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Perceived Stakeholder and Stockholder Views: A Comparison Among Accounting Students, Non-Accounting Business Students And Non-Business Students

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COLUMBUS STATE UNIVERSITY

PERCEIVED STAKEHOLDER AND STOCKHOLDER VIEWS: A COMPARISON AMONG
ACCOUNTING STUDENTS, NON-ACCOUNTING BUSINESS STUDENTS AND NON-
BUSINESS STUDENTS

A THESIS SUBMITTED TO THE
HONORS COLLEGE
IN PARTIAL FULFILLMENT OF THE
REQUIREMENTS FOR HONORS IN THE DEGREE OF

BACHELOR OF BUSINESS ADMINISTRATION
DEPARTMENT OF ACCOUNTING
D. ABBOTT TURNER COLLEGE OF BUSINESS

BY

ANJU A. SHAJAN

COLUMBUS, GEORGIA

2020

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Approved by

Dr. Mark James, Committee Chair

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ABSTRACT

In this study, I tested the perceived attitudes of students towards Corporate Ethics and Social Responsibility (CESR). I assessed whether students within a particular major are more or less likely to exhibit ethical reasoning compared to students within other majors. Specifically, I tested the perceived differences in stakeholder and stockholder views among accounting, business, and non-business students. I conducted the study utilizing the Perceived Role of Ethics and Social Responsibility Scale (PRESOR) while controlling for gender, age, work experience, and degree of religiosity. Results show that accounting students generally have a higher perception of stakeholder views and a lower perception of stockholder views than other business and non-business students. Other business students identify more with stakeholder views and less with stockholder views than non-business students. Lastly, non-business students associate more with stockholder views than accounting and other business students.

Keywords: Corporate ethics and social responsibility, stakeholder view, stockholder view, students.

DEDICATION

In memory of Dr. Adam Maiga, my late mentor, professor, and former thesis advisor.
Your generous advice for professional success and more importantly, success in life, is greatly appreciated. You will be missed...

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I would like to thank my wonderful parents- my superheroes and warriors! Life was never easy for you, both being Indian-American immigrants from a middle-class working family. Raising three kids by yourself was challenging to say the least-which you like to remind me regularly. Without your spirit of hard-work, commitment, and dedication that you instilled in me, I would not have completed this thesis course successfully.

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1. INTRODUCTION

Prior research has compared majors within business to discern whether a particular major indicates a likelihood of more or less ethical conduct. Studies such as those by Gupta et. al (2009) have made the observation that accounting and finance majors have a different perception of ethics due to their knowledge of quantitative sciences. The awareness of mathematical concepts in quantitative sciences provides a contrasting perception compared to management and marketing majors. Management and marketing majors have learned the behavioral sciences, centered in psychology, which provides a dissimilar perspective (Lopez et al., 2005). Therefore, students have varied perceptions of moral reasoning due to their different derivations of academic curriculum and training (Gupta et al., 2009).

Accounting majors were found to have greater ethical awareness when compared to other business majors, a result that may be explained by the fact that accounting is a more rule-based discipline than, for example, marketing (Cohen et al., 1998). However, in other studies of accounting students, the students frequently exhibited lower levels of ethical reasoning compared to other business majors and general populations of college students (Armstrong, 1987; Lampe et al., 1992; Ponemon & Gabhart, 1994; Pope, 2005). Borkowski and Ugras (1998) found no correlation between a business major and their ethical perception.

Concomitantly, other studies have assessed whether there were differences in ethical attitudes and behavior between business and non-business students. While some studies have concluded that business students are less ethical than non-business students (Comer & Vega, 2008; Lopez et al., 2005; O'Clock & Okleshen, 1993) other studies have found inconclusive results (Beltramini et al., 1984; Ford & Richardson, 1994). A meta-analysis conducted by Borkowski and Ugras deserves mention, despite being an older and possibly weaker source

(1998). Borkowski and Ugras examined the effect of a business major as opposed to a non-business major on ethical conduct (1998). Their results indicated that any relationship between a student's major and his or her ethical perception was difficult to make. Multiple studies like this have led to conflicting results that different conclusions.

Studies have found that perceptions of the role of ethics and social responsibility, reflecting positions adopted in relation to the stockholder view and the stakeholder view, are significant determinants of ethical decision making in various business contexts (Elias, 2002; Birtwistle et al., 2005; Park et al., 2005; Shafer & Simmons, 2008). The Association to Advance Collegiate Schools of Business (AACSB) advises researchers to conduct studies considering students' views towards multiple stakeholders within a business (Barnett & Valentine, 2004). These stakeholders include consumers, employees, suppliers, creditors, and investors. This approach generally follows the Stockholder/Normative model with a focus on "...harms and benefits to stakeholders ... and the greatest good for the greatest number" (Barnett & Valentine, 2004, p. 342). This model provides a more comprehensive and holistic approach to testing levels of moral reasoning of students.

Students may seem to have sufficient education and experience to make ethical issues personally relevant to them, that later can be applied in the workplace. Understanding their perceived stakeholder and stockholder views during the critical formative stage prior to their careers is important (Wurthmann, 2013). Thus, the PRESOR scale appears to be an appropriate measure of students' attitudes toward business ethics. This study extends previous research to ascertain whether differences between accounting students, non-accounting business students, and non-business students do exist with respect to the PRESOR measures, controlling for gender, age, work experiences and religiosity. Specifically, this study examines corporate ethics and

social responsibility (CESR) comparing the theoretical viewpoints of stockholders and stakeholders.

2. BACKGROUND

To delve in, the stakeholder and stockholder views are alternative perspectives of how businesses should view CESR (Shafer, 2015). The stockholder view of the firm asserts that managers should spend capital when authorized by shareholders (Friedman, 2007; Smith, 2003). That is, aside from basic ethical obligations (e.g., engaging in honest, moral, and legal transactions), managers should make business decisions in the interest of their shareholders, generating financial returns and should engage in social endeavors only to the extent that doing so enhances their prospects for even greater financial returns. Social objectives such as poverty reduction or protecting the environment, which are not linked to shareholder considerations, are seen as matters of personal initiative, private charities and foundations, and are more appropriately the responsibilities of government (Parnell et al., 2012). Hence, under the stockholder theory of the firm, the only objective of businesses is to maximize profit (Friedman, 2007; Meckling & Jensen, 1976; Shafer et al., 2007; Williamson, 2007). Therefore, managers assume a fiduciary responsibility, irrespective of any societal benefits or detriments (Hasnas, 1998; Smith, 2003). That is, the stockholder's interests ought to take precedence over the interests of all other group (Hansmann & Kraakman, 2009).

An extension of the stakeholder view of the firm has generated both substantial traction and widespread acceptance among management theorists (Clarkson, 1995; Donaldson & Preston, 1995; Mitchell et al., 1997) and ethicists alike (Evans & Freeman, 1988; Hasnas, 1998). This view suggests that “business success should embody the attainment of traditional profit maximization objective, the need to attend to the interests of stockholders, customers,

employees, suppliers, management, local community constituents, and the need to adopt policies and enact practices that produce an optimal balance” (Belghitar et al., 2014, p. 56). That is, this view argues for the consideration of all stakeholders’ interests even if doing so reduces company profitability (Smith, 2003).

In sum, the stockholder and shareholder views of the firm are two countervailing approaches to how CESR should be approached both in the business world and in the business school curricula (Boatright, 2003; Ferrero & Sison, 2014; Hasnas, 1998). Those who identify more closely with the stockholder view argue for serving the best interests of the stockholders to the exclusion of others (Friedman, 2009; Friedman, 2007; Meckling & Jensen, 1976; Smith, 2003; Williamson, 2007) and are less likely to support the importance of CESR (Shafer, 2015). In contrast, those with a stakeholder view would argue that the organization has a responsibility to a variety of stakeholder groups and suggest that organizations should act in an ethical and socially responsible fashion (Shafer et al., 2007; Goodpaster, 1991; Key & Popkin, 1998; Orlitzky et al., 2011; Parnell et al., 2012; Clarkson, 1995; Donaldson & Preston, 1995).

3. HYPOTHESES DEVELOPMENT

In addition, the stockholder versus stakeholder perspectives provide an interesting framework to study students ethics. Several studies have attempted to measure differences in moral reasoning considering various academic disciplines, within and outside of business (Bidwell & Vreeland, 1963, as cited in King & Mayhew, 2002; Snodgrass & Behling, 1996; St. Pierre et al., 1990), and their results are contradictory. For example, Kennedy (2010) examined the impact of a stand-alone business ethics course on business students compared to non-

business students. The results found that business students perceived issues related to the misrepresentation of corporate records and bribery as less ethical than non-business students.

However, other studies comparing accounting students to other business students (Ponemon, 1993) concluded that “generally, accounting majors’ scores are consistently below that of the general population throughout and after college” (Bean & Bernardi, 2007, p. 65). St. Pierre et al. (1990, as cited in King & Mayhew, 2002) found that accounting students as well as students in other business disciplines (such as finance, management and marketing) had lower levels of post conventional moral reasoning in comparison to psychology, math and social work students. On the other hand, Snodgrass and Behling (1996; as cited in King & Mayhew, 2002) did not find differences in the moral reasoning between business and non-business students (arts and humanities, social sciences and natural sciences).

Clikeman and Henning (2000) used earnings management cases where the company was considering a proposal to delay regularly scheduled maintenance, allowing the company to meet its earnings target, to test participants’ relative support or opposition to the proposal. The participants in the study were accounting students and students in other business disciplines. As predicted by the authors, accounting students were significantly more opposed to the proposal than were non-accounting business students. Accounting majors disapproved of unethical acts more than their non-accounting counterparts. This implies that non-accounting business students are more likely to be motivated by financial or monetary gains rather than moral or ethical inclinations since the basic rules or foundation of business courses are grounded in the pursuit of profits. O’Leary and Hannah (2008) compared the ethical attitudes of two groups, accounting majors and banking and finance majors. Even though both groups had received the same level of

ethics training in their course, accounting majors appeared more ethical than their banking and finance counterparts.

Based on the findings from studies presented in this section, the following hypotheses are proposed:

H1: There will be no difference in perceived stakeholder views between accounting students, non-accounting business students, and non-business students.

H2: There will be no difference in perceived stockholder views between accounting students, non-accounting business students, and non-business students.

4. METHODS

Through a questionnaire, data was collected from college students at Columbus State University, a southeastern U.S. university. The college of business is an AACSB accredited institution. The questionnaire (see Appendix) was administered to accounting students, non-accounting business and non-business students and was completely voluntary for all three groups. Surveys were sent to classes with roughly 15-25 students, and about 75% of students in each class participated in the survey. Participants were assured of confidentiality of individual responses.

a. Measures

In order to measure perceptions toward corporate ethics, I used the perceptions of the role of ethics and social responsibility or PRESOR survey instrument developed by Singhapakdi et al. (1996). Numerous studies have used the PRESOR instrument to assess ethical decision-making (e.g., see Singhapakdi et al., 1996; Etheredge, 1999; Pettijohn et al., 2008; Singhapakdi, 1999; Singhapakdi & Vitell, 2007). The survey has two sets of factors identified as the stakeholder

view and the stockholder view of corporate ethics. Following prior studies (e.g., Shafer et al., 2007; Shafer, 2015; Wurthmann, 2013), the final version of the PRESOR instrument used in this study contains 13 statements that participants rate on a scale of 1 (strongly disagree) to 7 (strongly agree) (Singhapakdi et al., 1996).

Prior to conducting the survey, the content validity of the instrument was assessed by panel of experts comprised of management, marketing, and economics faculty. The panel checked the items for ambiguity, clarity, triviality and sensible construction. The panel agreed that the items included in the PRESOR scale adequately represented the construct of interest.

Next, a Principal Component Analysis (PCA) was used to create factors that helped categorize the survey content into groups, when designing the survey. The analysis resulted in two factors, with the stakeholder and stockholder view each presenting one factor. The factor loadings and items within each factor are presented in Table 1. The first factor, corresponding to the stakeholder view, includes eight items or questions on the survey. These items reflect the view that being socially responsible is the utmost importance for the firm and goes hand-in-hand with profitability. The stockholder view corresponds to the second factor which includes 5 items on the survey. These items reveal a perspective that survival of the business is of utmost importance and that in some instances ethics may be compromised to ensure profitability. The two factors presented in the data are similar to those identified in several other studies (e.g., Shafer et al., 2007; Shafer, 2015; Wurthmann, 2013; Axinn et al., 2004).

Table 1

PRESOR Factor Loadings

Stakeholder view: ($\alpha = 0.990$)

Being ethical and socially responsible is the most important thing a firm	0.947
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can do.	
The ethics and social responsibility of a firm are essential to its long-term profitability.	0.944
The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.	0.961
Business ethics and social responsibility are critical to the survival of a business enterprise.	0.921
A firm's first priority should be employee morale	0.949
Business has a social responsibility beyond making a profit	0.947
Social responsibility and profitability can be compatible	0.940
Good ethics is often good business	0.844

Stockholder view: ($\alpha = 0.908$)

The most important concern for a firm is making a profit, even if it means bending or breaking the rules.	0.884
To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.	0.859
If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.	0.820
Efficiency is much more important to a firm than whether or not the firm is seen as ethical or socially responsible.	0.819
If the stockholders are unhappy, nothing else matters.	0.898

For scale reliability, Cronbach's alpha scores for both the stakeholder view ($\alpha = 0.990$) and the stockholder view ($\alpha = 0.908$) both indicate that the items contained in both groups are closely related (Nunnally, 1975). As shown in Table 1, the two PRESOR factors identified in this study clearly aligned with a stockholder versus stakeholder view.

b. Covariates

In order to test the hypotheses regarding perceived differences between different groups I needed to control for other covariates that could have an effect on individuals' viewpoints, specifically religiosity, gender, age, and work experience. While research has shown that each of these covariates may be correlated with stakeholder and stockholder views, the direction of the correlation is unsettled.

Religiosity: Religion is arguably the broadest basis that society has for ethics. Religion provides the internal justification for many ethical acts. Religious commitment is related to business ethics. For example, in the context of financial reporting, Weeks et al. suggest highly religious individuals are less likely to view accounting manipulation as an acceptable practice (1999). Religiosity is associated with fewer incidences of financial reporting irregularities. It is negatively associated with abnormal accruals, but positively associated with proxies for real earnings management (Cohen et al., 1998). Conroy and Emerson (2004) report a significant association between religiosity with lower acceptance of the use of accounting manipulations.

A Principle Components Analysis was performed on the data religiosity questions and the results showed a one factor solution with the eight values greater than one. In the present study, this scale had a Cronbach alpha of 0.952 (see Table 2). A composite variable was created as the average of the three items used in subsequent analyses as an index of religiosity.

Table 2
Religiosity- Factor Loadings

In my life I experience the presence of God.	0.958
My religious belief is what really is behind my whole approach to life.	0.968
I try hard to carry my religion over into all other dealings in life.	0.961

* $\alpha = 0.952$

Prior research has investigated the impact of gender on ethical perceptions (Alleyne et al., 2006; Alleyne et al., 2010; Conroy & Emerson, 2004; Devonish et al., 2009; Harris et al., 2006; Lau, 2010; Peterson et al., 2001; Sidani et al., 2009;). Most of this research has tested the proposition that females are more ethical than males. This assumption is supported by Landry et al. (2004) since they believe that this is based on the reality of females identifying and

understanding the “nuances” of ethical dilemmas. Also, the literature indicates that females are socialized to show not only compassion, but to be caring, while males are portrayed as being more competitive and justice-oriented (Devonish et al., 2009; Gilligan, 1993; Sidani et al., 2009). Gender was controlled for through the use of a dummy variable, “GENDER” with 0 = “male”, and 1 = “female” as referred to in Table 3 below and shown in the Appendix page 18.

Table 3

Sample Characteristics

	Accounting Students	Other Business Students	Non-business Students
Gender			
Male	13	15	4
Female	9	19	15
Total	22	34	19
Work Experience (years)			
0-5	11	27	16
6-10	7	5	2
11-25	3	0	1
16-20	0	0	0
20-25	0	1	0
25-30	0	0	0
31+	1	1	0
Total	22	34	19
Age			
20-29	16	32	18
30-39	3	0	1
40-49	1	1	0
50-59	2	1	0
Above 60	0	0	0
Total	22	34	19

Research frequently predicts the relationship between age and ethical judgments to be positive (Peterson et al., 2001). That is, people tend to be more ethical as they grow older.

However, Vitell et al. (2007) finds that younger people tend to be more ethical than older people.

Barnett and Valentine (2004) and Schepers (2003) report no significant relationship between age

and ethical judgments. To measure age, the following categories were utilized: 1 = “20–29 years”, 2 = “30–39 years”, 3 = “40–49 years”, 4 = “50–59 years”, and 5 = “above 60 years” as referred to in Table 3 and shown in the Appendix page 18.

According to Cron (1984), Hunt and Vitell (1986, 1992), and Weeks et al. (1999), attitudes towards ethical issues might vary according to a person’s career stage. In other words, work experience could influence a person’s ethical judgement. However, Barnett and Valentine (2004) and Schepers (2003) find the variables to be unrelated. Work experience was measured as a categorical variable, age, with the following categories: 1 = “no work experience”, 2 = “1-5 years”, 3 = “6-10 years”, 4 = “11-15 years”, 5 = “16-20 years”, and 6 = “21-25 years”, 7 = “over 25 years” as referred to in Table 3 and shown in the Appendix page 18.

5. RESULTS

To recap, Hypotheses H1 and H2 tested for differences in stakeholder and stockholder views between accounting students, other business students, and non-business students. Since differences between groups were present, analysis of covariance or ANCOVA was used to determine between which groups the differences lie. Separate ANCOVAs were used to conduct pairwise comparisons between groups. A new variable GROUPS was included as the independent fixed factor variable where GROUPS =1, 2, or 3 depending on whether the observation was from accounting students, other business students or non-business students, respectively.

Differences between groups regarding the stakeholder views were tested first. In Table 4-A, the results of the ANCOVA indicate that the relationship between stakeholder view and groups is significant ($F = 29.344, p \leq 0.001$). This suggests that at least one of the groups has a

significantly different perception of the stakeholder view. The results also indicate that both religiosity and work experience are significant ($F = 4.764$, $p = 0.033$; $F = 6.966$; $p = 0.010$ respectively), suggesting that both religiosity and work experience influence respondents view of the stakeholder. However, age and gender are not significant in explaining differences in stakeholder view ($F = 3.616$, $p = 0.110$ and $F = 1.336$, $p = 0.252$, respectively) as shown in Table 4-A. This indicates that both age and gender are not good incremental predictors in differentiating group's stakeholder views.

Table 4

A. Test of Between-Subjects Effects

ANCOVA results for differences in stakeholder view

Dependent variable: Stakeholder view

Source	Mean Square	F	Sig. ^b
Corrected Model	18.511	18.225	0.000
Intercept	47.016	46.290	0.000
GROUPS ^c	29.805	29.344	0.000
RELIGIOSITY	4.839	4.764	0.033
GENDER	1.357	1.336	0.252
AGE	2.657	2.616	0.110
WORKEXP	7.076	6.966	0.010
Error	1.016		
Total			
Corrected Total			

R-Squared = 0.617 (Adjusted R-Squared = 0.583)

Computed using alpha = 0.05

Groups = 1 if “accounting students”; 2 if “other business students”; 3 if “non-business students”

Next, to determine which of the groups held significantly different stakeholder viewpoints, pairwise comparisons were carried out. Results in Table 4-B report the mean responses for each group that were compared in Table 4-C. Results indicate that accounting students have a higher affinity for the stakeholder view (mean = 5.880) than do other business students (mean = 5.018) as shown in Table 4-B. This is indicated by the significant mean difference of 0.318 ($p = 0.018$) as shown in Table 4-C. Similarly, accounting students have a higher stakeholder view (mean = 5.880) than do non-business students (mean = 2.855) as shown in Table 4-B. The results had a significant mean difference of 2.026 ($p \leq 0.001$) as stated in Table 4-C. Additionally, other business students (mean = 5.018) have a higher perceived stakeholder view than non-business students (mean = 2.855), stated in Table 4-B. This is indicated by a significant mean difference of 2.026 ($p \leq 0.001$) shown in Table 4-C. Given that differences regarding stakeholder viewpoints exist between each pair of groups, hypotheses H_1 was rejected.

Table 4

B. Mean of stakeholder view by group

	Accounting Students	Other Business Students	Non-business Students
Stakeholder View	5.880	5.018	2.855

C. Mean pairwise comparisons

	Accounting students vs. other business students	Accounting students vs. non-business students	Other business students vs. non-business students
Mean difference	0.318	2.844	2.026
P-value	0.018	0.000	0.000

The results of the ANCOVA for between group's differences in the stockholder view are presented in Table 5. Overall, as indicated in Table 5-A, the results indicate that the relationship between stockholder view and group is significant ($F = 74.328$, $p \leq 0.001$), suggesting that at least one of the groups have a significantly different perception of the stockholder view. The results also indicate that none of the covariates is significant suggesting that the covariates do not influence respondents' stockholder view.

Table 5

A. Test of Between-Subjects Effects

ANCOVA results for differences in stockholder view
Dependent variable: Stakeholder view

Source	Mean Square	F	Sig. ^b
Corrected Model	17.215	35.584	0.000
Intercept	56.449	116.681	0.000
GROUPS ^c	35.959	74.328	0.000
RELIGIOSITY	0.280	0.578	0.450
GENDER	1.202	2.484	0.120
AGE	0.007	0.015	0.903
WORKEXP	0.536	1.109	0.296
Error	0.484		
Total			
Corrected Total			

R-Squared = 0.758 (Adjusted R-Squared = 0.737)

Computed using alpha = 0.05

Groups = 1 if "accounting students"; 2 if "other business students"; 3 if "non-business students"

To determine which of the groups held significantly different stockholder viewpoints, pairwise comparisons were carried out. Results in Table 5-B report the mean responses for each group that are compared in Table 5-C. Results in Table 5-C, indicate that perceived stockholder

views for accounting students (mean = 2.395) are significantly lower than that of other business students (mean = 3.726), with significant mean differences of -1.331 ($p \leq 0.001$). Similarly, accounting students' perceived stockholder views (mean = 2.395) are significantly lower than that of non-business students (mean = 5.611), with significant mean differences of -3.216 ($p \leq 0.001$) as shown in Table 5-C. Additionally, other business students (mean = 3.726) have a lower perceived stockholder view than non-business students (mean = 5.611) shown in Table 5-B as indicated by a significant mean difference of -1.885 ($p \leq 0.001$) stated in Table 5-C. Therefore, H_2 can be rejected.

Table 5

B. Mean of stakeholder view by group

	Accounting Students	Other Business Students	Non-business Students
Stakeholder View	2.395	3.726	5.611

Table 5

C. Mean pairwise comparisons

	Accounting students vs. other business students	Accounting students vs. non-business students	Other business students vs. non-business students
Mean difference	-1.331	-3.216	-1.885
P-value	0.000	0.000	0.000

Consequently, both hypotheses were rejected. Table 6 provides a summary of results concerning the hypotheses.

Table 6

Summary of Results Concerning the Hypotheses

Results	Conclusion
There are significant differences of the stakeholder view among the accounting students, business students, and non-business students.	H ₁ Rejected
There are significant differences of the stockholder view among the accounting students, business students, and non-business students.	H ₂ Rejected

* $\alpha = 0.952$

In summary, data was collected from three groups of accounting students, other business students and non-business students using an instrument based on the PRESOR scale to compare their perceived attitudes toward CESR, controlling for religiosity, gender, age and work experience. Employing factor analysis, each respondent was assigned a perception score (the factor loading) for both stakeholder and stockholder views of ethical behavior. The higher the score, the greater the affinity toward the viewpoint. Those who scored highly on the stakeholder viewpoint believe that the organization has a responsibility to a variety of stakeholder groups and should behave ethically toward those groups when making business decisions. In contrast, those who scored highly on the stockholder viewpoint tend to regard organizational survival and profitability as the overriding responsibility of the business.

DISCUSSION AND CONCLUSION

In support of prior studies (e.g., Clikeman & Henning, 2000; Fulmer & Cargile, 1987; Jeffrey, 1993; O'Leary & Hannah, 2008), accounting students had a significantly higher (lower) perception of the stakeholder (stockholder) view than other business students. This observed difference could be attributed to the accounting students' exposure to the Code of Professional Conduct in their accounting courses. For example, an auditing course that exposes accounting

students to the AICPA Code of Professional Conduct could provide an environment conducive for students to progress to higher stages of moral reasoning (Fulmer & Cargile 1987). The implication is that educators in other business disciplines may need to focus more on including ethics into more courses and ethics-related workshops. This could be facilitated by using work related ethical scenarios and role-playing opportunities to raise ethical awareness and to tap into the desired personal values that need to be brought into the workplace (Alleyne, et al. 2010).

The results also indicate that both accounting students and other business students identify more (less) with the stakeholder (stockholder). This suggests that both accounting students and other business students would have been more exposed to classroom-related CESR issues than non-business students. Taken as a whole, these results indicate that business students are significantly less tolerant than non-business students of questionable business practices. The implications of these results for non-business educators are that these differences might reflect the type of education non-business students are (or are not) receiving and/or the values they bring to those classes. As these students move into positions of work-related leadership, educators could play a major role in elevating or reducing corporate ethical standards. For example, educators could use work-related ethical scenarios and role-playing opportunities to raise ethical awareness to tap into the desired ethical values that need to be brought into the workplace, and to broaden students' exposure to diverse ethical issues. By having students develop a solution that does not simply apply to the unique problem at hand, but rather a set of related ethical issues, specific ethical dilemmas can be generalized to other contexts. In addition, by providing guidance about the cognitive decision processes that should be used when resolving ethical dilemmas in various contexts, educators could promote higher moral reasoning (Thorne 2000). Perhaps, using such pedagogical approaches could enable students to appreciate the

intricacies of being ethical better. The information could be retained and applicable in a later work environment.

Several limitations of this study deserve mention. First, the data was self-reported; therefore, subject to biases. Second, the study suffers from generalizing as the sample of students was limited to a convenience sample of students at one business school located in the southeastern U.S. Further research should include broader populations of students by including individuals from other university degrees, surveying students from different countries, in order to find potential social, economic and cultural backgrounds. This may identify common factors and characteristics that are likely to be affecting attitudes toward ethics and social responsibility. Since students will go through a process of organizational socialization after joining the corporate ranks, they may find themselves in a state of dissonance. If they are surrounded by an organizational culture that may not be compatible with their outlook, they may be expected to shift their ethical values and become more closely aligned with existing managerial values. Finally, a comparison of students and practitioners would be another productive avenue.

In conclusion, the findings of this study provide helpful insights into an area of ever-growing concern to society and all types of organizations. The numerous ambiguities that are inherent in business decisions are further complicated by growing societal demands on corporations and increased awareness of the ethical dimension of decision-making. This issue continues to gain increased attention by educators and practitioners.

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APPENDIX

Questionnaire

In this project, I am assessing your perceived attitude to corporate ethics and social responsibility. I kindly ask you to fill out this questionnaire. I thank you in advance for your responses. The data collected in this survey will be treated in the strictest confidence; it will be stored in a secure place and will be used only for this study and in related reports. Information in reports will only be discussed at the aggregate level so that information about any particular individual cannot be ascertained or deduced by readers.

Part I

Please answer the following:

1. To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

2. Social Responsibility and profitability can be compatible.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

3. Good ethics is often good business.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

4. If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

5. Being ethical and socially responsible is the most important thing a firm can do.

Disagree	Disagree	disagree	disagree nor agree)	agree	Agree	agree	7
6.	2	3	4	5	6	7	7

6. A firm's first priority should be employee morale.

Disagree	Disagree	disagree	disagree nor agree)	agree	Agree	agree	7
7.	2	3	4	5	6	7	7

7. The ethics and social responsibility of a firm is essential to its long term profitability.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

8. The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

9. Business ethics and social responsibility are critical to the survival of a business enterprise.

Strongly Disagree	Disagree	Somewhat disagree	Neutral (neither disagree nor agree)	Somewhat agree	Agree	Strongly agree
1	2	3	4	5	6	7

- | | | | | | | | |
|--|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--|---|---|---|---|---|---|---|
10. Business has social responsibility beyond making a profit.
- | | | | | | | | |
|--|-------------------|----------|-------------------|--------------------------------------|----------------|-------|----------------|
| | Strongly Disagree | Disagree | Somewhat disagree | Neutral (neither disagree nor agree) | Somewhat agree | Agree | Strongly agree |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
11. The most important concern for a firm is making a profit, even if it means bending or breaking the rules.
- | | | | | | | | |
|--|-------------------|----------|-------------------|--------------------------------------|----------------|-------|----------------|
| | Strongly Disagree | Disagree | Somewhat disagree | Neutral (neither disagree nor agree) | Somewhat agree | Agree | Strongly agree |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
12. Efficiency is much more important to a firm than whether or not a firm is seen as ethical or socially responsible.
- | | | | | | | | |
|--|-------------------|----------|-------------------|--------------------------------------|----------------|-------|----------------|
| | Strongly Disagree | Disagree | Somewhat disagree | Neutral (neither disagree nor agree) | Somewhat agree | Agree | Strongly agree |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
13. If the stockholders are unhappy, nothing else matters.
- | | | | | | | | |
|--|-------------------|----------|-------------------|--------------------------------------|----------------|-------|----------------|
| | Strongly Disagree | Disagree | Somewhat disagree | Neutral (neither disagree nor agree) | Somewhat agree | Agree | Strongly agree |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

PART II

Please answer the following:

8. What is your major? _____
9. What is your gender? ___ Male ___ Female
10. What is your age?
Under 20 ___ 20-29 ___ 30-39 ___ 40-49 ___ 50-59 ___ Above 60 ___
11. WORK EXPERINCE (in years):
No work experience ___ 0-5 years ___ 6-10 years ___ 11-15 years ___ 16-20 years ___
12. ___ years ___ Over 25 years ___
13. RELIGIOSITY:
14. In my life I experience the presence of God.
- | | | | | | | | |
|---------------------|---|---|---|---|---|---|-----------------------|
| Definitely not true | | | | | | | Definitely true of me |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
15. My religious beliefs are what really is behind my whole approach to life.
- | | | | | | | | |
|---------------------|---|---|---|---|---|---|-----------------------|
| Definitely not true | | | | | | | Definitely true of me |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
16. I try hard to carry my religion over into all other dealings in life.
- | | | | | | | | |
|---------------------|---|---|---|---|---|---|-----------------------|
| Definitely not true | | | | | | | Definitely true of me |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

