

**A MULTIDIMENSIONAL ANALYSIS OF DISPARITIES
BETWEEN INDIVIDUALS' MORAL JUDGMENTS AND MORAL
INTENTIONS**

A Master's Thesis

by

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INTENTIONS**

**The Institute of Economics and Social Sciences
of
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of
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**ANKARA
July 2001**

I certify that I have read this thesis and that in my opinion it is fully adequate, in scope and in quality, as a thesis for the degree of Master of Business Administration.

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ABSTRACT

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One major issue that needs to be investigated in the area of business ethics is the disparities between individuals' moral judgments and their actual behaviors. Since it is very difficult to measure actual behaviors, moral intentions are measured in the current study, instead of behaviors. A multidimensional approach including the analysis of gender differences and effects of work experience on moral judgments and moral intentions, factors influencing moral judgments, factors preventing unethical behavior and factors influencing people to engage in unethical behavior was followed in the study. Results show that there are disparities between MBA students' and managers' moral judgments and moral intentions in some situations, that there are significant gender differences in some situations (but not enough to make generalizations), that differences in moral judgments mainly stem from differences in value structures, and that MBA students' and managers' perceptions of the importance of factors preventing unethical behavior differ significantly.

Key Words: Business ethics, disparity, moral judgment, moral intention.

ÖZET

KİŞİLERİN AHLAKİ YARGILARI VE AHLAKİ DAVRANIŞ NİYETLERİ ARASINDAKİ FARKLILIKLARIN ÇOK BOYUTLU ANALİZİ

Selim OKTAY

YÜKSEK LİSANS TEZİ İŞLETME FAKÜLTESİ

Tez Danışmanı: Doç. Dr. Dilek Önkal-Atay

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İş etiği alanında araştırılması gereken önemli bir konu kişilerin ahlaki yargılarıyla gerçek davranışları arasındaki farklılıklardır. Gerçek davranışları ölçmek çok zor olduğu için bu çalışmada ahlaki davranış niyetleri ölçülmüştür. Bu çalışmada ahlaki yargılar ve ahlaki davranış niyetleri üzerindeki cinsiyet farklılıkları ve yöneticilik deneyimi etkileri, ahlaki yargıların oluşumunu etkileyen faktörler, ahlaki olmayan davranışları engelleyen faktörler ve kişileri ahlaki olmayan davranışlara iten faktörleri inceleyen çok boyutlu bir yaklaşım izlenmiştir. Analiz sonuçları bazı durumlarda işletme yüksek lisans öğrencileri ve özel sektör yöneticilerinin ahlaki yargılarıyla ahlaki davranış niyetleri arasında farklılıklar olduğunu; yine bazı durumlarda yargılar ile niyetler üzerinde cinsiyet farklılıkları olduğunu ancak bunların genelleme yapmak için yeterli olmadığını; ahlaki yargılardaki farklılıkların değer yapılarındaki farklılıklardan kaynaklandığını ve öğrenciler ile yöneticilerin ahlaki olmayan davranışları engelleyen faktörlerin önemi konusundaki algılamalarının farklı olduğunu göstermiştir.

Anahtar Kelimeler: İş etiği, farklılık, ahlaki yargı, ahlaki davranış niyeti.

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I dedicate this thesis to my wife who encouraged and helped me in every stage of my life, and our martyrs who lost their lives for the well-being of our country.

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I. INTRODUCTION

As the number of questionable business practices increased, more emphasis has been placed on the issue of business ethics in the business community for the last two decades. The ethical climate in the Turkish business environment is also not healthy (Ekin and Tezölmez, 1999). There are two approaches among researchers to the study of business ethics (Ryan and Riordan, 2000). First approach focuses on normative aspects in an effort to determine the appropriate behaviors. The second approach deals with exploring the psychological mechanisms that influence morality in business settings. One of the mechanisms studied in the literature is the ethical decision making process which constitutes the major area of interest in this study. Almost all of the models examining this process in the field of business ethics can be accepted as variations on Rest's (1986) model (Jones, 1991), which has four components: (1) recognizing an ethical issue, (2) making a moral judgement, (3) establishing moral intent, and (4) acting on intent.

The present study is interested in the second and third components of the Rest's (1986) model: making a moral judgement and establishing moral intent. One major issue that needs to be investigated in this area is the disparity between individuals' moral judgements and their actual behaviors. Due to practical difficulties in measuring actual behaviors, moral intentions are concerned instead of behaviors. Although moral intentions do not directly translate to similar behaviors, they can give strong cues about the real actions. To have a better understanding of the disparities, some individual and societal variables affecting moral decision-making and ethical behavior need to be investigated as well.

The main purpose of this study is to explore the disparities between Turkish business students' and business professionals' (managers') ethical judgements and

behavioral intentions. Such variables affecting moral decision making as gender differences, individual values, national and social values, context, organizational culture and legal dimensions are examined as well. The last stage of the study includes analyses of Turkish business students' and professionals' perceptions of the factors influencing individuals to engage in unethical acts and factors preventing them from unethical behavior.

Most of the prior work examining gender differences, effects of work experience, and disparities remains descriptive in nature. Such work does not examine the reasons for diversities and disparities analytically. What sets the current study apart from them is that the reasons for gender differences and disparities will be examined analytically. A relationship with differences in value structures and gender differences; and with disparities and factors affecting unethical behavior will be investigated. The focus of the current study on moral intentions (in addition to moral judgments) in examining the diversities is another unique characteristic of current study.

The specific research questions are:

1. Are there disparities between MBA students' and managers' moral judgments and moral intentions?
2. Are there differences in men and women's moral judgments and moral intentions?
3. Do the moral judgments and moral intentions of MBA students and managers differ?
4. On what factors do people base their moral judgments most frequently?

5. Is there a relationship between differences in value structures and differences in moral judgments across categories (men vs women, and students vs managers)?
6. Are the perceptions of males and females on the "factors preventing unethical behavior" and "factors influencing people to engage in unethical behavior" correlated?
7. Are the perceptions of MBA students and managers on the "factors preventing unethical behavior" and "factors influencing people to engage in unethical behavior" correlated?

The words "moral" and "ethical"; and "moral intentions" and "behavioral intentions" will be used interchangeably in some parts of the study because of terminological requirements.

In the Chapter II, a review of the relevant literature is given. The methodology used in the study is explained in detail in Chapter III and the empirical results are displayed and significant findings are discussed in Chapter IV. Finally, the study is concluded with conclusions, implications, and limitations of the study in Chapter V.

II. LITERATURE REVIEW

2.1. The Four Component Model

Rest (1986) follows a deontological approach to explaining ethical decision making process. This approach puts the emphasis on the goodness of actions at the individual level, rather than their consequences to society (Wright et al., 1998). In the "four component model", Rest (1986) decomposes ethical decision making process into four components: recognizing an ethical issue, making a moral judgment, establishing moral intent, and acting on intent. It is important to note that there may be more than four components, but there are at least these four distinct processes (Rest, 1994).

The first component of the model has to do with recognizing the moral implications of an issue (Shafer et al., 1999). It has two dimensions: ethical sensitivity of the subject, and moral intensity of the issue (Jones, 1991). Following recognition of the issue, a judgment is made which explicitly describes the morally correct line of action. Component three, namely establishing moral intent, has to do with choosing the judgment over other factors like wealth, power, and career advancement (Ho and Vitell, 1997). Finally, behavior follows the three components. But individuals may not follow their intentions and choose other alternatives as their behaviors. This deviation can be attributable to a lack of moral character (Nisan and Kohlberg, 1982).

Rest (1986) states that the four processes are presented in a logical sequence. Ho et al. (1997) suggest that there are complicated interactions among components rather than a simple linear sequence. The combination of two suggestions seems to be logical. The "four component model" neither follows a simple linear sequence nor are the components mutually exclusive. The model follows a logical sequence with complicated interactions.

2.2. Disparities Between Moral Judgment and Moral Intention

Deficiencies in any stage of the Rest's model can result in unethical behavior. Although all components of this model are mentioned in the previous section, the current study is limited to only the second and the third components. The focus will be on disparities between moral decisions / judgments and moral intentions. Before focusing on disparities, these two components should be analyzed in detail.

Moral judgment is the process of determining the most morally justifiable line of action among the alternatives (which are derived from the ethical issue recognition stage). It is simply a respondent's attitude toward the acceptability of certain situations including moral dimensions (Weeks et al., 1999). Glover et al. (1997) suggest that moral judgment is characterized by values. According to them an individual evaluates contradicting values and prioritizes them. Generally people's moral judgments represent their cognitive understanding of ethical situations and are measured by their level of moral development (Kohlberg, 1979). Rest (1994) states that "deficiency in stage two comes about from overly simplistic ways of justifying choices of moral action" (p.24). For example, a person can judge tax fraud as morally correct because of unsuccessful government policies that result in an unbearable tax burden and feelings of injustice among different segments of people.

Moral intention is related with the motivation to act in accordance with one's moral judgment. According to Rest (1994), an individual should give more importance and priority to moral values than other competing factors and values. Otherwise discrepancies between moral judgments and moral intentions are inevitable. Rest also contends that "the notoriously evil people in the world are not cognitively limited but lack ethical motivation (e.g. Hitler and Stalin)" (p.24).

Although people judge a course of action as the morally correct one, they can behave otherwise (Jones and Ryan, 1998). There is a consistent statistically significant relationship between moral judgment and behavior, but this relationship is not strong (typically 0.3-0.4) (Rest, 1994). This fact leads to another argument that there are some psychological processes that determine moral behavior other than moral judgment.

In a recent study, Jones and Ryan (1997) have proposed the "Moral Approbation Model" as a partial explanation for the disparities between moral judgments and moral action. An important component of this model is desired moral approbation (DMA). It is defined as "the amount of approval that individuals require from themselves or others in order to proceed with moral actions without discomfort" (p. 448). The authors suggest that DMA may help to explain why individuals' behaviors deviate from their moral judgments. A more recent study supported the viability of DMA (Ryan and Riordan, 2000). This study suggests that DMA has three distinct dimensions: (1) desire for moral appraisal from others, (2) desire to avoid moral blame from others, and (3) desire for moral approval from the self.

In another study Shafer et al. (1999) investigated the effects of formal sanctions on auditor independence. The results of this study indicate that litigation risk and peer review risk were perceived as significant factors to prevent auditors to engage in aggressive reporting. Another interesting finding of this study is that the relationship between ethical judgments and behavioral intentions is highly significant.

Consistent with motivation studies, studies concerning moral motivation mention both intrinsic and extrinsic aspects of motivation. Jones and Ryan's work deals with an intrinsic variable (DMA) while Shafer et al.'s work deals with extrinsic variables (formal sanctions).

2.3. Gender Differences

Differences in value structures, moral development and ways of reasoning are important in business settings, because they may cause conflicts in decision making process and in the formulation of organizational codes of conduct. One important difference variable in business ethics is suggested to be gender, and there is empirical evidence for this suggestion. This is in line with the arguments regarding gender diversity in the area of organizational behavior.

Gilligan (1982) argues that females tend to use a care and relationship-oriented framework, while males use a rights and justice-oriented approach when making decisions. Ruegger and King (1992) support and extend this argument. They contend that the roots of gender differences in moral reasoning could go back to the family. Males are taught to be assertive while females are brought up in a caring and supportive manner by their families. Therefore, "the moral development of females occurs in a different context and through different stages than that of males" (Borkowski and Ugras, 1998, p. 1118).

In a review of empirical literature, Ford and Richardson (1994) reported that of the fourteen empirical studies, seven revealed that females are more likely to act ethically than males. The other seven found that gender had no impact on ethical beliefs. A meta-analysis of business students and ethics reported twenty-nine out of forty-seven studies concluding that females exhibited more ethical attitudes than males (Borkowski and Ugras, 1998).

There is also empirical evidence that women and men differ in their approaches to ethical problems or decision rules they use to resolve ethical dilemmas. Schminke and Ambrose (1997) reported that women are more likely to choose the Golden Rule approach (act in a way in which you would want to be treated by others)

than men, and men are more likely to choose the Kantian approach (act in a way that the society would continue to function if everyone acted in that fashion) than women. This finding is consistent with Gilligan's (1982) argument in that Golden Rule approach is caring-based and Kantian approach is justice-based. Another study examining male and female business students concluded that "males and females use different decision rules when making ethical evaluations although there are types of situations where there are no significant differences in decision rules used by women and men" (Galbraith and Stephenson, 1993, p.227). The other interesting findings of this study are that there is no "female" or "male" decision rule and that decision rules employed by females are more diversified than the rules used by males.

Although there are inconclusive or insignificant findings regarding gender differences in ethical decision making process (McNichols and Zimmerer, 1985; Harris, 1989; Serwinek, 1992), when differences are found, women tend to be more concerned about ethical issues than men.

2.4. Effects of Work Experience on Ethical Decision Making

It is not surprising to expect differences between business students' and managers' ethical decision making processes. Direct interaction with businesspeople and exposure to business practices may influence one's moral judgments and intentions. Organizational factors, inherent in companies that managers work, also have an impact on ethical behavior, regardless of individual difference variables (Baker, 1999).

DuPont and Craig (1996) found that professionals with retail management experience displayed more ethical attitudes than the business students. The literature review by Ford and Richardson (1994) shows that two out of four studies have

significant findings indicating that executives are more ethical than students. The findings of the other two studies are not significant.

2.5. Factors Influencing Moral Judgments

Laws and Regulations

Law is defined as "a generally accepted consistent set of universal rules to govern human conduct within a society" (Hosmer,1990, p. 80). These rules are requirements to behave in a determined way, rather than expectations. One important argument on laws in business ethics is their relevance with moral standards of the society and its members. If the linkage between these two important constructs is strong, then people are more likely to follow the rules and regulations. In other words, if the law represents collective moral judgment, its influence on moral behavior will be strong (Hosmer, 1990). However, according to Hosmer, there may be some problems in the transition from individual ethical norms to universal legal requirements. Hosmer lists the reasons of problems as following (p. 91-92):

- The moral standards of members of society may be based upon a lack of information relative to issues of corporate conduct.
- The moral standards of members of society may be diluted in the formation of small groups.
- The moral standards of members of society may be misrepresented in the consensus of large organizations.
- The moral standards of members of society may be misrepresented in the formulation of laws.
- The legal requirements formed through the political process are often incomplete or imprecise and have to be supplemented by judicial court decisions or administrative agency actions.

The effect of laws and regulations on ethical decision making is the main argument of Kantian rule ethics system (the acceptability of an action is determined by laws and regulations). The major strength of rule ethics is that it offers a structured framework for ethical conduct (Hitt, 1990). However, it has also some limitations (e.g. which rule to follow in dealing with conflicting values).

In sum, the existence of laws and regulations does not guarantee ethical behavior. Nevertheless, it can make a significant contribution to enforce it.

Social Values

Values are learned by individuals as they grow and mature. Thus, cultures and societies heavily influence the values (Nelson and Quick, 1999). Interaction among people within a society gives rise to social values. The term "social values" does not refer to an aggregation of individual values. "It expresses what a society believes ought to be" (Cavanagh and McGovern, 1988, p. 14). There must be a consensus on the appropriateness of social values in the society, and they must be respected by individuals in society to become operative. Cavanagh and McGovern (1988) presents three universally accepted social values: respect for the dignity of the human, community (common good; solidarity), and justice (equity).

Some social values may differ across nations, or they can shift over time. Ethical beliefs of people are influenced by the nation's ethical climate (Ruegger and King, 1992). Thus, social values, or national values in particular, do have an impact on individuals' moral judgments.

Ethical Climate in the Organization and Corporate Values

The relationship between ethical climate and individual morality is two-way. If the corporation has a healthy ethical climate, then people in such a work environment are motivated to act on their principles and develop more ethical attitudes (Cavanagh and McGovern, 1988). If the employees are ethical, then the corporation develops a healthy ethical climate. Ford and Richardson (1994) present empirical evidence to this claim. In their review of empirical literature, they conclude that "the more ethical the climate of an organization is, the more ethical an

individual's beliefs and decision behavior. The strength of this influence may be moderated by the structure and design of some organizations" (p. 217).

Hitt (1990) lists three widely accepted corporate values by referring to IBM's credo: respect for individual, customer service, and excellence. According to Hitt, corporate values represent a guide to all members on what the end-states of corporation are and what is important to them. Values may be in explicit or implicit forms. Jose and Thibodeaux (1999) found that managers perceived the implicit forms of institutionalizing ethics are more important than explicit forms of institutionalizing ethics. They state that managers emphasized the importance of corporate culture in efforts to institutionalize ethics.

The Context

Some contextual variables influence individuals' moral judgments. One important variable is the moral intensity of the issue. Jones (1991) operationalizes this variable in the ethical issue recognition component of Rest's model. Thus, it has an impact on moral judgment in an indirect but effective manner. Shafer et al. (1999) found that auditors' responses to low and high intensity versions of an audit case are different. Auditors judged high intensity version as more unethical than low intensity version. Kohlberg's (1979) famous Heinz's Dilemma is another good example for moral intensity. In this short scenario Heinz's wife suffers from cancer and is about to die. A pharmacologist has invented a drug that can save her life. But the pharmacologist demands an unaffordable price for his drug. Then, Heinz faces a dilemma of whether stealing the drug or not. If Heinz's wife's disease had been influenza rather than cancer, he might not have faced a dilemma.

Timing of an action also has an impact on moral judgment. For example, if a pharmacist sells a drug prior to its approval by Healthcare Committee, people may become more likely to perceive this behavior as unethical.

Cultural differences (Roberts and Fadil, 1999), peer influence (Israeli, 1988), and perception of the existence of rewards and sanctions (Hegarty and Sims, 1978) are other contextual variables of concern.

Individual Values

Glover et al. (1997) argues that individual values play key roles in the determination and resolution of dilemmas. Rokeach (1973) classifies the individual values into two groups: terminal values and instrumental values (c.f. Hitt, 1990). Terminal values are the ends toward which one is trying to achieve. Instrumental values are means that one will employ to achieve the ends. "A unified value system would be one in which the ends and means are consistent and mutually reinforcing" (Hitt, 1990, p. 7). Some instrumental values are honesty, helpfulness, forgiving nature, obedience, love, politeness, courage, and independence. Some terminal values identified by Rokeach (1973) are happiness, world peace, equality, friendship, salvation, freedom, and prosperity.

A theory that emphasizes the importance of individual values is the virtue-ethics theory. McIntyre states that "virtue describes the characteristics and motivation of the decision maker, the possession and exercise of which tends to increase his or her propensity to act ethically" (c.f. Thorne, 1998, p. 291). A virtuous person is one who always behaves according to his or her principles for the good of humanity, regardless of the personal risks involved (Thorne, 1998).

2.6. Factors Preventing Unethical Behavior

Written Corporate Codes of Conduct

A written code of ethics is a widely used tool for infusing values and encouraging ethical behavior in organizations. There are contradictory findings regarding the effectiveness of written corporate codes of ethics. Several researchers assert that written ethical codes have a positive influence on employee behavior (Ford and Richardson, 1994; Weeks and Nantel, 1992), while some others (Ekin and Tezölmez, 1999; Murphy et al., 1992) report that they contribute little to ethical behavior of employees. Jose and Thibodeaux (1999) contend that code of ethics is an explicit form of institutionalizing ethics, and implicit forms like leadership and corporate culture are more effective than explicit forms in preventing unethical behavior.

Family Upbringing

According to White (1996), personal beliefs and principles are the most effective foundations for ethical conduct and they develop during family upbringing. Andrews (1989) states that "moral character is shaped by family, church, and education long before an individual joins a company to make a living" (p. 99). Gilligan (1982) also emphasizes the importance of family upbringing on moral development of males and females. Therefore, positive family upbringing can be accepted as a factor that can prevent unethical behavior.

Behavior of Superiors and Senior Managers

Trevino (1986) suggests that higher level managers can be influential in shaping subordinate behavior by use of punishment and rewards. According to Akaah (1996), senior managers' ethical behaviors encourage lower level managers to behave

likewise. In a recent study, Jose and Thibodeaux (1999) found that managers ranked the top management support and ethical leadership as having the greatest impact on ethical behavior in organizations. However, Zey-Ferrel et al. (1979) found no significant relationship between behaviors of superiors and ethical behaviors of their subordinates. Ford and Richardson (1994) summarizes the empirical findings on this issue as "an individual's ethical beliefs and decision making behavior will increasingly become congruent with top management's beliefs as defined through their words and actions as rewards provided for compliance congruency are increased" (p. 216).

Laws and Regulations

White (1996) asserts that because every conceivable circumstance can not be prescribed, laws and regulations are limited in their effect. Thus, law is the choice when all efforts to maintain morality proved to be unsuccessful. Stark (1993) defines the external motivational tools (including laws and regulations) as sophisticated forms of coercion and therefore as morally wrong.

Ethics Education

The results of previous research about the effects of ethics education on ethical decision making are mixed. But most of them are more negative than positive (Arlow, 1991). Lane et al. (1988) state that there is little empirical evidence to suggest that ethical behavior is enhanced through ethics education. Davis and Welton (1991) found that formal ethics training was not likely to be a dominant factor in the development of an individual's ethical attitudes. Schaub (1993) did not find a significant relationship between participating in an ethics course and ethical development.

As opposed to insignificant findings and contradictory statements mentioned above, Armstrong (1993) found that accounting students who had taken ethics course as elective scored higher on Defining Issues Test than those who did not. (Defining Issues Test (DIT) (Rest, 1986) is an instrument used to measure a person's level of cognitive moral development).

2.7. Factors Influencing People to Engage in Unethical Behavior

Peer pressure is one factor that can influence a person to engage in unethical behavior (Ponemon, 1992). Ponemon (1992) showed that peer pressure is one of the most significant variables with an effect on auditor underreporting. Personal financial need is also found to encourage managers to behave unethically (Baumhart, 1961; Ekin and Tezölmez, 1999). Another important factor encountered in the literature is behavior of superiors in the form of coercion to commit an unethical act (Ekin and Tezölmez, 1999).

III. METHODOLOGY

Since the focus of the study is on ethical decision making in Turkey, residents of Turkey participated in the study. The data were collected by administering questionnaires directly to participants. At first, 52 MBA students from a reputable university in Turkey were selected. Then, 50 managers working in companies from three different industries were administered questionnaires. Demographic characteristics of participants are depicted in Table 1. The response rate was 100 percent.

The questionnaire contained twelve vignettes with four questions for each and two post-vignette questions. The respondents were asked to state their evaluations and perceptions of business situations including ethical dilemmas. Each vignette dealt with different situations from different functional areas. A sample vignette is given in Figure 1.

Table 1: Demographic characteristics of participants

	N	Percentage
<i>Occupation</i>		
Business Student	52	51.0%
Manager	50	49.0%
<i>Gender</i>		
Male	70	68.6%
Female	32	31.4%
<i>Age</i>		
21—30	88	86.3%
31—40	8	7.8%
41 and above	6	5.9%
<i>Management level</i>		
Top management	6	12.0%
Middle management	10	20.0%
Lower management	34	68.0%

Vignette usage was preferred to simple questions, since vignettes help one to get more background information about dilemma. By getting more background

information and establishing a frame of reference, the respondent can easily pass the ethical issue recognition stage. Thus, vignettes mostly serve for the recognition of moral implications of an issue.

Figure 1: A sample business vignette

Sibel started to work as the marketing manager in a new firm about a month ago. The new firm is the competitor of her old firm in which she worked for 11 years. One day the president of the new firm asked her to prepare a report that compares the distribution channels of the two firms. Sibel says she can not prepare such a report because it is confidential. However, the president argues that their firm is ready to provide any information and thus he expects that the other firms should do the same. Moreover, he stresses that her loyalty is to the new firm. Sibel prepares the report and gives it to the president.

Source: Adapted from Mugan and Önkal-Atay (2000).

Moral judgments were measured by asking the respondents to specify the extent to which they perceive the action as “ethical” on a five-point scale with 1 reflecting “definitely unethical” and 5 reflecting “definitely ethical”. A similar procedure was used by Weeks et al. (1992), Cohen et al. (1998), and Shafer et al. (1999).

Moral intentions were measured by asking the respondents to indicate how they would behave in such a situation on a five-point scale. In the intention case 1 represented “completely the same as the person in question” and 5 represented “completely in the opposite manner”. Cohen et al. (1998), Shafer et al. (1999), and Ryan and Riordan (2000) also followed a similar procedure to measure moral intentions. In such a procedure participants may be exposed to social desirability bias. To some extent, this bias is inevitable because of the nature of questionnaires.

The third vignette question was “to what extent did the factors listed below affect your moral judgment?”. Again a five-point scale used with 1 reflecting “did not affect at all”, and 5 reflecting “affected in every aspect”. The purpose of this question

is to explore the effects of particular values (national&social, corporate, and individual values), laws and regulations, and contextual variables on the formation of a person's moral judgment. Exploring the magnitude of the effects of these variables on moral judgment may help to comment on the causes of disparities—if observed any—as well.

The last vignette question was about the frequency with which a similar dilemma had been observed. The participants indicated their perceptions of the frequencies on the scale. This time 1 reflected “never”, and 5 reflected “always”. This procedure would help to make a rank ordering of twelve types of dilemmas regarding their observed (perceived) frequencies.

The post-vignette questions were divided into two subgroups. Again, a five-point scale was used to get responses. In the first question, the degree of importance of five factors preventing unethical behavior (written corporate codes of conduct, family upbringing, behavior of superiors and senior managers, laws and regulations, and ethics education) were asked. The second question was used to ask for the degree of importance of five factors influencing people to engage in unethical behavior (efforts of individuals to take advantage, pressures from superiors, peer pressure, pressures from subordinates, and one's personal financial needs). Of these ten factors, two (efforts of individuals to take advantage and pressures from subordinates) were included in the questionnaire—although not encountered in the literature—after an interview with a group of business professionals.

The vignettes were adapted from Mugan and Önköl-Atay (2000). The content validity of the questionnaire was tested by an expert group of researchers and doctoral students. After necessary adjustments had been made according to the expert

comments, the questionnaire was administered to participants. No deceptions were used.

The research questions were not hypothesized in order not to limit the scope and wide perspective of the current study.

IV. RESULTS AND DISCUSSION

4.1. Disparities Between Moral Judgements and Moral Intentions

Nonparametric statistical procedures were used to analyze the data. To examine the disparities, Wilcoxon Signed Rank Test was applied to the data. The results are shown in Table 2 and Table 3.

Table 2: Disparities Between Moral Judgments and Moral Intentions (Managers)

Descriptives and Test Statistics

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Mean Moral Judgement (Standard Deviation)	2.72 (1.22)	1.83 (1.20)	1.50 (0.71)	2.11 (1.60)	3.33 (1.37)	2.56 (1.29)	2.78 (1.48)	3.11 (1.49)	1.94 (1.21)	2.50 (1.62)	3.44 (1.69)	3.17 (1.50)
Mean Moral Intention (Standard Deviation)	3.22 (1.51)	1.39 (0.98)	1.17 (0.38)	2.17 (1.50)	3.78 (1.26)	2.78 (1.48)	2.89 (1.23)	3.72 (1.45)	1.89 (1.08)	2.56 (1.62)	3.50 (1.59)	3.39 (1.50)
Z	-1.709	-2.070	-2.121	-.378	-2.070	-1.190	-.587	-1.897	-.302	-.447	-.378	-1.190
Asymp. Sig. (2-tailed)	0.088	0.038*	0.034*	0.705	0.038*	0.234	0.557	0.058	0.763	0.655	0.705	0.234

* Significant at p= 0.05 level.

Table 3: Disparities Between Moral Judgments and Moral Intentions (MBA Students)

Descriptives and Test Statistics

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Mean Moral Judgement (Standard Deviation)	2.60 (1.38)	1.96 (1.10)	1.81 (1.05)	2.19 (1.21)	3.96 (0.93)	3.38 (1.21)	2.73 (1.22)	3.56 (1.21)	1.73 (1.05)	2.15 (1.13)	3.12 (1.46)	3.37 (1.21)
Mean Moral Intention (Standard Deviation)	2.94 (1.27)	1.94 (1.13)	1.56 (0.78)	2.40 (1.22)	3.96 (0.99)	3.73 (1.03)	2.77 (1.21)	3.42 (1.35)	1.94 (1.11)	2.48 (1.21)	3.21 (1.50)	3.40 (1.24)
Z	-2.272	-0.334	-2.415	-1.730	-0.092	-2.631	-0.295	-1.338	-1.437	-2.295	-.786	-0.033
Asymp. Sig. (2-tailed)	0.023*	0.738	0.016*	0.084	0.927	0.009**	0.768	0.181	0.151	0.022*	.432	.974

* Significant at p= 0.05 level.

** Significant at p= 0.01 level

The results showed that in three of the vignettes (2, 3, and 5) managers' moral judgements differed significantly from their moral intentions at p= 0.05 level. In vignette 2 and vignette 3 managers' average responses (mean moral judgements are

1.83 and 1.50 respectively, reflecting "somewhat unethical" and "mostly unethical", and mean moral intentions are 1.39 and 1.17 respectively, reflecting "almost never" for both) revealed that they didn't intend to behave according to their moral judgments, although they judged the behavior in question more ethically. In other words, they were less intended to behave in the same manner as the hypothetical person in the vignette did, although they perceived some ethical aspects in that behavior. In vignette 5, the direction of the disparity was different from the ones vignette 2 and vignette 3. This time, mean moral judgment score was 3.33 reflecting "somewhat ethical" and mean moral intention score was 3.78 reflecting "most of the time".

In the MBA students case, significant disparities were found in four vignettes (vignettes 1, 3, 6, and 10). In vignettes 1, 3, and 10 the significance level was $p=0.05$. In vignette 6 the disparity was significant at $p=0.01$ level. The direction of the disparity in vignette 3 (mean moral judgment was 1.81 and mean moral intention was 1.56) was similar to that of managers in the same vignette in that their mean moral judgment score was higher than the mean moral intention score. In vignettes 1, 6, and 10 mean moral judgment scores of MBA students (2.60, 3.38, and 2.15 respectively) were lower than mean moral intention scores (2.94, 3.73, and 2.48 respectively).

Vignette 3 is the only common situation that disparities observed between both managers' and MBA students' moral judgment and moral intentions. Vignettes 4, 7, 8, 9, 11, and 12 are the ones that no disparities were observed in both groups.

These results indicate that in most of the scenarios both managers and MBA students were motivated to behave in accordance with their moral judgments and that differences in the ethical motivations of managers and business students in the same situations may be observed.

4.2. Gender Differences in Moral Judgments and Moral Intentions

Since the sample sizes of male and female groups are different, a Mann-Whitney U Test was applied to data to analyze gender differences in moral judgments and moral intentions. The results are displayed in Table 4 and Table 5.

Table 4: Gender Differences in Moral Judgments

Descriptives and Test Statistics

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Male Mean Moral Judgment (Standard Deviation)	2.71 (1.35)	2.08 (1.23)	1.92 (1.03)	1.92 (1.20)	3.79 (1.20)	3.10 (1.26)	2.71 (1.11)	3.54 (1.25)	1.81 (1.14)	2.19 (2.25)	3.19 (1.50)	3.56 (1.17)
Female Mean Moral Judgment (Standard Deviation)	2.45 (1.30)	1.59 (0.73)	1.32 (0.72)	2.73 (1.39)	3.82 (0.80)	3.32 (1.32)	2.82 (1.62)	3.23 (1.38)	1.73 (0.98)	2.36 (1.33)	3.23 (1.60)	2.77 (1.38)
Z	-0.700	-1.382	-2.550	-2.484	-0.571	-0.727	-0.065	-0.891	-0.070	-0.527	-0.110	-2.324
Asymp. Sig. (2-tailed)	0.484	0.167	0.011*	0.013*	0.568	0.467	0.948	0.373	0.944	0.598	0.912	0.020*

*Significant at p= 0.05 level

Table 5: Gender Differences in Moral Intentions

Descriptives and Test Statistics

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Male Mean Moral Intention (Standard Deviation)	3.19 (1.36)	1.90 (1.17)	1.58 (0.77)	2.17 (1.29)	4.00 (1.09)	3.48 (1.17)	2.75 (1.04)	3.60 (1.28)	1.94 (1.16)	2.48 (1.27)	3.27 (1.54)	3.75 (1.04)
Female Mean Moral Intention (Standard Deviation)	2.64 (1.22)	1.59 (0.96)	1.18 (0.50)	2.73 (1.24)	3.73 (0.98)	3.50 (1.37)	2.91 (1.54)	3.27 (1.55)	1.91 (0.97)	2.55 (1.44)	3.32 (1.49)	2.64 (1.50)
Z	-1.645	-1.164	-2.387	-1.826	-1.246	-0.315	-0.345	-0.716	-0.156	-0.065	-0.065	-2.968
Asymp. Sig. (2-tailed)	0.100	0.245	0.017*	0.068	0.213	0.753	0.730	0.474	0.876	0.948	0.948	0.003**

*Significant at p= 0.05 level

**Significant at p= 0.01 level

In vignettes 3, 4, and 12 significant differences have been found between male and female moral judgments. An analysis of moral judgment scores in vignettes 3 and 12 revealed that females judged the dilemma as more "unethical" than males. But in vignette 4 the situation was just the opposite. This time males judged the

hypothetical behavior as more "unethical" than females. In the other vignettes no significant differences have been found. These results indicate that it is difficult to claim a gender difference in moral judgments of participants, although there are three situations in which significant differences were observed. Furthermore, the revealed differences do not indicate a dominance of one gender.

After the analysis of moral intention scores, significant differences in vignettes 3 and 12 have been found. In both of the vignettes, females were found to be more unwilling to behave in the specified manner than males. The significant difference found in the moral judgments of men and women in vignette 4 has been moderated by their moral intentions. Another interesting finding of moral intention analysis is that the difference in moral judgments of men and women in vignette 12 became more significant (changed to $p= 0.01$ from $p= 0.05$). Despite these new findings which are in favor of women, it is again difficult to assert that men and women differ in their ethical reasonings and ethical motivations.

4.3. Effects of Work (Management) Experience

The term work experience refers to the experience in management positions. To explore the effects of management experience, a Mann-Whitney U Test was applied to the moral judgment and moral intention scores of managers and students.

Table 6: Effects of Work Experience on Moral Judgments

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Manager Mean Moral Judgment (Standard Deviation)	2.72 (1.23)	1.83 (1.20)	1.50 (0.71)	2.11 (1.60)	3.33 (1.37)	2.56 (1.29)	2.78 (1.48)	3.11 (1.49)	1.94 (1.21)	2.50 (1.62)	3.44 (1.69)	3.17 (1.50)
Student Mean Moral Judgment (Standard Deviation)	2.60 (1.38)	1.96 (1.10)	1.81 (1.05)	2.19 (1.21)	3.96 (0.93)	3.38 (1.21)	2.73 (1.22)	3.56 (1.21)	1.73 (1.05)	2.15 (1.13)	3.12 (1.46)	3.37 (1.21)
Z	-0.448	-0.669	-0.866	-0.856	-1.848	-2.387	-0.062	-1.064	-0.670	-0.469	-0.868	-0.478
Asymp. Sig. (2-tailed)	0.654	0.503	0.387	0.392	0.065	0.017*	0.950	0.287	0.503	0.639	0.385	0.632

* Significant at $p= 0.05$ level.

Table 7: Effects of Work Experience on Moral Intentions

	SCN 1	SCN 2	SCN 3	SCN 4	SCN 5	SCN 6	SCN 7	SCN 8	SCN 9	SCN 10	SCN 11	SCN 12
Manager Mean Moral Intention (Standard Deviation)	3.22 (1.52)	1.39 (0.98)	1.17 (0.38)	2.17 (1.50)	3.78 (1.26)	2.78 (1.48)	2.89 (1.23)	3.72 (1.45)	1.89 (1.08)	2.56 (1.62)	3.50 (1.58)	3.39 (1.50)
Student Mean Moral Intention (Standard Deviation)	2.94 (1.27)	1.94 (1.13)	1.56 (0.78)	2.40 (1.22)	3.96 (0.99)	3.73 (1.03)	2.77 (1.21)	3.42 (1.35)	1.94 (1.11)	2.48 (1.21)	3.21 (1.50)	3.40 (1.24)
Z	-0.777	-2.219	-1.949	-0.977	-0.380	-2.371	-0.421	-0.941	-0.144	-0.174	-0.704	-0.124
Asymp. Sig. (2-tailed)	0.437	0.027*	0.051	0.329	0.704	0.018*	0.673	0.347	0.885	0.862	0.481	0.901

* Significant at p= 0.05 level.

The results are reported in Tables 6 and 7. The only significant difference between moral judgments was found in vignette 6 (at p= 0.05 level). In this vignette, managers evaluated the behavior in question as more "unethical" than students. There are two vignettes with significant differences in moral intentions at p= 0.05 level. These results do not indicate a difference in moral judgments and moral intentions of managers and MBA students although there are differences in some situations. But, when differences are found, managers tend to display more ethical attitudes.

4.4. Factors Influencing Moral Judgments

To investigate the effects of six factors (laws and regulations, national and social values, corporate values, organization's ethical climate, personal values, and contextual variables), they were first ranked according to their mean scores. The rankings of factors, vignette by vignette, across groups (male vs female, and managers vs students) are depicted in Table 8. The most noticeable finding of this analysis is that personal values and contextual variables were ranked in the first two orders in most of the vignettes. This means that personal values and contextual variables are the most influential factors in the formation of moral judgments across all groups. Laws and regulations were ranked in the last orders in the first nine vignettes. In vignettes 10, 11 and, 12 they were perceived as influential factors in moral judgment formation.

Table 8: Comparative Rankings of Factors Influencing Moral Judgments

Vignette	Factor	MALE		FEMALE		MANAGER		STUDENT	
		Mean	Ranking	Mean	Ranking	Mean	Ranking	Mean	Ranking
1	Laws and Regulations	2.77	6	2.67	6	2.28	6	2.85	6
	National and Social Values	2.91	5	2.94	5	2.61	5	3.04	5
	Corporate Values	3.55	2	3.85	3	3.44	2	3.87	2
	Organization Ethical Climate	3.00	4	3.40	4	3.39	3.5	3.23	4
	Personal Values	4.18	1	4.21	1	4.50	1	4.10	1
	Contextual Variables	3.36	3	3.88	2	3.39	3.5	3.83	3
2	Laws and Regulations	1.82	6	2.13	6	1.44	6	2.23	6
	National and Social Values	2.77	4	3.52	3	3.00	3	3.38	3
	Corporate Values	2.91	3	3.40	4	3.06	4	3.31	4
	Organization Ethical Climate	2.41	5	3.06	5	2.94	5	2.83	5
	Personal Values	4.18	2	4.46	1	4.61	1	4.29	1
	Contextual Variables	4.32	1	3.92	2	3.78	2	4.13	2
3	Laws and Regulations	1.86	6	1.81	6	1.44	6	1.96	6
	National and Social Values	2.45	3	2.79	4	2.06	3	2.90	3
	Corporate Values	2.23	5	3.62	2	1.89	4	2.87	4
	Organization Ethical Climate	2.30	4	2.58	5	1.83	5	2.63	5
	Personal Values	4.27	1	4.27	1	4.28	1	4.27	1
	Contextual Variables	3.68	2	3.54	3	3.50	2	3.62	2
4	Laws and Regulations	2.95	4	2.35	6	2.39	5	2.60	5
	National and Social Values	3.05	3	3.23	2	2.56	3.5	3.38	3
	Corporate Values	2.64	5	2.88	4	2.56	3.5	2.88	4
	Organization Ethical Climate	2.41	6	2.42	5	2.33	6	2.44	6
	Personal Values	3.77	1	4.29	1	4.28	1	4.08	1
	Contextual Variables	3.36	2	3.19	3	2.67	2	3.44	2
5	Laws and Regulations	2.80	5	2.44	6	1.94	6	2.73	6
	National and Social Values	2.77	6	2.96	5	2.22	5	3.13	4
	Corporate Values	3.00	3	3.52	3	3.28	3	3.38	3
	Organization Ethical Climate	2.81	4	3.33	4	3.06	4	3.10	5
	Personal Values	3.92	1	4.23	1	4.11	1	3.94	1
	Contextual Variables	3.86	2	3.85	2	3.83	2	3.87	2
6	Laws and Regulations	3.23	4	2.63	6	2.67	4	2.87	6
	National and Social Values	2.86	6	2.92	5	2.39	6	3.08	4.5
	Corporate Values	3.77	3	3.08	3	3.11	3	3.37	3
	Organization Ethical Climate	2.95	5	2.96	4	2.61	5	3.08	4.5
	Personal Values	4.00	1	4.13	1	3.56	2	4.27	1
	Contextual Variables	3.68	2	3.88	2	3.78	1	3.83	2

(Continued on the next page)

Vignette	Factor	MALE		FEMALE		MANAGER		STUDENT	
		Mean	Ranking	Mean	Ranking	Mean	Ranking	Mean	Ranking
7	Laws and Regulations	2.36	6	2.02	6	1.94	6	2.19	6
	National and Social Values	2.41	5	2.92	5	2.06	5	3.00	5
	Corporate Values	2.73	3	3.54	3	2.89	3	3.42	3
	Organization Ethical Climate	2.68	4	3.17	4	2.94	2	3.04	4
	Personal Values	3.82	1	3.60	2	3.50	1	3.73	2
	Contextual Variables	3.73	2	3.69	1	2.78	4	4.02	1
8	Laws and Regulations	2.45	4	2.15	6	2.11	6	2.29	6
	National and Social Values	2.14	6	2.85	3	2.28	5	2.75	3
	Corporate Values	2.55	3	2.77	4	2.94	3	2.62	4
	Organization Ethical Climate	2.23	5	2.58	5	2.72	4	2.38	5
	Personal Values	3.68	2	3.81	2	3.56	2	3.85	2
	Contextual Variables	3.73	1	4.23	1	3.50	1	4.27	1
9	Laws and Regulations	2.91	5	2.52	6	2.61	6	2.65	6
	National and Social Values	3.05	4	3.46	3.5	2.89	4	3.48	4
	Corporate Values	3.45	3	3.46	3.5	2.94	3	3.63	3
	Organization Ethical Climate	2.59	6	3.08	5	2.50	5	3.08	5
	Personal Values	4.27	1	4.33	1	4.06	1	4.40	1
	Contextual Variables	3.77	2	3.54	2	3.00	2	3.83	2
10	Laws and Regulations	3.78	2	3.96	2	3.33	2	4.10	2
	National and Social Values	2.91	4.5	3.46	3	2.89	5	3.42	4
	Corporate Values	2.91	4.5	3.04	5	2.94	4	3.02	5
	Organization Ethical Climate	2.59	6	2.83	6	2.67	6	2.79	6
	Personal Values	3.95	1	4.15	1	3.83	1	4.17	1
	Contextual Variables	3.77	3	3.40	4	3.22	3	3.62	3
11	Laws and Regulations	3.73	2	3.96	2	3.56	3	4.00	3
	National and Social Values	3.64	3	3.54	5	3.22	4	3.69	4
	Corporate Values	3.36	5	3.60	4	3.17	5	3.65	5
	Organization Ethical Climate	2.55	6	3.04	6	2.61	6	2.98	6
	Personal Values	4.27	1	4.35	1	4.22	1	4.37	1
	Contextual Variables	3.55	4	3.63	3	3.89	2	3.50	2
12	Laws and Regulations	3.41	4	4.08	1	3.72	3	3.92	3
	National and Social Values	3.55	3	3.38	5	2.94	4.5	3.60	4
	Corporate Values	3.00	5	3.40	4	2.94	4.5	3.38	5
	Organization Ethical Climate	2.50	6	3.00	6	2.56	6	2.94	6
	Personal Values	4.00	2	4.04	2	4.06	1	4.02	2
	Contextual Variables	4.05	1	3.96	3	3.78	2	4.06	1

Interestingly, when laws and regulations were ranked in the first two order (vignettes 10, 11, and 12), the influence of contextual variables decreased. Therefore,

it can be suggested that the existence of concrete laws and regulations decreases the need for contextual variables in moral judgment formation.

Then, two nonparametric procedures, Spearman's rank correlation and Kendall Tau correlation coefficient, were employed to the data to see whether there had been significant rank correlations across groups. The results of these analyses are displayed in Table 9 and Table 10.

Table 9: Spearman and Kendall Correlation Coefficients (Male vs Female)

Vignette	Spearman		Kendall Tau	
	<i>r</i>	<i>p</i>	<i>R</i>	<i>p</i>
1	0.943	0.005**	0.867	0.015*
2	0.866	0.019*	0.733	0.039*
3	0.657	0.156	0.600	0.091
4	0.771	0.072	0.600	0.091
5	0.943	0.005**	0.867	0.015*
6	0.771	0.072	0.600	0.091
7	0.943	0.005**	0.867	0.015*
8	0.600	0.208	0.467	0.188
9	0.928	0.008**	0.828	0.022*
10	0.928	0.008**	0.828	0.022*
11	0.829	0.042*	0.733	0.039*
12	0.486	0.329	0.333	0.348

- (a) *Significant at $p=0.05$ level
- (b) **Significant at $p=0.01$ level
- (c) *r* represents the correlation coefficient
- (d) *p* represents the significance level

In the gender case, an important phenomenon was revealed. In vignettes 3, 4, 6, 8, and 12 no significant correlations were found between males' and females' rank orderings of the factors influencing their moral judgments. This leads to the argument that males' and females' value structures and ways of reasoning may differ. This finding is also in line with Galbraith and Stephenson's (1993) contention that males and females use different decision rules when making ethical evaluations. In vignettes 3, 4, and 12, significant gender differences had been found in moral judgments. This interesting finding indicates that differences in moral judgments mainly stem from differences in value structures. But, differences in value structures do not necessarily lead to differences in moral judgments, as had been observed in vignettes 6 and 8.

Table 10: Spearman and Kendall Correlation Coefficients (Managers vs Students)

Vignette	Spearman		Kendall Tau	
	<i>r</i>	<i>p</i>	<i>r</i>	<i>p</i>
1	0.986	0.0001**	0.966	0.007**
2	0.943	0.005**	0.867	0.015*
3	1.000	0.000**	1.000	0.005**
4	0.986	0.0001**	0.966	0.007**
5	0.943	0.005**	0.867	0.015*
6	0.754	0.084	0.552	0.126
7	0.600	0.208	0.467	0.188
8	0.721	0.072	0.600	0.091
9	0.943	0.005**	0.867	0.015*
10	0.943	0.005**	0.867	0.015*
11	0.657	0.156	0.600	0.091
12	0.928	0.008**	0.828	0.022*

(a) *Significant at $p=0.05$ level

(b) **Significant at $p=0.01$ level

The relationship between managers' and students' evaluations of the factors influencing moral judgment was insignificant in vignettes 6, 7, 8, and 11. The same arguments can be made as the gender case. Vignette 6 was the only one with a significant difference between managers' and students' moral judgments. This difference is a natural result of the difference in underlying value structures and ways of reasoning. It should be expressed again that differences in value structures do not necessarily lead to differences in moral judgments, as had been observed in vignettes 7, 8, and 11.

4.5. Perceived Frequencies of Dilemmas

The respondents' answers to the question regarding the frequencies in which they encounter similar situations are reported in Table 11. The most frequently observed behaviors were the ones in vignettes 10, 5, and 12; and the least frequently observed ones were in vignettes 3, 8, and 4 respectively. Short descriptions of the dilemmas are given in Appendix I. No classifications were made according to gender and occupation in the analysis of the frequencies of dilemmas.

Table 11: Perceived Frequencies of Dilemmas

Vignette No	Ranking	Mean	Standard Deviation
10	1	2.66	1.31
5	2	2.61	1.24
12	3	2.57	1.15
1	4	2.47	1.15
7	5	2.46	1.19
2	6	2.43	1.08
9	7	2.41	1.17
6	8	2.39	1.20
11	9	2.23	1.04
3	10	2.14	0.91
8	11	2.14	1.13
4	12	1.74	0.85

4.6. Factors Preventing Unethical Behavior

Mean values and rankings of the factors preventing unethical behavior across groups are shown in Table 12. The ranking of factors according to their importance levels by males is significantly correlated with by that of females (Spearman's $r=0.900$) at $p=0.05$ level. However, the relationship between the responses of students and managers is not significant (Spearman's $r=0.800$, and $p=0.104$).

The overall analysis of scores showed that "family upbringing" and "behavior of superiors and senior managers" were evaluated as the most important factors for preventing unethical behavior. This finding is consistent with White's (1996) suggestion on the effects of family upbringing and Jose and Thibodeaux's (1999) finding regarding the influence of behavior of superiors on ethical decision making. "Written corporate codes of conduct" was perceived as the least important factor. The respondents were "undecided" about the effects of written corporate codes of conduct. This result is in line with the contradictory arguments on the effectiveness of written corporate codes of conduct. "Ethics education" and "laws and regulations" were in-between.

Table12: Factors Preventing Unethical Behavior

Factor	MALES		FEMALES		STUDENTS		MANAGERS	
	Ranking	Mean	Ranking	Mean	Ranking	Mean	Ranking	Mean
Family Upbringing	1	4.67	1	4.72	1	4.77	2	4.44
Behavior of Superiors and Senior Managers	2	4.42	3	4.18	2	4.29	1	4.50
Ethics Education (in schools and companies)	3	4.00	2	4.23	3	4.19	4	3.72
Laws and Regulations	4	3.85	4	3.82	4	3.83	3	3.89
Written Corporate Codes of Conduct	5	3.54	5	3.13	5	3.50	5	3.17

(a) Spearman Correlation Coefficient for Males vs Females is 0.900 and $p=0.037$. Significant at $p=0.05$ (two-tailed) level.
(b) Spearman Correlation Coefficient for Students vs Managers is 0.800 and $p=0.104$. Not significant at $p=0.05$ (two-tailed) level.

4.7. Factors Influencing People to Engage in Unethical Behavior

There is a consensus on the order of importance of five factors influencing individuals to engage in unethical behavior across all groups. The rank orderings according to mean values in all groups are the same. The results are displayed in Table 13. The order of importance is "efforts of individuals to take advantage", "deteriorating economic conditions and one's financial needs", "pressures from superiors", "peer pressure", and "pressures from subordinates" respectively.

Table 13: Factors Influencing People to Engage in Unethical Behavior

Factor	MALES		FEMALES		STUDENTS		MANAGERS	
	Ranking	Mean	Ranking	Mean	Ranking	Mean	Ranking	Mean
Efforts of Individuals to Take Advantage	1	4.75	1	4.77	1	4.73	1	4.83
Deteriorating Economic Conditions and One's Financial Needs	2	4.33	2	4.41	2	4.48	2	4.00
Pressures From Superiors	3	3.92	3	3.68	3	3.81	3	3.94
Peer Pressure	4	3.52	4	3.45	4	3.62	4	3.17
Pressures From Subordinates	5	2.21	5	2.18	5	2.31	5	1.89

The gap between "pressures from subordinates" and other factors is relatively wide. The term "pressures from subordinates" refers to the pressures in the form of threats by using or implying previous unethical practices of superiors. The mean scores vary between 1.89 and 2.31 for this factor, indicating that it is "slightly important".

Therefore, this finding is the evidence of the existence of "pressures from subordinates" as a factor influencing people to engage in unethical behavior.

V. CONCLUSION

5.1. Conclusions and Implications

Several striking findings were revealed throughout the current study. They can be summarized as follows:

- Disparities between moral judgments and moral intentions of managers and MBA students occur for some situations. But the type (direction) of disparity and type of dilemmas in which disparities occur may differ across categories (managers vs MBA students).
- Although differences have been found between moral judgments of males and females in three vignettes, a generalization about gender differences can not be made according to the findings of the current study. Significant gender differences have also been found in moral intentions in two vignettes. However, these differences do not lead to a generalization again.
- The effect of management experience is found to be insignificant on moral judgments and moral intentions, although there are significant differences in one and two vignettes respectively.
- The most important factors on which the moral judgments are based were expressed as personal values and contextual variables. But, when people realize the existence of concrete laws and regulations on a specific issue, the effects of contextual variables on moral judgment are moderated.
- Underlying value structures of men and women are different from each other (at least in some situations) and differences in moral judgments mainly stem from these differences. But, differences in underlying value structures do not necessarily lead to differences in moral judgments. There might be complementary effects between different values and factors so

that moral judgments do not differ. Same comments apply to the effects of work experience.

- Family upbringing and behavior of superiors are found to be the most important factors preventing unethical behavior. This finding expresses the importance of role modelling in social learning and attitude formation.
- Situational pressures (e.g. financial needs) are more effective than the ones committed by people in influencing people to engage in unethical acts.

There are several implications of these findings: (1) A person's sound moral judgment might not represent his or her behavioral intention. (2) It can be said that the ratio of women and men in the workforce wouldn't make any difference when morality in business is considered. (3) Since the influence of child upbringing on morality is great, adults (as parents) should be trained on role modelling. (4) Laws, regulations, and written codes of conduct should represent the collective moral judgment to become operative. (5) Behaviors of superiors are very important in establishing a healthy ethical climate. (6) Some improvements in material conditions in the workplace may reduce employees' tendency to commit unethical acts.

5.2. Limitations of Current Study

The sample size may be considered as a limiting factor in that it did not allow for other categorizations like age, management level, and undergraduate major. In addition, the factors influencing moral judgments were analyzed with a general point of view. Their components could be explored and analyzed in detail. There may also be more factors influencing people to engage in unethical behavior and factors preventing people from unethical acts.

Because of the nature of questionnaires, respondents would tend to evaluate themselves with a more ethical stance. Hence, social desirability effect was inevitable.

To overcome this effect, experiments and real life observations are necessary. However, making observations and experiments in the investigation of such a sensitive issue (business ethics) seems to be too difficult--if not impossible.

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APPENDIX 1: The Contents of Vignettes

Vignette 1: Giving confidential information to management by an employee about his/her old firm.

Vignette 2: Requesting retirement of a company's partner because he/she overlooked an auditing procedure (This fault mainly stems from his/her health and family problems).

Vignette 3: Informing the senior management about a love affair between two colleagues and requesting to end this affair.

Vignette 4: Informing a potential client of illegal publication seen in the office of competitive firm.

Vignette 5: Covering all expenses of an inspection visit by the senior staff of the client firm (This is accepted as customary in that country).

Vignette 6: Keeping technical documents about the latest product of the client, which is unique on the market, to resolve a price conflict.

Vignette 7: Accepting a male applicant for a job instead of a female, considering the apprehension of the top management, although this is contrary to initial evaluation of the applicants.

Vignette 8: Giving up the decision to take a female staff to a lunch in which some important business projects are discussed, just because the lunch will be given in a men-only club.

Vignette 9: Assigning a female employee to a new job which has less responsibilities and less promotion potential due to her pregnancy.

Vignette 10: Discharging the wastewater into sea after primary treatment, although two treatments are necessary, considering the electricity costs, energy conservation, and comfort of guests.

Vignette 11: Stopping the production of a product, but not informing the clients, because of the return of a batch due to a weird smell (The effect of the concentration of one chemical in the production on human digestive system has not been tested yet, but there is no known effect either).

Vignette 12: Continuing to use an additive substance in package food production although there has been news in the media about this additive that it can cause cancer (The additive is included in the Food Regulations and its substitute is not only more expensive but also not included in the Food Regulations).

APPENDIX 2: Vignette Questions

1. The action is.....	Definitely Unethical	1	2	3	4	5	Definitely Ethical
2. How would you behave if you were	Exactly The same	1	2	3	4	5	Completely Different
3. To what extent did the factors below effect your answer to first question?	Not at all	1	2	3	4	5	Affected in every aspect
a. Laws and regulations		1	2	3	4	5	
b. National and social values		1	2	3	4	5	
c. Corporate values		1	2	3	4	5	
d. Your organization's codes of conduct and climate		1	2	3	4	5	
e. Your personal values		1	2	3	4	5	
f. Context (the conditions, situational variables etc.)		1	2	3	4	5	
4. How often do you encounter such a situation in daily life?	Never	1	2	3	4	5	Always

APPENDIX 3: Post-Vignette Questions

1. How important are the factors below in preventing unethical behavior?

	Not at all			Of vital importance	
Written corporate codes of conduct	1	2	3	4	5
Family upbringing	1	2	3	4	5
Behavior of superiors and senior managers	1	2	3	4	5
Laws and regulations	1	2	3	4	5
Ethics education	1	2	3	4	5

2. How important are the factors below in encouraging people to unethical behavior?

	Not at all			Of vital importance	
Efforts to take advantage	1	2	3	4	5
Pressures from superiors	1	2	3	4	5
Peer pressure	1	2	3	4	5
Pressures from subordinates	1	2	3	4	5
Deteriorating economic conditions and one's financial needs	1	2	3	4	5