The study drew attention to matter that employees might perceive corporate hypocrisy as their employers pretend to be something they are not. In the US retail sector, businesses are often wrestling with unethical business practices, and the sector often becomes the subject of media scrutiny for failure to behave responsibly concerning the consumers, well-being of people, human rights, or the environment. These offer huge room for potential corporate hypocrisy perceived by employees, and such perceived corporate hypocrisy (PCH) can be problematic for corporations’ reputations and even economic performances. Despite the context and vulnerability surrounding PCH that the retail sector may face, limited research has been done to investigate PCH amongst employees of corporations. Also, there seemed to be lack of a viable objective scale, measuring all the critical dimensions of PCH in the literature. Thus, this study developed and preliminarily validated a scale to measure PCH among employees for their employers using the item response theory. Based on various qualitative and quantitative data as collected in this study, a scale of nine items representing different theoretical aspects of hypocrisy was developed to measure employees’ PCH. By creating robust measurements of PCH, the findings can help retail corporations to understand their employees’ perceptions, assess their PCH to address any potential problems, and better manage employees as they reshape their workplaces to attract and retain the new generation of millennials.