The Influence of Gender, Age, Culture and other Factors on Ethical Beliefs: A Comparative Study in Australia and Singapore

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Abstract

Aspects of ethical behavior have attracted attention following a spate of corporate collapses. Ethical behavior is based on moral standards and not simply adherence to legal requirements. This study examined the relationships between gender, age, home/work influences, cultural background, and ethical behavior in a sample of Australian and Singaporean MBA students. After controlling for cultural background, gender, age, and home/work influences were found to be significant predictors of ethical behavior.

Introduction

Following a spate of corporate collapses in Australia and the United States of America, aspects of ethical behavior have attracted increased scrutiny in the popular and academic literature. While many failed organizations appeared to have had traditional management controls such as formal approval procedures, reconciliations, and audit requirements firmly in place, their lack of 'soft controls' such as management philosophy, ethics and integrity were often missing. Soft controls are rarely monitored or audited by organizations. One reason for this may be the lack of techniques available. Another problem may

be the absence of benchmarks that can be used for comparison (Hubbard, 2002).

(Hubbard, 2002) also suggests that organizations should pay more attention to their corporate or organizational culture. Organizational culture is often a critical factor in reaching business goals, despite the fact that it is intangible, difficult to verify and difficult to measure. A strong organizational culture that is out of alignment with societal standards, can also induce a sort of "organizational myopia", as seems to have occurred in a number of recent high profile cases such as Arthur Anderson. (McShane & Travaglione, 2003) define organizational culture as "the basic pattern of shared assumptions, values and beliefs governing the way employees within an organization think about and act on problems and opportunities". The building blocks of these shared values are the values of individuals within the organization. While culture evolves over time within the organization it is continually being modified by influences external to the organization, in the form of values introduced by new members. These values are influenced, inter alia, by the views of family, friends, educators and the mass media. It is also possible that more fundamental factors, such as gender and age are important determinants of values and behavior.

Integrity is generally considered to be "uprightness" within an individual. A person who always behaves with integrity not only obeys the law, but also adheres to high moral principles and standards. Behaving with integrity in an organizational setting consequently requires an individual to do much more than simply operate in line with legal and professional standards. It requires treating all organizational stakeholders in accordance with the highest moral principles and standards of society. This kind of behavior is usually referred to as ethical behavior. Unfortunately, it is often difficult to judge the extent to which a person adheres to high moral principles. For example, a decision regarding a particular course of action might be based on ethical standards, fear of punishment or enlightened self-interest.

Workplace attitudes are also changing as workplace diversity, generational differences and cultural differences make the workplace more complex. Assumptions about ethical attitudes based on a more homogeneous work environment may not apply in tomorrow's workplaces. It is consequently important to understand more about the

ethical beliefs of people in organizational settings, and the factors that influence those beliefs. These attitudinal changes are mirrored in the broader society, influenced by non-traditional immigration patterns, perceived threats to societal values and standards from non-traditional potential enemies, and an emerging re-examination of the balance between work and family life.

This paper reports on a study that examined the relationship between influences within and external to the workplace, and perceptions of what constitutes ethical behavior. In particular, the paper examines the influence of gender, age and cultural background on ethical attitudes.

Empirical literature

There is a body of literature suggesting than men and women differ in the way they perceive and resolve moral and ethical dilemmas (Dawson, 1997; Gilligan, 1982; Peterson, Rhoads, & Vaught, 2001). Gilligan (1982) believes that while men are more likely to consider rules, rights and fairness, women are more likely to be concerned with relationships, compassion and caring. This difference is generally considered to be the result of gender socialization in early childhood. Traditional girls' games involve indirect competition, and are more concerned with inclusion and turn-taking, while traditional boys' games tend to have more complex and rigid rules, and involve competing against others within the parameters of those rules (Dawson, 1997).

Empirical studies into ethical differences between men and women have produced conflicting findings. Some studies (Betz, O'Connell, & Shepard, 1989; Dawson, 1995; Carnes & Keithley, 1992; Harris, 1989; Hunt, 1997; Kohut & Corriher, 1994; Kracher, Chatterjee, & Lundquist, 2002; Peterson et al., 2001; White, 1999) have found significant differences in ethical attitudes. For example, Betz, O'Connell & Shepard (1989) examined gender differences among business school students, focusing on work-related values and willingness to engage in unethical behavior. They found that men were more than twice as likely to engage in unethical behavior. Hunt (1997) surveyed business professionals across the USA to determine potential ethical differences in relation to ethical judgment. He used a series of vignettes, and found that in numerous situations females displayed higher ethical judgment. Kohut & Corriher (1994) also found that female MBA students were less tolerant of questionable business

practices. While the majority of studies that identified gender differences in ethical attitudes have found women to be more ethical than men, a study by Peterson et al. (2001) found the reverse to be true.

In contrast with the numerous studies reporting gender differences in ethical attitudes, a number of other studies (Cortese, 1989; Kidwell, Stevens, & Bethke, 1987; Sikula & Costa, 1994) have found no significant differences attributable to gender. Dawson (1992) points to a possible reason for the disparity in these studies, suggesting that there are gender differences where interpersonal relationships are involved, but no differences when the situations are non-relational.

Peterson et al. (2001) also found that age was a significant predictor of ethical behavior. They report that older people possess higher ethical beliefs, and are less likely to be influenced by people around them at work and at home. This finding is intuitively appealing, and is in line with a number of moral development models such as that proposed by Kohlberg (1969). Other studies, however, such as Cortese (1989), found that age was not significant. Both Dawson (1997) and Peterson et al. (2001) also reported an interaction between age and gender. Their findings suggest that ethical attitudes develop at different rates for each gender, with the differences diminishing as age increases.

However, most of these studies have examined gender differences in particular societies, professions or business courses. Until recently, less attention has been given to the possible influence of cultural values on attitudes to ethics (Gregory, 1990), despite the extensive body of literature attesting to cultural difference (Hofstede, 1983; Hofstede, 1993; Hofstede, 2002). This seems to be an important area for research in an era of increasing workplace diversity. Recent studies that have examined the influence of culture have generally found it to be a significant predictor of ethical behavior or attitudes (Erdener, 1996; Jackson & Artola, 1997; Nyaw & Ng, 1994; Robertson, Crittenden, Brady, & Hoffman, 2002; Singhapakdi, Karande, Rao, & Vitell, 2001), although Cortese (1989) found the effects of ethnic-cultural background to be inconclusive. Consequently, any studies that attempt to understand the influence of gender and age on ethical attitudes and behavior should ensure that the effect of cultural value systems are taken into account.

It also seems likely that the values acquired in the home through gender socialization during childhood (Gilligan, 1982), and through moral development in general (Kohlberg, 1969) will influence attitudes to ethical issues (Peterson et al., 2001). Finally, the shared values acquired from organizational life, through company codes of ethics (Kohut & Corriher, 1994), socialization and management example, are also likely to influence attitudes to ethical issues.

One of the major problems with previous research is the lack of a generally accepted instrument for measuring ethical constructs. Traditionally, ethics studies have provided respondents with a number of scenarios and asked them to rate the ethicality of alternative actions on Likert type scales. However, even those studies that have attempted to replicate previous research have not always used the same instrument or methodology. A number of studies into moral development have used Rest's Defining Issues Test (DIT) (Rest, 1986), but again this is not common throughout the literature.

The inconsistency of findings in the literature point to the need for further research that examines different combinations of variables, and isolates the variance attributable to individual variables. Research involving samples from different cultures will also provide a better understanding of the significance of culture on ethical behavior, and its relationship to gender and age. Studies that adopt previously used instruments will also allow more meaningful comparisons to be made.

Research aims and hypotheses

The present study aims to extend the literature by providing an understanding of the contribution that gender, age, home/work influences make to the development of ethical beliefs.

Hypothesis 1: After controlling for culture, gender will be a significant predictor of ethical beliefs.

Hypothesis 2: After controlling for culture, age will be a significant predictor of ethical beliefs.

Hypothesis 3: Influences from home/work will significantly predict ethical beliefs.

Method

Sample

The sample consisted of current MBA students studying on the Perth and Singapore programs of an Australian university. Of the 517 MBA students surveyed in Perth, 301 completed responses were returned. This represented a response rate of approximately 58 per cent. Of the 301 students who responded to the survey in Perth, 245 students considered themselves most closely aligned to the cultural and ethical values of Australia, and 62 respondents felt more closely aligned with the cultural and ethical values of a country other than Australia.

Of the 120 MBA students surveyed in Singapore, 56 completed responses were returned, all students aligning themselves with the cultural and ethical values of Singapore. This represented a response rate of approximately 47 per cent.

Because the response rate is quite high it seemed likely that the survey respondents are similar to and representative of the overall MBA student group. To check this the ratio of males to females in the population were compared with the male/female ratio in the sample. As can be seen in Table 1, the ratio of males to females in the population is reasonably similar to that of the sample.

Table 1
Comparison of gender ratios between the sample and population.

Demographic variables	MBA Population-Perth		Perth Survey Respondents		MBA Population-Singapore		Singapore Survey Respondents	
	Count	%	Count	%	Count	%	Count	%
Male	310	60.0	182	74.3	92	77.0	42	75.0
Female	207	40.0	62	25.3	28	23.0	14	25.0
Missing	-	-	1	.4	-	-	-	-
Total	517	100	245	100	120	100	56	100

Ethical Beliefs Instrument

Ethical beliefs were measured using a five-item instrument developed by Peterson et al. (2001). They adapted this scale from

scenarios drawn from a study by Dawson (1997). Peterson et al. (2001) included four additional items to measure influences of home/work on ethical beliefs. The internal consistency estimate (alpha coefficient) of these two scales was not reported by Peterson et al. (2001).

In the present study all nine items from Peterson et al. (2001) were used to investigate work/home influences and ethical beliefs. The full instrument is shown at Appendix A.

A seven-point response scale was employed (1 = "strongly agree", to 7 = "strongly disagree") for all items. The internal consistency estimate (alpha coefficient) of the five-item ethical beliefs scale was .722. Alpha coefficient for the four-item home/work influences scale was .848. Correlations were calculated for all constructs and are presented in the results section. Factor analysis using principal axis extraction with direct oblimin rotation showed that items loaded cleanly on instrument scales (see Table 2).

Table 2
Factor Loadings.

	Influence	Behavior
Ethical behavior influenced by treatment from supervisor	.870	
Ethical behavior influenced by treatment from company	.806	
Ethical behavior influenced by people at work	.738	
Ethical behavior influenced by people at home	.596	
Ethical to use company office supplies for personal use		.727
Ethical to use company phone for local personal calls		.698
Ethical to use company phone for long distance calls		.694
Ethical to have mini-vacation with a company-paid trip		.459
Ethical to recruit personnel from competing businesses		.395

Only items loading above .3 are shown

Procedure

A questionnaire was distributed to students at the beginning of their MBA classes. Students were asked to complete the survey only if they had not completed it in a previous class. Students were given time during class to complete and return the survey. A covering letter was also provided with the survey that described the purpose of the study, confidentiality of responses and voluntary nature of the survey. The

data were collected and then analysed to provide further understanding of the influence of age, gender and home/work on ethical beliefs, whilst controlling for cultural influences. This analysis is based on individual responses from employees, and does not take into account the presence or absence of organizational policies on ethical standards. Analyses included descriptive statistics, correlations, and regression analysis.

Results

Assumptions pertaining to normality, homogeneity of variance and multicollinearity were tested prior to analysis, and whilst some evidence of skewness and kurtosis were evinced, the deviations from normality were within acceptable limits.

Descriptive statistics were then obtained for each variable. Table 3 shows the means and standard deviations for Australian and Singaporean students.

Table 3
Means and Standard Deviations for Australian and Singaporean Students.

Variables	Australian Students (n = 245)		Singaporean Students (n= 56)	
	Mean	Standard Deviation	Mean	Standard Deviation
Ethical Beliefs	3.245	.750	3.162	.607
Home/Work Influences	2.999	1.038	2.750	.876

Correlations were then calculated to gain an initial understanding of the relationship between the variables. It can be seen form Table 4 that age, gender and influence of home and work are strongly and positively correlated with ethical beliefs. The correlation between culture and ethical beliefs is low and not significant, as predicted.

Table 4
Correlations between independent and dependent variables-Combined

	Mean	SD	1.	2.	3.	4.	5.
1. Ethical Beliefs	3.230	.725	(.722)				
2. Age			.126*				
3. Gender			.236**	-.189**			
4. Culture			-.045	-.137*	-.004		
5. Influence Home/Work	2.952	1.013	.190**	.210**	-.091	-.097	(.848)

*Correlation is significant at the 0.05 level.
** Correlation is significant at the 0.01 level.
Alpha reliabilities in brackets.

A hierarchical regression was performed on the data to determine whether ethical beliefs could be predicted by gender, age and home/work influences whilst holding constant the cultural background. Results from the hierarchical regression analysis show that at the .05 significance level both gender and age were significant predictors of ethical beliefs, whilst holding culture constant. Additionally home/work influences were found to be a significant predictor, at the .05 significance level (see Table 5).

Table 5
Effects of age, gender, culture and work/home influences on ethical beliefs.

Variables	Step 1	Step 2	Step 3
Culture	**-.0863**	**-.0399**	**-.0150**
Age		**.275****	**.220****
Gender		**.448****	**.465****
Influence of Home/Work			**.131****
R	.046	.295	.345
Adj R^2	-.001	.078	.107
$\searrow R^2$		.079	.028
$\nwarrow$ F	.645	13.771**	10.585**

Note: Bolded items are beta values.
- p<0.05 **p<0.01

Discussion and Implications

The present study has built on previous research in the area of ethical beliefs and their development in organizational settings. Specifically, the effects of gender, age culture and home/work influences on ethical beliefs were studied. Overall, it was found that, after controlling for culture both gender and age separately predicted ethical beliefs. This result supported hypotheses 1 and 2. Although the main effects together only explained a small proportion of the variance (7.8%), this does not rule out the relevance of this finding, which is typical for field investigations. A main effect was also found for influence of home/work, explaining an additional 2.9 percent of the variance. Thus a total of 10.7 percent of the variance was explained by this regression model. The amount of variance explained by empirical studies is often small due to their use of limited operationalization of the construct of concern. For example, in the present study, the ethical beliefs survey was the only construct considered. Additionally other attitudinal measures would be useful in further explaining the variance unaccounted for in the present model. It is important however to note that the present research did not attempt to account for a high proportion of the variance of the dependent variable Ethical Beliefs, but rather to better understand the impact of gender, age and influence of home/work on Ethical Beliefs.

The finding of gender and age influencing ethical beliefs is not a new finding in the literature. This study builds upon previous research by investigating the influence of culture on this finding. In the present study, the inclusion of responses from another culture was interesting, and did not influence the effect of age and gender on ethical beliefs. Thus it seems that culture does not affect the influence of age and gender on ethical beliefs. This study also extended on previous research where the influence of home/work was studied. It was found that influences from work/home significantly contribute to ethical beliefs.

To the best of the current researchers' knowledge, the significance of age and gender on ethical beliefs in Australian and Singaporean cultural groups has not been previously reported. Additionally the finding that influences at home/work contribute to ethical beliefs when studied across these cultures is also a new finding in the literature.

Given that this study was conducted on MBA students, future research needs to further explore and replicate this finding in different contexts. Additionally, research should investigate the separate influences of home and work on ethical beliefs. The current study could not address this as there were limited items for each construct.

There is also a need to consider the implications of these findings for managers, and to determine how these new insights can contribute to increased organizational effectiveness. For example, managers need to be aware of the extent to which home and work influences impact upon ethical behavior, and identify aspects of the organizational culture that will encourage higher ethical standards. They should also consider the fact that men and women approach ethical dilemmas in different ways. This might have implications for assigning tasks to employees, or for evaluating employee effectiveness. There may also be implications relating to reporting and explaining organizational events to employees or to other stakeholders.

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Appendix A

The following items were used in the study.

1. It is ethical to use company office supplies for personal use.

2. It is ethical to use the company phone for local personal calls on company time.

3. It is ethical to use the company phone for long distance personal phone calls.

4. It is ethical to recruit personnel from competing businesses (on competing company's time or property).

5. It is ethical to incorporate a mini-vacation with a company-paid trip at company expense.

6. My ethical behavior is influenced by people around me at work.

7. My ethical behavior is influenced by people around me at home.

8. My ethical behavior is influenced by the way my supervisor treats me.

9. My ethical behavior is influenced by the way my company treats me.

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