach; instead, using an economical indirect observational approach.

For the reason of scarcity and the need for a systematic economic theory of social norms (Burks & Krupka, 2012), this study will aim to assist in enlightening the role of social norms in organisational behaviour as well as complementing and contributing to existing and future research. To further elucidate, this study does not have the purpose of predicting certain normative behaviour, alike traditional sociological research; instead aims to explain normative behaviour and complement current and future organisational research within the relevant context.

1.1   Background & Significance

Following the pre-study of the research topic, it was clear that a field experiment was required in order to contribute to the gap between theoretical and practical applications as well as gain a perspective within the behavioural patterns that exist in an organisational hierarchy. There was no necessity for a study of this kind within the targeted organisation, since there were no evident difficulties that indicated the need for an explanation. Instead, the focal motive of the study was to gain an improved understanding of the relations and its environment with the help of an economical behavioural approach. Therefore, the study did not set out to identify or discover any faults that may exist; instead, with an open and neutral approach, aimed to gain an understanding of the management and work dynamics between employees and managers on a behavioural level in a single case.

Understandably, the study had to limit its spectrum to a specific department because of the difficulty of comparison between diverse departments; every department functions as an individual unit with different social norms, work ethics and visions. Although, it might generate a more generalizable result; to compare several departments can be problematic not only due to the departments unique individualistic behaviour but also because of the difficulty to find mutual social norms to target. This reasoning in combination with the availability and interest, set the direction of this study. The researcher of this study had through experience and connections gained access to an HR department at a globally operating company and thus allowed for a field experiment to take place. Not only did the access make this study a certain choice, but also the shown interest and assistance from the department in facilitating this study supported the choice. The researcher therefore saw the possibility in developing this study together with the employees and managers at the target department with the mutual

interest in the results that it might yield which in turn propelled both the motivation and opportunity required to achieve this. However, it should be noted that the study's initial initiative originated from researcher and not from a necessity for the company in question.

Furthermore, there are several expected contributions from this study. Firstly, the study aims to help enlighten the understanding of management on a behavioural level for the researcher as well as people with similar interest. Secondly, the opportunity to develop and execute a field experiment in an organisational hierarchy sets forward to both contribute in the field of research and also be of piratical assistance in the targeted organisation for further organisational development. Finally, the researcher hopes to lay a foundation for further studies using a similar method as well as expanding the awareness of the significance of human behaviour within the fields of economics.

1.2   Purpose & Research Question

The main purpose of this study is to investigate the correlation between HR Managers and HR Employees' normative behaviour and their expected normative behaviour in a globally operating tech company within the context of an HR department. This purpose is further explored by asking the following main research question:

> ***Do the two groups, HR Managers and HR Employees, share the same social normative beliefs?***

This question is directed to the quantitative part which is also the majority and the approach of this study. The objective is to understand the alignments (or misalignments) of social norms through a quantitative statistical approach. The intention is to explore the differences in behaviour and expectations between HR Managers and HR Employees, both ways. With the use of a quantitative data collection and a statistical analysis, this study will aim to answer this question to the best of the researcher's ability with the assistance and inspiration from former studies.

Furthermore, when examining the two groups using statistical data, it is of interest to look for a statistical significance between the two groups to examine if there is a misalignment in the social norms.

1.3   Research Hypotheses

To further clarify, the aim is to give an insight into the normative behaviour and the expected behaviour that exists between managers and employees as well as give an overview of the normative condition and environment that the HR department in a large tech company resides in. Ultimately, the goal is to investigate if the social norms between the groups align and hence, if they share the same belief. Thus, to explore this more in detail, three directional hypotheses were developed to act as objectives for the comparison between the two groups.

The hypotheses were developed with regards to observation of, and experience from the HR department, discussions with the HR peers and the data that was to be collected for a statistical analysis. Normally, when approaching quantitatively, it often includes some type of numerical analysis of the results; in this case it will be a statistical comparison of the data. In order for a statistical comparison to become logical and applied for testing, it is favourable to develop hypotheses to either prove or disprove.

1. *Hypothesis 1 – HR Managers and HR Employees will have a general statistical alignment in the comparison of their actual norms.*

   The majority of the results between HR Managers and HR Employees will have an alignment in terms of statistical significance when matching their respective actual norms, HR Managers Desired Norms versus HR Employees Actual Norms. However, actions which involve social consequences such as, for example, relationship between employees being affected might differ, however, no significant difference.

2. *Hypothesis 2 – HR Managers will tend to have a more coherent and frequent use of the extreme options; relative to the response of the HR employees.*

   HR Managers have a higher tendency to pick extreme options, this because the assumption of a larger gap between the HR Managers and the social consequences of the actions, relative to HR Employees.

3. *Hypothesis 3 – HR Managers and HR Employees will generally agree on the overall appropriateness of an action.*

HR Managers and HR Employees will have a general alignment on the overall appropriateness of an action. The two groups will lean towards the same edge in the respective actions.

Hypothesis 1 is presented as the null hypothesis which generally, as well as in this case, assumes that there is no differ among the groups. Hypothesis 2 was developed mainly from observation and pre-discussion with peers at the targeted HR department; discussions with both HR Mangers and HR Employees resulted in a logical assumption that HR Managers tend to be more policy-oriented and non-hesitant regarding the actions compared to their counterpart, the HR Employees; the action is either right or wrong and nothing in between. Finally, Hypothesis 3 emerged from the environment that the HR department resides in. It was evidently observed and experience that the close day-to-day work relationship between HR Manager and HR Employees had an effect on a collectively shared social norm. Therefore, it was assumed that there most likely exists a collective agreement between the groups if an action is appropriate or inappropriate.

2   Related and Existing Work

This chapter will address the significance of norms by first defining social norms using current literature and definitions. Secondly, it will give an overview of existing works within the field of which this study will contribute and some possible drawbacks.

2.1   Social Norms as a Theoretical Concept

Social norms as a theoretical concept for explaining certain behaviour have long been of significance in research, primarily in psychology and sociology (Merton, 1968). However, only relatively recently has social norms been brought up in other areas such as economy, mainly to explain abnormal behaviour which the standard rational model has unsuccessfully been able to explain. These behaviours include, among other, involuntary unemployment, costly punishment and tipping (Akerlof, 1980; Conlin, et al., 2003; Fehr & Gachter, 2000). Some methods have also been able to reveal there exists miscommunication between groups in an organisational hierarchy through elicitation of social norms (Burks & Krupka, 2012). However, due to the problematic of quantifying and measuring social norms, the research of social norms within economics is often applied subsequently to outcomes that the standard rational model has difficulty to justify (Bowles, 1998; Fehr & Gachter, 2000; Ostrom, 2000). Furthermore, the area of social norms demonstrates scarcity in research when comparing the social and ethical behaviour among two different levels in a hierarchy; with research focusing on correlation between, for example, individual behaviour and individual perceptions about the ethical climate of the organisation (Victor & Cullen, 1988) or the actions of peers (Gino & Pierce, 2009).

Additionally, regarding studies targeting to elicit social norms, the precision of the participants estimating how other behave is not the purpose. Instead, the purpose is to explore if the participant is influenced by social norms through exposing what the participants believe of the normative expectations of others within the reference group (Mackie, et al., 2015).

Thus, to contribute to the research scarcity of social norms within the field of economics, this study will apply an experimental and relatively new method of measuring social norms between two levels within an organisational hierarchy.

2.2 Defining Norms

Norms also commonly referred to as *social norms*, are a social construct that governs the appropriate collective behaviour within a certain group or society and are generally not outcome-oriented instead focuses on the action itself (Bettenhausen & Murnighan, 1991; Bicchieri, 2006; Dolan, et al., 2010; Fehr & Gachter, 2000).

Additionally, another type of norms that is often discussed within the context, is the individual's opinion or so called *personal norms*; these might in some cases differ from the *social norms* that is collectively recognised by the group (Bicchieri, 2006). Yet, when an individual group member has the belief and understanding that others in the group judge a specific behaviour and when the others in the group assume the individual is conscious of this judgement, then this mutual understanding is defined as a *social norm* (Bicchieri, 2006; Young, 2008).

In addition to the difference and variation between *social norms* and *personal norms* stated above, there is also a third feature of norms; that *social norms* might vary from group to group in the same sense that *personal norms* might vary between individuals (Krupka, et al., 2008; Burks & Krupka, 2012). Burks and Krupka (2012) points out the potential consequence of a variation between groups at different levels of a corporate hierarchy; that if variation of the normative behaviour amid the groups is to be present, consequently the normative expectations of other groups may also differ (Burks & Krupka, 2012; Schminke, et al., 2005).

Furthermore, the actions of people can be interdependent or dependant of other people (Mackie, et al., 2015). The actions usually affecting social norms are interdependent where a collective belief has to be reached in order to change the social norm. Ponder the example brought forward by Mackie et al. (2015), where a single rower in a boat desires to row west; the action is highly independent of other rowers in other boats. However, if several rowers are in the same boat, then a collective agreement of rowing west has to be reached in order to row west, consequently, the action of each individual are interdependent. When handling

interdependent actions, game theory has been proved to be a systemised method to describe the social patterns of actions (Mackie, et al., 2015; Schelling, 1960; Wydick, 2008).

Generally speaking, there are two different characteristics of norms, *injunctive norms* and *descriptive norms*; these define the nature of the norms. *Injunctive norms* are categorised as norms that refer to what a person ought to do also referred to as normative expectations, whereas *descriptive norms* refer to what actions that people repeatedly take (Burks & Krupka, 2012; Krupka & Weber, 2009; Mackie, et al., 2015; Cialdini, et al., 1990).

However, since this study will focus on eliciting *injunctive social norms* using Krupka and Weber's (2009) method, it will follow Elster's (1989) description of social norms that: *"The simplest social norms are of the type: Do X, or: Don't do X."* (Elster, 1989, p.99) id est injunctive social norms, that is, what someone ought to do in the relevant social context. To evade misunderstandings, the definition of *injunctive social norms* used in this study is, through a combination of similar and previous studies, that:

> *Injunctive social norms are behaviour collectively agreed upon among the members of a certain group regarding the appropriateness or inappropriateness of the behaviour that is to be applied in the relevant situation.*

(Burks & Krupka, 2012; Jones, 1991; Krupka & Weber, 2009; Mackie, et al., 2015; Saul, 1981; Victor & Cullen, 1988). When the term *Social Norms* is applied in this study reflects on the defenition stated above.

2.3   Measuring Social Norms

Normally, when eliciting norms from groups or organisations, survey methods has been a key framework to do so (Burks & Krupka, 2012; Cullen & Bronson, 1993; Perkins & Wechsler, 1996; Schwartz, 1973; Victor & Cullen, 1988). Bruks and Krupka (2012) argue that the strength of a survey lies in the flexibility and adaptation of different circumstances while doing so in cost effective and scalable means. However, they also reason that utilising a survey method singlehandedly may not yield truthful beliefs or preferences by the respondents and, furthermore, is not as incentive compatible (Burks & Krupka, 2012). This, following some authors researches, because when participants are directly asked about judgements or behaviours that are sensitive, such as in a direct survey, it has been evidenced to lead to biases or, as in this study, would prompt for the elicitation of personal norms rather than the collective social norms (Burks & Krupka, 2012; Harrison & Rutström, 2008; McFadden, 2009; Smith, 1991)**.**

In its place, economists have preferred a different tactic when approaching the elicitation of social norms, seeking to identify them indirectly from observed behaviour (Burks & Krupka, 2012; Krupka & Weber, 2009). Krupka and Weber (2009) designed an incentive compatible *method* (hereafter *Krupka-Weber*) when aspiring to elicit social norms indirectly. This method, the *Krupka-Weber* method, has been used in a multiplicity of different experimental settings when eliciting social norms and normative behaviour and primarily in laboratory contexts (D'Adda, et al., 2015; Erkut, et al., 2015; Gächter, et al., 2013; Krupka, et al., 2014; Krupka & Weber, 2009). However, the *Krupka-Weber* method has also been conducted within real-life-workplace context such as in Bruks and Krupka's (2012) experiment of financial advisors and corporate leaders in order to investigate the norms and normative behaviour in an organisational environment.

The *Krupka-Weber* method, which is applied in this study, uses a pure matching coordination game theory as foundation in order to elicit social norms; they combine it with an observational approach, instructing the participants to rate a list of several possible pre-made actions of how one might behave in a certain decision-making context. The participants are told to observe these hypothetical actions and judge them based on the social appropriateness or inappropriateness of the outcomes (Krupka & Weber, 2009); judging the actions on a four scale model, in order from: *very socially inappropriate*, *somewhat socially inappropriate,*

somewhat socially appropriate and *very socially appropriate*. However, before rating these actions on the four scale model, the participants are to anticipate and match their answers with the peers of the same group in order to elicit the social norm instead of their own personal norm; thus, playing a pure matching coordination game. This method is designed to be have the possibility of incorporating incentives, whereas the participants would receive a reward if their assessment of appropriateness matches another randomly chosen peer within the same experiment; this, in order to enhance the elicitation of the collective appropriate behaviour, id est *social norms* (D'Adda, et al., 2015; Krupka & Weber, 2009).

However, Vesely (2015) conducted an experiment using the *Krupka-Weber* method and found that incentives might not matter in the case of judging an action more truthfully and accordingly. Vesely (2015) logically argues that a respondent understands that an action is, for example, socially inappropriate even without incentives; instead the problem at hand lies in whether the respondent consider the action "*very*" socially inappropriate or "*somewhat*" socially inappropriate. Offering incentives in this situation would not make it easier for a respondent to choose between the two, since the task is too difficult; hence, incentives would not matter or assist in the decision making (Camerer & Hogarth, 1999; Vesely, 2015).

In addition, Schelling (1960) developed a theory, commonly referred to as the focal point game theory, in which the pure matching coordination game originates, where a common focal point can be reached by the shared experience in a particular group. He reasoned that even though there are nothing that will favour the choice of one equilibrium over another in a coordination game, a shared experience among the peers could create a common focal point which would lead them to prefer one choice over another (Schelling, 1960; Mehta, et al., 1994). Krupka and Weber (2009) therefore reasoned their use of a pure matching coordination game as to *"allow the collectively-recognized social norms to create focal points in the matching game."* (Krupka & Weber, 2009, p.7).

Also in their study, Burks and Krupka's (2012) examined norms and normative behaviour in a corporate hierarchy using the *Krupka-Weber* method, with an aim of not only identifying what the specific norms are but also whose norms that influence the behaviour. As described previously, the social norms may differ between different groups and different levels in a corporate hierarchy; this could have a substantial impact on the organisation.

2.3.1 Problematics when measuring Social Norms

Social norms can be tricky to identify, participants might not answer truthfully, be biased with social desirability or they can be, and often are, affected by their own personal norm (Mackie, et al., 2015). Also, as Bicchieri (2006) points out, some norms can be problematic to observe such as norms that tell us what not to do; since observing what people do not do is difficult. Furthermore, Cloward (2014) presents a research in which she shows how the results of measuring social norms can be affected by social desirability; she illustrates how the participants' response can be affected by the desire to please or impress in order to appear more socially desirable to those outside the reference group. Therefore, it is of significance to avoid biases that aim to please people outside the reference group, and instead focus on responses which aim to please the reference group as these suggest compliance to a social norm (Mackie, et al., 2015).

3 Methodology

This chapter will explain the methodology applied to achieve the purpose of the study as well as give reasoning behind the choices. It will give an explanatory walkthrough of the approach, data collection method, data analysis, as well as the validity, reliability, generalisability and evaluate this research's limitation throughout the chapter.

3.1 Research Approach & Strategy

This study mainly uses a descriptive quantitative approach in order to establish a statistical comparison between two groups. While a qualitative approach might yield a more in-depth and explanatory result, a quantitative approach allows for the possibility of cause-and-affect approach with an equal ground for comparison between subjects (Creswell, 2009; Saunders, et al., 2016).

A survey strategy in combination with field experiment will produce an outcome which reflects the reality more accurately compared to survey strategical laboratory experiments. However, the drawbacks of field experiments present itself in the lack of replicability and unknown factors which can produce unexpected biases. Furthermore, using quantitative surveys will present a result which will lack in the depth of the understanding of underlying causes, but will instead present a result which are more favourable for generalisation and statistical analysis. Additionally, while still identifying as a field experiment, this study sets out to study a particular phenomenon in a specific department and can therefore also be identified as a case study of a department; where this study sets out to apply a theoretical model primarily conducted in laboratory experiments in an organisational hierarchy (Saunders et al., 2016).

Subsequently, with an objectivistic and deductive approach to the experiment, the researcher can collect the data and statistically analyse it to reach a logical conclusion which increases the validity of the results (Saunders et al., 2016). Therefore, it is not in the primary spectrum of this study to investigate the underlying causes of the participants' opinion alike in a

qualitative approach, but rather to conduct a statistical comparison between the participants to examine the difference or indifference; to statistically evaluate if the social norms and normative expectations that resides in the environment is a collectively shared belief.

In order to be able to have a consistent analysis of the results, the surveys were formed with a quantitative non-variable design in order to collect quantitative data. In other words, the surveys were presented under equal circumstances as well as with the same answers for all participants (Morrel-Samuels, 2002). This was constructed in alignment with quantitative methodology, so to simplify the statistical comparison between different groups as well as to provide an equal foundation for all the participants.

3.2   Study Sample

The experiment was conducted at a globally operating tech company at one of their Swedish located offices. The company remains anonymous due to requests and out of respect for the participant's anonymity. Furthermore, the study aimed to conduct its experiment within the Human Resource department at this company in order to elicit norms within an organisational hierarchy within the context of Human Resources. This study is therefore limited to the HR department and its employees that resides in this Swedish located office, they are mainly operating in the EMEA (Europe, Middle-East and Africa) region but has some functions which operate globally. The participants of the study are a part of one of several HR departments that operates globally within this company.

The participants' roles vary between HR Advisors, Compensation and Benefits Specialists, Payroll Specialists, Recruitment Specialists and HR Managers, who all operates in the same HR Department and work dependant on each other on a daily basis. The surveys presented scenarios related to the managing of employees, such as recruitment and promotions, that occur frequently in an HR environment. This was done so the participants could relate to these scenarios, regardless of their role, since the majority of HR employees and HR managers are associated with work assignments concerning these, while HR Managers additionally are responsible for the actions of their employees.

Ultimately, when selecting subjects for a small study, one may favour to include as many participants as possible in order to generate a higher reliability and generalisation of the

results. However, due to availability this was not possible and consequently, this will affect the reliability and the generalisation of this study. Thus, since the participants of this study does not include the full range of employees at the targeted HR Department, this study and its data is regarded to as a sample of the targeted population. The sample included approximately 64 % of the total targeted population; 57 % of the total employees and 80 % of the total managers at the targeted HR Department were interviewed. What is more, the largest group of the sample are HR Advisors at 37,5 %, and second largest being HR Managers at 25 %.

This sample will render a result at a total margin of error at approximately ±13 % at a confidence level of 90 %. Furthermore, calculated among HR Employee participants separately, the margin of error is at approximately ±16 % and among HR Managers, the margin of error is approximately ±21 %. In order to have the ideal margin of error at ±5 % at a confidence level of 90 %, the sample size would have to include 92 % of the targeted population due to its small size. This is of course expected when conducting a sample of a smaller population - the smaller the population, the larger the sample has to be in order to render a higher reliability and generalisation. Nonetheless, it will still present a respectable insight of the targeted population.

3.3   Data Collection Method

The data presented in this study was collected face-to-face through a 30-minute appointment with each participant; they were given more time if so was needed. Additionally, the participants were instructed by the researcher and was then presented with the identically designed surveys in paper form. Before each survey the researcher instructed the participants of the purpose to match with other peers, thus implementing the pure matching coordination game. A total of 16 participants, 4 managers and 12 employees, partook in this study, each participant conducted the surveys alone and was given the full attention of the researcher if any questions were to surface. A total of 32 surveys were collected, two surveys per participant.

3.3.1   Experimental Design & Mechanics

In alignment with the *Krupka-Weber* method (Krupka & Weber, 2009), the experiment utilised a survey methodical approach in combination with a pure matching coordination game to elicit the injunctive social norms of the targeted group. The experiment was based on Krupka and Weber's (2009) method and further inspired by the experiment conducted by Burks and Krupka (2012) on financial advisors in an organisational hierarchy.

The fundamental framework consisted of two identical surveys, each containing two scenarios (see Appendix A), which presented the participants with ethically sensitive and realistic scenarios that can arise within the context of Human Resources. The participants were asked to judge the social appropriateness of several given possible actions that one could execute as a consequence of these scenarios. This allowed for an indirect observation and therefore, distance the participants from the responsibility of performing the actions; thus, would result in a more truthful judgement (Burks & Krupka, 2012; Krupka & Weber, 2009). Furthermore, these scenarios were combined with the pure matching coordination game structure developed by Krupka and Weber (2009) to create a multimethod approach in order to prime elicitation of the injunctive social norms, normative beliefs and normative expectations. The purpose of utilising a pure matching coordination game was to prompt the participants to elicit the social norms held by the group rather than their own personal belief.

For example, an HR Employee will be instructed to anticipate the response of other HR Employees. Therefore, when asked to match their response with other HR Employees answers, it prompt for elicitation of the collective social norms held by the HR Employees as a group rather than the personal norms of the individual; thus, eliciting the targeted social norm of the group.

What is more, following Schelling's (1960) theory, verified by Mehta et al., (1994), and applied in Krupka and Weber's (2009) study; a coordination game will allow for the social norms to create focal points around the social agreements held by the group and accordingly would capture the targeted social norms (Krupka & Weber, 2009).

As presented in Chapter 2, the original method was designed to include incentives in order to further assist in the elicitation of the targeted objective. However, as reasoned by other authors also presented in Chapter 2, incentives might not be of such assistance when eliciting norms using the *Krupka-Weber* method. Therefore, this reasoning in combination with the financial limitations of this study has resulted in an exclusion of incentives.

3.3.2   Survey Purpose & Pure Matching Coordination Game Mechanics

The experiment was conducted in two primary and identical but separate surveys, A and B. Survey A and B consisted of the same outline, scenarios and scale of judgement, however, had different purposes. Therefore, the participants conducted the same surveys twice but with different objectives for each one of the surveys. The outcome of the two surveys was intended to elicit different views and was furthermore dependant on who the participants were; a manager or an employee.

In order to design an easy and understandable survey it is important to regard to aspects that may disturb and induce a bias in the participants' answers; which consequently could decrease the reliability. Therefore, the order of the actions which were to be judged by the participants were not placed in an organised order, e.g. from the most socially inappropriate to the most socially appropriate action. Instead, they were presented at random, and all participants was presented with the same randomised layout. The researcher did not at any time interfere with the participants or gave them any feedback during the interview process. Furthermore, the purpose of the study was revealed at the end of the interview in order to avoid any pre-biased views of the experiment.

The two surveys, A and B, were designed to be in alignment with the economistic observational approach which was also used in previous experiments using the same method (Burks & Krupka, 2012; D'Adda, et al., 2015; Erkut, et al., 2015; Gächter, et al., 2013; Krupka & Weber, 2009; Vesely, 2015). This means, that rather than presenting the survey with direct scenarios, placing the participant in the 'line of fire', they were presented with the scenarios indirectly as an observer to attempt to reduce biased views such as the social desirability bias which can be present in a survey-based experiment.

A third stage regarding the demographic data, was placed at the very end of the interviews; the reason being the value of anonymity. The demographic data is of value to this research in order to present an overview of the participant and the department; however, if placed at the top of a survey, it can jeopardise and bias the response of the participants through decreasing their sense of anonymity (Morrel-Samuels, 2002). Furthermore, the participants were well informed about the individual anonymity of their answers, their identity and as well of the company not being exposed.

Survey A:

This survey presented the participants with the two scenarios, described later on in this chapter, with an instructed purpose to match their respective group. HR Employees were instructed to match other HR Employees, while HR Managers were instructed to match other HR Managers.

As for the HR Employees, the participants rated the actions centred on instructions to anticipate how they believed other HR Employees would rate the actions, and asked to match their response with the peers of the same group. This elicited the *Actual HR Employee Norms* (Cell 1, green, table 1) among the employees.

And, as for the HR Managers, the participants rated the actions centred on instructions to anticipate how other HR Managers would rate the actions, and asked to match their response with the peers of the same group. This elicited the Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4, yellow, table 1).

Survey B:

In the second survey, B, the participants were presented with the same identical scenarios in the same order as in Survey A. However, this time the participants were asked to match with their opposite group, HR Managers were instructed to match with HR Employees and HR Employees were instructed to match with HR Managers.

The HR Employees interviewed were asked to anticipate and match with the peers the HR Managers, in order to elicit the Beliefs about HR Managers' Desired Norms held by HR Employees (Cell 2, blue, table 1)

Likewise, the HR Managers interviewed were asked to anticipate and match with the peers of the HR Employees, in order to elicit the Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4, red, table 1)

Table 1 Illustration of the Pure Matching Coordination Game Mechanics inspired by Krupka and Weber (2009) and further refined by Burks and Krupka (2012) for elicitation in an organisational hierarchy.

		Who are the targets of the match?	
		HR Employees	HR Managers
Who is making the match?	HR Employees	(Cell 1) Actual Norms held by HR Employees	(Cell 2) Beliefs about HR Managers' Desired Norms held by HR Employees
	HR Managers	(Cell 3) Beliefs about HR Employee Norms held by HR Managers	(Cell 4) Desired Norms for HR Employees Behaviour held by HR Managers

Table 1 presents an illustration of how the mechanics of the Pure Matching Coordination Game applied in this experiment. The far left cell, "Who is making the match?" represents which group the participant belong, HR Employee or HR Manager. The top cell, "Who are

the targets of the match?", represents which group the participant is to match, their own or the opposite. These four elicitations are used in this study to determine and compare the results between the two groups regarding their normative behaviours and normative expectations. The colours in table 1 have no indication nor meaning, simply for description purpose.

3.3.3   Survey & Scenario Design

The surveys (see Appendix A) presented the participants with two different ethically sensitive hypothetical scenarios. These scenarios described situations that can arise within the workplace and further positions the hypothetical employees in a difficult state of decision making, where one must decide to act upon an ethical dilemma. The possible actions were predetermined with consultation from the HR department in order to create several realistic actions that is relatable to the work environment. Each scenario has its own set of unique independent actions.

The ethical scenarios presented in the experiment were designed with two HR Employees and an HR Managers who works at the targeted company. They were not participants of the final study and merely provided guidance and an ex-ante opinion of the experiment; they were also asked to consider the realistic possibilities of the actions as well as reflecting on the authenticity of the final scenarios. Also, the ex-antes were informed of the importance of not sharing the purpose of the experiment to the participants in order to prevent any pre-biased opinion of the experiment.

To validate the study further, a professor at the Department of Economics at Lund University has been consulted to provide an expert's opinion on the topic of matter; the professor provided guidance and also a professional perspective in the relevant field. Moreover, the researcher of this study has experienced the environment within the HR department first hand, which additionally has allowed for the possibility to observe the environment, and therefore sequentially has aided in the design of the experiment.

After the design of survey was accomplished, a final pilot was presented to the ex-antes mentioned above, in order to provide final minor adjustments and to judge the readability. The ex-antes consisted of one HR Manager, and two HR Employees who were not a part of the final experiment.

Additionally, Lozano et al. (2008) examines the impact of different scales in a survey, they found that the optimal numbers of alternatives on a scale is between four and seven; a fewer or greater number would decrease the reliability and validity.

Furthermore, to examine the participants' opinions, the surveys were presented with a four point Likert Scale. This scale is generally applied in sociology and psychology when the purpose is to acquire the participants' behavioural attitude (Likert, 1932; Mogey, 1999). A four-point scale also forces the participants to take sides, this allows for a non-neutral response. The weaknesses of the Likert Scale present itself with a difficulty of reproducibility and social desirability bias, where the participants might want to portray themselves in a more favourable light. However, it has been proven be a highly reliable scale and presents a simple scale for the participants to understand, which is why it is widely applied (Mogey, 1999).

With the reasoning above and inspiration from previous studies, the participants of this study were therefore asked to judge the actions presented on a Likert Scale of four, table 2 (Burks & Krupka, 2012; D'Adda, et al., 2015; Erkut, et al., 2015; Gächter, et al., 2013; Krupka & Weber, 2009; Vesely, 2015).

Table 2 The Likert Scale used in the Experiment

Scale of Judgement			
Very Socially Inappropriate	Somewhat Socially Inappropriate	Somewhat Socially Appropriate	Very Socially Appropriate

3.3.4 Scenarios

This chapter will present the scenarios used in this experiment, in the same order as presented to the participants. Keep in mind that the aim of this study is not to understand how the participants would act or react in these specific scenarios, but rather to understand the social norm that plays part in the organisation as well as understand the normative alignment, or misalignment, between HR Employees and HR Managers. The scenarios and actions were chosen with basis from observation by the researcher, discussions with the ex-antes as well as other HR Employees and the HR workplace context in mind.

The scenarios were created to relate to frequently occurring work assignments within this HR department that could pose the emerging of ethical dilemmas, if handled faultily or affected by unaccounted factors such as pressure from a manager. Furthermore, the importance of avoiding social desirability bias has to accounted for. Therefore, the scenarios were designed to not put the participants in a 'line of fire', but instead as observational indirect judges. The purpose of the scenarios is not to ask participants how they themselves would behave in the ethical dilemmas, but rather how they judge the behaviour of the hypothetical persons as an outside, unaffected observer. Since HR does not directly work with the profitability of the company but instead has a supporting role of the company's employees and organisations, the ethically sensitive scenarios where constructed so the consequences would be that of social rather than, for example, financial. These scenarios put the hypothetical HR Employee in a twist between following corporate policy and personal demands from non-HR Managers.

Scenario 1 was developed due to the frequent demands that are put on HR personnel from hiring managers. After discussions at the HR department, it was discovered that demands from managers that results in contradiction of the company policy has occurred and are likely to reoccur in the future. Therefore, the responsibility is at hand of HR personnel to judge and maintain the policy and act accordingly. The second Scenario, Scenario 2, was developed to present the employees and managers with a more complex scenario, a whistle blowing scenario. This scenario was also developed through discussions with the peers and experience from the issues that may occur in a recruitment process, however, it was understood that this is less likely occur as frequently as Scenario 1. Nonetheless, the scenarios presented the participant with relatable and relevant ethical dilemmas that they may have encountered or most likely will experience in the environment of HR.

Scenario 1

Hypothetical Scenario 1, presented below, was the first scenario to be presented in all interviews. The scenario presents an HR Employee being put in an ethical dilemma with pressure from a hiring manager and also involves the reasoning around the company policy. The daily work task of an HR employee involves recruitment and dilemmas like the one presented below have and are likely to occur inside a large organisation. The layout of the surveys used in the experiment can be found in Appendix A.

 "Scenario 1:

Pressure from Above

Katharina is an HR Advisor who works with recruitment. She conducts interviews with possible candidates and is responsible of the recruitment process. Katharina also works closely with the hiring managers. Katharina has in agreement, with a senior manager, just opened up a vacancy for a position. The senior manager is also the hiring manager for this vacancy. During the recruitment process the senior manager presents a candidate which happens to be a close relative and suggests for this candidate to skip the recruitment process since he already knows him. The company policy advises against the hiring of close relatives in such a way. Katharina and the senior manager knows that this is against the policy but the senior manager claims that the policy is only guidelines and that exceptions can and should be made in this case. Katharina talks with an HR colleague in her team and asks for advice about how she should proceed. Katharina presents several possible options of actions to take."

Actions as presented in the survey for scenario 1. These were rated by the participants on the scale presented under subchapter 3.3.3.

1. Katharina **agrees** with the senior manager and makes an exception in the recruitment. Knowingly going against the company policy.

2. Katharina accepts the suggestion from the senior manager but insists that the candidate should go through the recruitment process as any other candidate.

3. Katharina **disagrees** with the senior manager and does not make an exception in the recruitment. Keeping with the company policy.

4. Katharina accepts the suggestion from the senior manager but insists that the candidate should go through the recruitment process as any other candidate. However, Katharina already knows that she will not hire the candidate due to the policy. Katharina does not tell the manager about this.

Scenario 2

Hypothetical Scenario 2, presented below, was the second and last scenario to be presented in all the interviews. This presents a dilemma were an HR Employee discovered that an employee who was about to receive a promotion had faked his academic credentials upon being hired by the company. The HR Employee still proceeded with the promotion, ignoring the company policy. The HR Employee later decides to tell a colleague about the incident, therefore provoking a whistle-blowing scenario. The whistle-blowing scenario presents a more complex and difficult dilemma compared to scenario 1.

Even though this scenario is not as common as the first, it still presents a whistle blowing dilemma were one has account for the social norms that are at play at the work place. Additionally, the feedback of this scenario during the interviews were said to be more complex than the first. The layout of the surveys used in the experiment can be found in Appendix A.

"Scenario 2:

Falsification of Credentials – Whistle Blowing on a Peer

Gary and Amanda work together as HR Advisors in the same HR department and sometimes talk to each other. Gary tells Amanda that he had a conversation with a manager who discovered that one of his employees had faked his academic credentials upon applying for the job. The employee has been hired in the company for over four years and was supposed to get a promotion. Strictly according to the company policy faking academic credentials are highly unacceptable and requires a further action to be taken such as an investigation. However, due to the attitude and excellent work from the employee during these four years, the manager asked Gary to keep this quiet to avoid the consequences and to go through with the promotion. When Amanda asks what Gary did, he responded saying that he kept the secret and proceeded with the promotion to avoid the hassle."

Actions as presented in the survey for scenario 2. These were rated by the participants on the scale presented under subchapter 3.3.3. These actions were inspired by the whistle-blowing scenario that was used by Burks and Krupka (2012) in their experiment on financial advisors and corporate leaders.

1. Amanda nods, but does not say anything to Gary. She does not report him.

2. Amanda tells Gary that she does not think that proceeding was the right thing to do. She tells him that she has to report him. She then reports him.

3. Amanda tells Gary that she does not think that proceeding was the right thing to do and that she does not want Gary to **tell** her about that again, or she will have to report him. She does not report him.

4. Amanda nods, but does not say anything else to Gary. She then reports him.

5. Amanda tells Gary that she does not think that proceeding was the right thing to do and that she does not want Gary to **do** that again or she will have to report him. She does not report him.

6. Amanda tells Gary that she does not think that proceeding was the right thing to do. She does not report him.

3.4 Data Analysis

3.4.1 Assessments

The gathered data from the surveys poses the opportunity to several comparisons between the selected groups, HR Managers versus HR Employees. The purpose of the study is to explore the correlations between the two groups, and show if their perception of the social norms differs or align.

Therefore, it is of interest to first compare the Actual Norms Held by HR Employees (Cell 1) versus the Desired Norms for HR Employee Behaviour held by HR Managers (Cell 4) in each scenario. This would prove if the desired norms from HR Managers is coherent with the actual performed norms by HR Employees; evidencing if they are under the influence of the same social belief or social norm.

Furthermore, it can also be investigated if the HR Managers are aware of the Actual HR Employee Norms and, vice versa, if the HR Employees are aware of the Desired Norms held by HR Managers. The second comparison will therefore be between Beliefs about HR Employee Norms held by HR Managers (Cell 3) and Actual Norms held by HR Employees (Cell 1); and the third between Beliefs about HR Managers' Desired Norms held by HR Employees (Cell 2) and Desired Norms for HR Employee Behaviour held by HR Managers (Cell 4). This would prove, or disprove, if they are aware of each other's norms and, thus, revealing if miscommunication is present or if the two groups simply share different social beliefs.

3.4.2 Data Evaluation

The statistical analysis of the collected data was mostly computed using Microsoft Excel, where sample mean, standard deviation, standard error, graphs, skewness and test for statistical significance was calculated to provide an insight in the variance and uncertainty of the sample. The formulas applied are adapted for a sample of a population.

The raw data from the surveys were values on a Likert Scale, in other words, non-numerical data. Thus, in order to perform a statistical analysis of the values they had to be converted into numerical data. Furthermore, these values were inspired from previous studies that has

applied the same methodology in order to ease the possibility for statistical comparability and replicability (Burks & Krupka, 2012; D'Adda, et al., 2015; Erkut, et al., 2015; Gächter, et al., 2013; Krupka & Weber, 2009; Vesely, 2015). Accordingly, "Very Socially Inappropriate" received a value of -1, "Somewhat Socially Inappropriate" received a value of -1/3, "Somewhat Socially Appropriate" received a value of 1/3 and lastly, "Very Socially Appropriate" received a value of 1.

After the values were converted to numerical data, a statistical calculation for the mean value for each action for their respective group could be calculated; the mean value of the actions for each group represent their collective agreement of the actions.

For example, HR Managers Numerical Rating for Action 1, Scenario 1 when matching with other HR Managers (Cell 3, Desired Norms for HR Employees held by HR Managers) were -1, -1, -1 and -1 respectively. Therefore, the mean value for this action would be -1.

Calculation of the mean value: $\bar{x} = \frac{(-1)+(-1)+(-1)+(-1)}{4} = -1$

The mean value for each individual action were used to plot a graphical comparison between the two groups collective agreement for each action. If a comparison between Actual HR Employee Norms (Cell 1) and Desired Norms for HR Employees held by HR Managers (Cell3) were to be plotted for each of the two scenarios, then the mean value for each individual action in scenario 1 was calculated for each group; and the mean value for each individual action in scenario 2 was calculated. Next, each scenario was plotted with their opposite counterpart; mean values from Scenario 1 for HR Employees was plotted with the mean values from Scenario 1 for HR Managers and likewise for Scenario 2. Thus, comparing the two groups collective agreement for each action illustratively.

3.4.3   Statistical Significance

In order to decide whether the participants' collective agreements differ from one another, an only comparison of the mean values plotted would not have proven to be a reliable and valid measurement. Therefore, a test for statistical significance had to be applied to the data in order to look for substantial misalignments.

There are several ways to test for statistical significance, and the type of test appropriate for a sample are dependent on numerous factors such as sample size, sample distribution and purpose.

Normally when managing samples of small sizes, the sample will run a risk of having a non-normal distribution. If this is the case, then a non-parametric test of significance has to be applied. In this case, the study has a sample of 16 participants which is considered a small size sample and therefore, as mentioned before, have a probability of a non-normal distribution. Additionally, since the two groups differs in participants, 4 and 12 participants for the HR Managers and HR Employees respectively, the researcher had to pick a test which fulfil the criteria of the sample. Thus, with the combination of the factors stated above as well as the purpose of measuring two groups in contradiction of each other, a non-parametric test of significance had to be applied.

The Mann-Whitney U Test was applied in this study, since it converges with the requirements of the study sample. Using this test, it was possible to compare the two groups and their respective opinions in order to determine if there exists a statistical significance. The test calculates the Critical U Value for each group which can then be compared to a Critical U Value chart in order to decide if there is a statistical significance. Furthermore, all test was two-tailed with a p-value of 5 %.

Generally, a finding is considered statistically significance when the p-value is less than 0,05 or 5 %, which is also the p-value applied in this study. If this value is evident in the comparison between the two groups, then their answer would differ enough to be considered an extreme difference, in other words the groups would have a conflicted perception of the social norms, relative to each other. The test was applied for each comparison and individual action between the groups. Furthermore, by adopting the p-value of less than 5 % to be considered as a statistical significance, the Null Hypothesis, H_0, of the Mann-Whithney U Test could be proposed. The Null Hypothesis was chosen to be consistent with the research Hypothesis 1, found under Chapter 1. Therefore, the Null Hypothesis of the statistical test is:

$H_0 = HR\ Managers\ and\ HR\ Employees\ will\ have\ a\ statistical\ alignment\ in\ ther\ match\ of\ responses.$

This indicates that if there is no statistical significance present, then the Null Hypothesis is retained; thus, Research Hypothesis 1 would also be retained and proven true.

4   Results

The study included 16 participants in an HR Department at a large, globally operating tech company. The gender distribution of the total sample there were 37,5 % female and 62,5 % male. Furthermore, 41,67 % of the HR Employees were female and 58,33 % male contra 25 % female and 75 % male HR Managers.
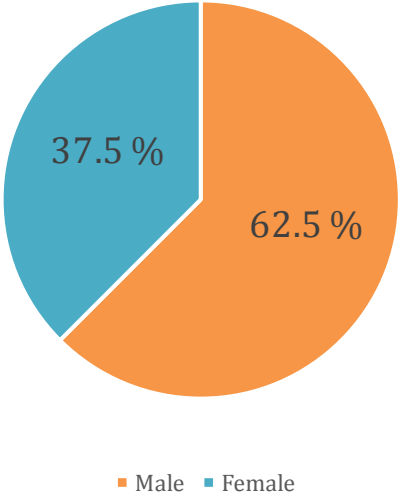
4.1 Assessment of Scenario 1

Table 3 Evaluations of Actual HR Employee Norms and Desired Norms held by HR Managers.

SCENARIO 1	HR Employees Matching HR Employees						HR Managers Matching HR Managers					
Action	**Mean**	-- (%)	- (%)	+ (%)	++ (%)	Std. Dev.	**Mean**	-- (%)	- (%)	+ (%)	++ (%)	Std. Dev.
1	**-0,94**	92	8	0	0	0,19	**-1,00**	100	0	0	0	0,00
2	**-0,06**	25	17	50	8	0,66	**-0,17**	25	25	50	0	0,64
3	**0,67**	0	8,3	33,3	58,3	0,45	**0,50**	0	25	25	50	0,64
4	**-0,22**	33,3	25	33,3	8,3	0,69	**-0,67**	50	50	0	0	0,38

Responses are "very socially inappropriate" (--), "somewhat socially inappropriate" (-), "somewhat socially appropriate," (+), and "very socially appropriate" (++)

Table 3 displays the evaluations of the Actual HR Employee Norms and the Desired Norms for HR Employees Behaviour held by HR Managers separately. What can be seen is that the two groups are agreeing between each other on whether the actions are overall socially appropriate or inappropriate, with one exception, Action 2 for the HR Managers.

The HR Employees always have the majority of agreement of over 33,3 % on one single alternative for each of the actions, which indicates that they have a reasonably good idea of what other HR Employees would do. However, in Action 4, they are equally divided on "very socially inappropriate" and "somewhat socially appropriate" with 33,3 % on each alternative; however, the majority, at 58,3 %, still leans towards the overall socially inappropriate side.

Comparably, the HR Managers always have a majority of agreement of 50 % on one single alternative of overall appropriateness, and also have at least 75 % agreement on one choice of the overall appropriateness, with one exception for Actions 2, where the HR Managers are divided with 50 % on each side.

Action 2, *"Katharina accepts the suggestion from the executive manager but insist that the candidate should go through the recruitment process as any other candidate.",* at the HR Employees still have the majority lean towards overall socially appropriate with 58 %,

however, with a counterpart on the other side with 42 %. Comparing this to the HR Managers, at 50 % on each side in the same action, this can be considered a near match.

Furthermore, although a slight differ between actions, there is still a general alignment between the Actual HR Employee Norms and the Desired Norms held by HR Managers can be observed when measuring the means of each action. Thus, this is consistent with Research Hypotheses 1 and 3. Moreover, it can also be interpreted that HR Employees generally have a slightly less divided stance on whether an action is appropriate or inappropriate, contra the HR Managers.

Additionally, the Research Hypotheses can be further strengthened when observing the graphs. As can be seen in Figure 1 below there is a general pattern of alignment between the Actual HR Employee Norms and the Desired Norms held by HR Managers. Furthermore, there was no statistical significance found for either of the Actions between the two groups in Figure 1.
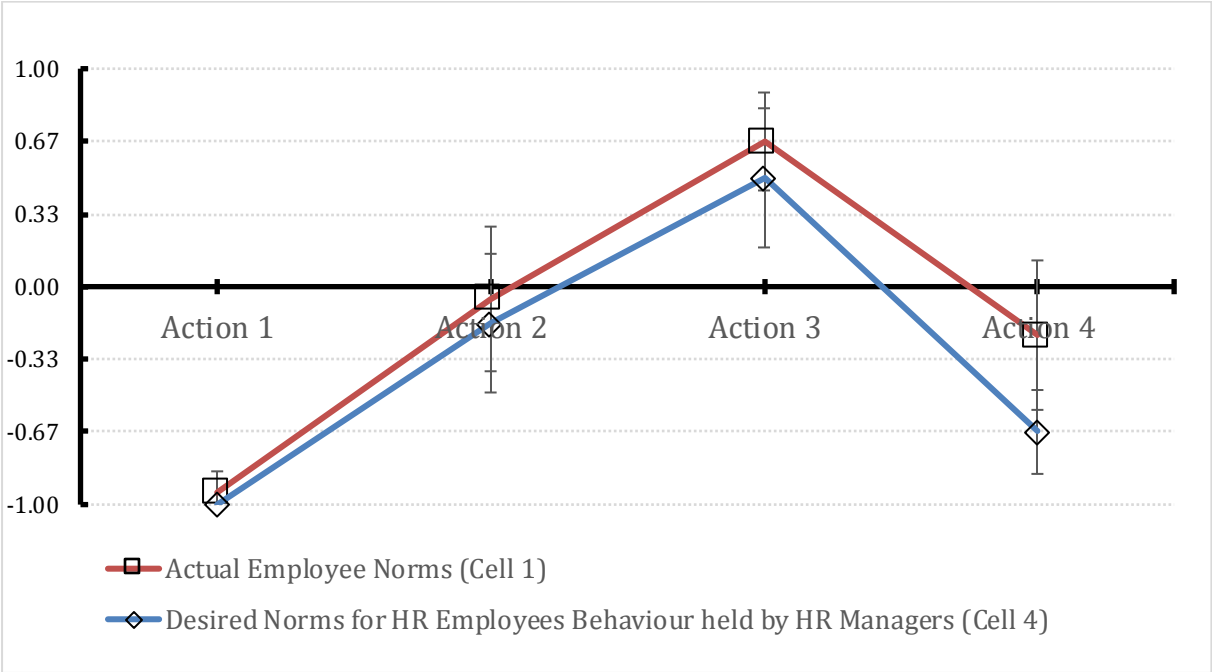

Figure 1 Actual Employee Norms (Cell 1) versus Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4). Mean values with Standard Error.

Additionally, comparing the two beliefs, Beliefs about HR Managers' Desired Norms held by HR Employees and Beliefs about HR Employee Norms held by HR Managers, to their

relevant actual norm will give the possibility to examine if their beliefs of each other are coherent and also if there is any pattern of miscommunication.

When observing Figure 2 and 3, it can evidently be seen that there is a general pattern of alignment. This alignment suggest that the two groups are aware each other's norms and that their belief is coherent with the relevant actual norms. Furthermore, even though there is a small variance, as for example in action 4 in Figure 3, there was no statistical significance found to strengthen a misalignment, therefore, these can be said to be aligned. Thus, this strengthens the certainty that the two groups share the same social belief, as displayed in Figure 1, as well as that the communication of their normative beliefs between each other is transparent as displayed in Figure 2 and 3.
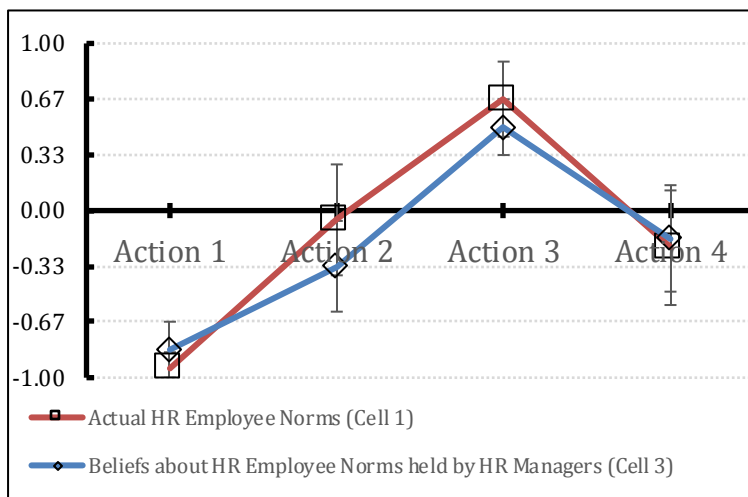

Figure 3 Actual Employee Norms (Cell 1) versus Beliefs about HR Employee Norms Held by HR Managers (Cell 3). Mean values with Standard Error.
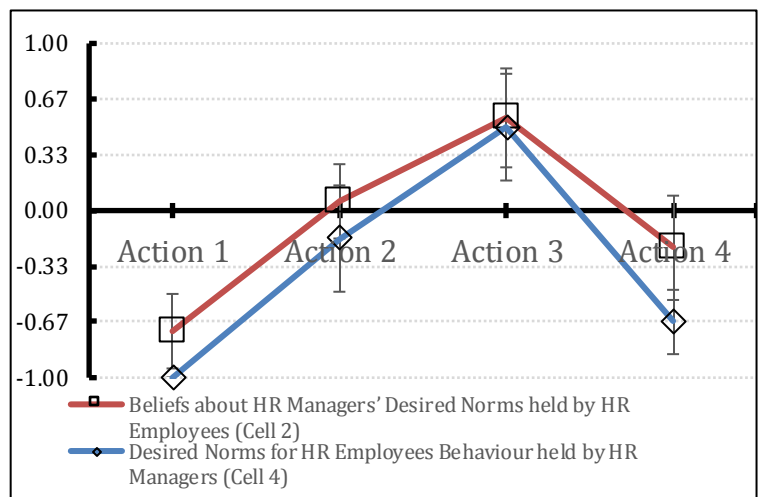
Figure 2 Beliefs about HR Managers' Desired Norms held by HR Employees (Cell 2) versus Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4). Mean values with Standard Error.

4.2   Assessment of Scenario 2

Table 4 Evaluations of Actual HR Employee Norms and Desired Norms held by HR Managers.

Action (in the order as presented under Chapter 3.3.5)	HR Employees Matching HR Employees						HR Managers Matching HR Managers					
	Mean	-- (%)	- (%)	+ (%)	++ (%)	Std. Dev.	Mean	-- (%)	- (%)	+ (%)	++ (%)	Std. Dev.
1	**-0,61**	41,7	41,7	8,3	8,3	0,45	**-0,50**	50	25	25	0	0,64
2	**0,55**	8,3	8,3	33,3	50	0,59	**0,33**	0	25	50	25	0,54
3	**-0,44**	41,7	33,3	25	0	0,56	**-0,33**	25	50	25	0	0,54
4	**-0,39**	41,7	25	33,3	0	0,60	**-0,50**	50	25	25	0	0,64
5	**-0,39**	33,3	25	33,3	8,3	0,60	**-0,33**	25	50	25	0	0,54
6	**-0,39**	33,3	25	33,3	8,3	0,60	**-0,83**	75	25	0	0	0,34

Responses are "very socially inappropriate" (--), "somewhat socially inappropriate" (-), "somewhat socially appropriate," (+), and "very socially appropriate" (++)

Similar to Scenario 1, the pattern of general alignment can be seen when looking at which side the majority of the groups lean in table 4. In this sense, it can be seen as a match when considering the overall appropriateness of an action; both groups agree if an action is overall socially appropriate or inappropriate. However, upon further observation of the percentages and the division between the groups, two noteworthy differences can be identified – Action 5 and Action 6. Looking at the percentages of Action 5 it can be seen that HR Employees are more divided on whether the action is appropriate or inappropriate contra the HR Managers; with an overall majority on one side of 58,3 % contra 75 % respectively. Furthermore, Action 6 presents an even more unequal division where the overall majority of HR Employees at 58,3 % contra HR Managers at 100 %.

Additionally, in Action 6, 8,3 % of the HR Employees considered this action to be "very socially appropriate" and 33 % considered it to be "somewhat socially appropriate" contra 0

% of the HR Managers respectively. Consequently, when inspecting the means of each action, only one exception of alignment can be observed – Action 6.

This difference becomes more apparent when illustrated in a graph, as in Figure 4. A general pattern of alignment can be observed, however, Action 6 differs notably. Action 6, *"Amanda tells Gary that she does not think that proceeding was the right thing to do. She does not report him."*, could be a proof of an assumption where HR Employees would deem this action more socially appropriate compared to the HR Managers because of the social consequences of reporting a colleague; where the HR Managers more plainly would judge according to company policy and not being as affected by the social consequences. Furthermore, the difference of this action is nearly considered a significant statistical differentiation according to the definition used in this study; the critical p-value of 5 %. Again, this is consistent with Research Hypothesis 1 and 3.

Actual Employee Norms (Cell 1) **versus** Desired Norms for HR Emlpoyees Behaviour held by HR Managers (Cell 4)

—□— Actual Norms Held by HR Employees (Cell 1)

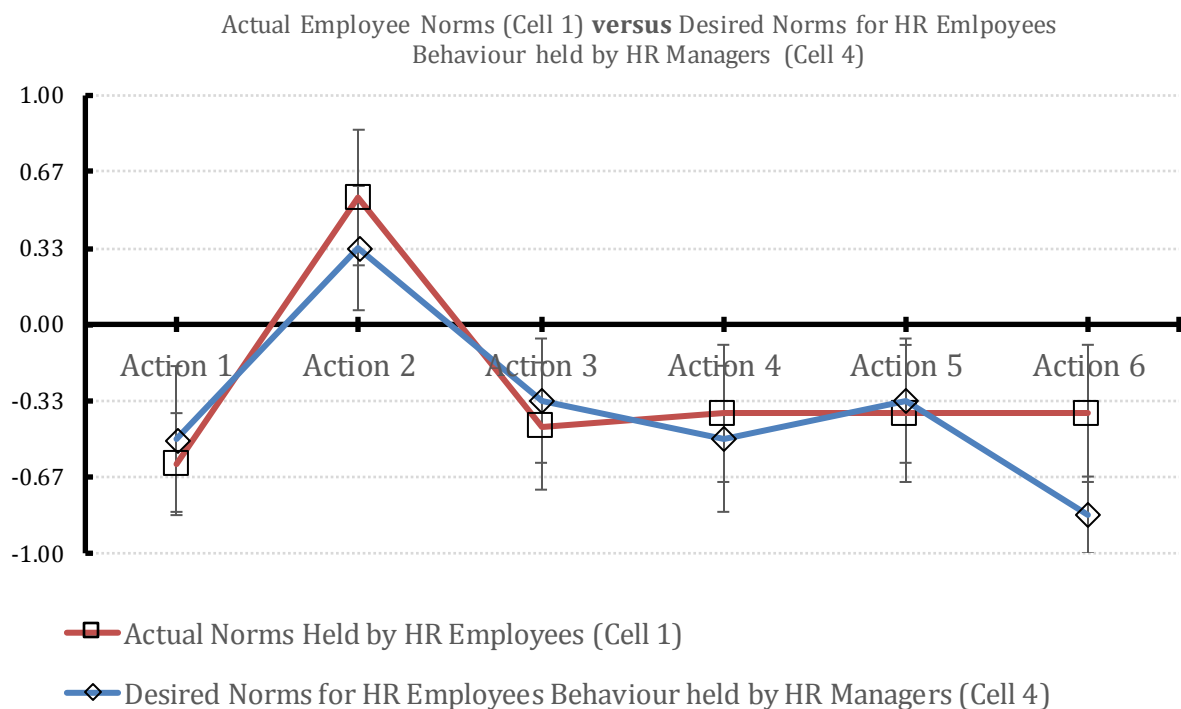—◇— Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4)

Figure 4 Actual Employee Norms (Cell 1) versus Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4). Mean values with Standard Error.

Figure 4 above displays that the two groups generally have the same social belief, however, Figure 5 and 6 below displays of misalignment between the beliefs of the opposite counterpart and the relevant actual norms. Figure 5 presents that HR Managers misjudge the Actual Norms held by HR Employees, especially in Action 2, 3, 5 and 6. It can be interpreted HR Employees actually perform more according to the HR Managers Desired Norms (Figure 4) than HR Managers would assume. Thus, in can be said that the awareness of the Actual Norms held by HR Employees is poor, especially when paralleling with Figure 6 which shows HR Employees Belief of the Desired Norms held by HR Managers. In Figure 6 it can be seen that the alignment is more consistent, with exception for Action 6; which is also present in Figure 4.

Figure 5 displays an inconsistency in the HR Managers beliefs, fluctuating between socially appropriate and social inappropriate while on the contrary, the pattern of Figure 6 presents a more aligned pattern with a general indication that HR Employees are aware of when an action is inappropriate or appropriate according the desire of HR Manager. However, HR Employees still believe that the Desired Norms held by HR Managers are less extreme than they actually are. This could be a reason as to why, for example, Action 6 in Figure 4 is misaligned. As a result, it can be interpreted that HR Managers are somewhat clear in communicating their desired norms to the HR Employees, however, the HR Employees are not as clear as communicating their actual norms. Thus, they share the same social belief as displayed in Figure 4, although, a slight miscommunication might be present as displayed in Figure 5 and 6.
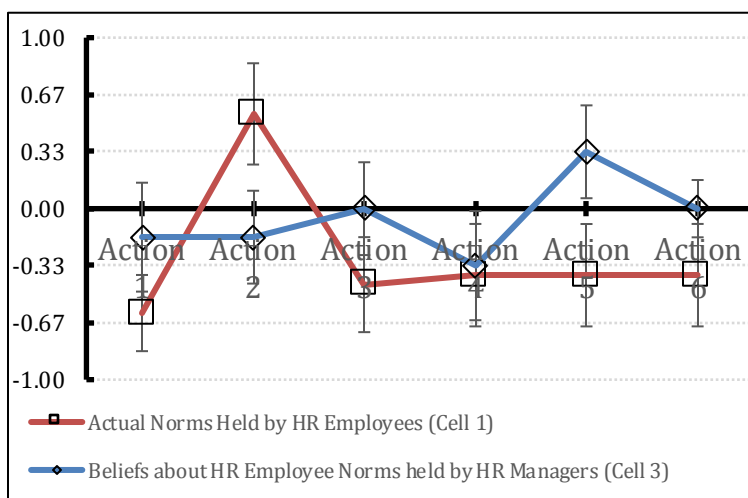

Figure 5 Actual Employee Norms (Cell 1) versus Beliefs about HR Employee Norms Held by HR Managers (Cell 3). Mean values with Standard Error.
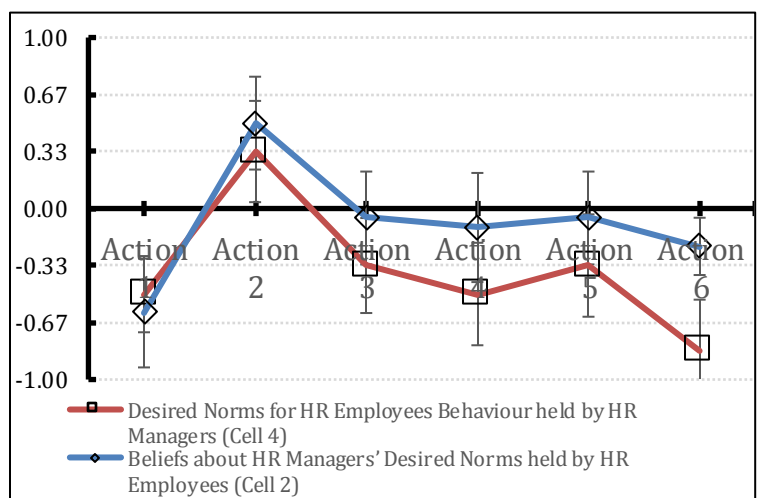
Figure 6 Beliefs about HR Managers' Desired Norms held by HR Employees (Cell 2) versus Desired Norms for HR Employees Behaviour held by HR Managers (Cell 4). Mean values with Standard Error.

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4.3   Overall Assessment

The pattern that emerges in the assessment of the two scenarios are indications of an overall general alignment between their social beliefs with a few, but not significant, differentiations. Accordingly, the pattern is interpreted as shared social norms. Therefore, as a result, Research Hypothesis 1 is retained and proved to be true according to the data collected, that there exists a statistical alignment between the norms of HR Employees and the norms of HR Managers.

Furthermore, the results also indicate that when more complex problems arise, such as action 6 in the whistle blowing in scenario 2, there might be a miscommunication of how HR Employees actually handles the situation; that they perform more accurately to the desire of their managers than believed by the managers themselves. This can be because of HR Managers believing that HR Employees would act differently when social consequences are involved, such as whistle blowing on a colleague, when in fact they generally do not.

Additionally, the alignment of the overall appropriateness between the two groups is consistent with Research Hypothesis 3 in both scenarios. Thus, indicating that they share the same belief of a socially appropriate or appropriate action.

Percentagewise in Scenario 1, HR Managers tend to use the less extreme options on actions at 44 % use of "very socially appropriate" and "very socially inappropriate" combined, contrary to 49 % for HR Employees. Likewise, in Scenario 2, HR Managers use these options at a frequency of 29 %, while HR Employees at 35 %. Therefore, unexpectedly, Research Hypothesis 2 is proven to be false, since accordingly the data presents that HR Employees tend to use these extreme options more frequently.

5   Conclusion

As a researcher, one tends to look for patterns which are beyond the expected. However, in this study it is revealed that the pattern of the two groups, with some single exceptions, are generally aligned with no significant deviation and no overall pattern of miscommunication. It is found that in some single instances, such as in a whistle-blowing scenario, their beliefs may differ and some small indication that miscommunication may be present.

Therefore, when reflecting back on the quantitative research question, *"Do the two groups, HR Managers and HR Employees, share the same social normative beliefs?"*, with the foundation of the data gathered from the scenarios, the concluded answer is: Yes, they share the same social normative belief. With this result as an underpinning, one might ponder a more in-depth and qualitative question for further investigation, for example, what is the underlying reason as to why they share the same social belief? However, this is outside the range of this quantitative study.

In similar studies within an organisational hierarchy, it was discovered that the two groups of their experiment shared different social beliefs; while in this study there were no such discovery. There are multiple factors as to why this might be such as workplace, organisation, country, culture and one that may be logical and interesting to investigate is the difference between the compared levels in the organisation. In the former studies, such as Burks and Krupka (2012), Corporate Leaders was compared to Financial Advisers which represent two ends of the same spectrum. While in this study, HR Employees and their respective HR Managers were compared. If the difference in organisational level is substantial, the results can be expected to display a larger differ as well. Therefore, an assumption as to why this study found a general statistical alignment could be because of the closer bond and day-to-day interaction amid the two groups which can prompt for more transparency and communication in between.

The method used to investigate demonstrates promising potential when identifying norms and to further validate and increase the reliability of the answers one can combine the method with several other techniques. Take Burks and Krupka (2012) as an example, in which they

implement an "Advice Game" inspired by Gneezy (2005), in order to measure the truthfulness of the participants; thus, presenting the reliability of their responses. Furthermore, future studies can instead target to measure if other social norms and normative expectations which does not focus on social consequences and in its place perhaps investigate if social norms are present with a clash regarding the company's profitability.

The main limitations when investigating a sample is that one cannot be sure how well it represents the population. Thus, this will lack in the ability to generalise and conclude, especially when investigating smaller samples which tend to be more sensitive. Ideally, to have a result that can be drawn to a broader and more generalising conclusion, a larger sample will provide a better perspective and thus a higher validity. However, a broader and more diverse the sample outside the context, as for example including an HR department outside of Sweden, consequently results in more factors to account for especially in comparisons. In this specific study, as to this date only one single Swedish HR department exists which was the one targeted.

Moreover, this study set out to investigate the social normative circumstances at a globally operating tech firm to grasp an improved understanding and effect of social norms within a specific department. Through the use of a relatively new methodology it was possible to measure and quantify the social norms to later statistically examine if there were a collectively shared belief or perhaps any pattern of miscommunication. Since this study is quantifying a phenomenon that will develop and change over time, this results in a lack of perfect replicability and consequently the reliability of the method suffers. However, the main purpose was to investigate the correlation between two groups, and although the social norms might change over time the correlation can still be investigated.

Yet, another problem that emerges when measuring a person's attitude or opinion, is the presence of biases. As mentioned before, there are several factors that are at play which have the possibility to decrease the validity of the results. A countermeasure to these would be to implement supplementary tests or methods such as in this case applying a coordination game to avoid personal opinions or perhaps incentives to prompt a more accurate response. Additionally, as more studies contribute in experimenting this methodology, it can be tested and fine-tuned for more accurate, non-biased and reliable results. A logical conclusion drawn from the results regarding the validity is the overall alignment that can be observed. Should the methodology be highly unreliable, there would most probable be no such alignment since

the results would be more random and widespread and consequently no pattern would be expected. Thus, to judge from the results retrieved, it can be drawn that the methodology is displaying promising results in terms of validity and if supplemented with additional methods, the validity can be improved even further.

In conclusion, this study contributes to bridging the gap between theoretical and laboratory concepts with real world applications, as this study will be shared with the targeted company and the HR department. Thus, providing the HR department a study of the social norms, normative expectations and normative beliefs that are at play at their daily work environment; hopefully granting them new insights and perspectives of their organisation for future improvements. Moreover, it has provided an understanding of how the communication and transparency of the HR Managers and HR Employees at this department functions by identifying the social norm and the role it plays. The study has displayed and aided in the new standard of what and how social norms should be measured in an organisational setting. This in itself, has both enlightened the researcher's knowledge of the topic at hand and optimistically will enlighten the interested in their research of social norms within organisational hierarchies.

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Appendix A

Pressure from Above

Katharina is an HR Advisor who works with recruitment. She conducts interviews with possible candidates and is responsible of the recruitment process. Katharina also works closely with the hiring managers. Katharina has in agreement, with a senior manager, just opened up a vacancy for a position. The senior manager is also the hiring manager for this vacancy. During the recruitment process the senior manager presents a candidate which happens to be a close relative and suggests for this candidate to skip the recruitment process since he already knows him. The company policy advises against the hiring of close relatives in such a way. Katharina and the senior manager knows that this is against the policy but the senior manager claims that the policy is only guidelines and that exceptions can and should be made in this case. Katharina talks with an HR colleague in her team and asks for advice about how she should proceed. Katharina presents several possible options of actions to take.

Katharina's Choices	*Very Socially Inappropriate*	*Somewhat Socially Inappropriate*	*Somewhat Socially Appropriate*	*Very Socially Appropriate*
Katharina **agrees** with the senior manager and makes an exception in the recruitment. Knowingly going against the company policy.				
Katharina accepts the suggestion from the senior manager but insists that the candidate should go through the recruitment process as any other candidate.				
Katharina **disagrees** with the senior manager and does not make an exception in the recruitment. Keeping with the company policy.				
Katharina accepts the suggestion from the senior manager but insists that the candidate should go through the recruitment process as any other candidate. However, Katharina already knows that she will not hire the candidate due to the policy. Katharina does not tell the manager about this.				

Falsification of Credentials – Whistle Blowing on a Peer

Gary and Amanda work together as HR Advisors in the same HR department and sometimes talk to each other. Gary tells Amanda that he had a conversation with a manager who discovered that one of his employees had faked his academic credentials upon applying for the job. The employee has been hired in the company for over four years and was supposed to get a promotion. Strictly according to the company policy faking academic credentials are highly unacceptable and requires a further action to be taken such as an investigation. However, due to the attitude and excellent work from the employee during these four years, the manager asked Gary to keep this quiet to avoid the consequences and to go through with the promotion. When Amanda asks what Gary did, he responded saying that he kept the secret and proceeded with the promotion to avoid the hassle.

Amanda's Choices	Very Socially Inappropriate	Somewhat Socially Inappropriate	Somewhat Socially Appropriate	Very Socially Appropriate
Amanda nods, but does not say anything to Gary. She does not report him.				
Amanda tells Gary that she does not think that proceeding was the right thing to do. She tells him that she has to report him. She then reports him.				
Amanda tells Gary that she does not think that proceeding was the right thing to do and that she does not want Gary to **tell** her about that again, or she will have to report him. She does not report him.				
Amanda nods, but does not say anything else to Gary. She then reports him.				
Amanda tells Gary that she does not think that proceeding was the right thing to do and that she does not want Gary to **do** that again or she will have to report him. She does not report him.				
Amanda tells Gary that she does not think that proceeding was the right thing to do. She does not report him.				