

## Students' Perception of the Ethical Business Climate: A Comparison With Leaders in the Community

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**ABSTRACT.** Although undergraduate students are exposed to ethical issues through class assignments, discussions, and readings, they typically do not have first hand experience with business dilemmas. Student opinions on ethical standards and behavior in American business have received scant attention in the literature. The purpose of the study is to provide additional information to both educators and organizations about the ethical perceptions of students. Furthermore, the study contrasts student responses to business and community leaders' responses obtained in a prior study conducted by Touche Ross (1988). The findings from this study are based on an opinion survey about ethics in American business, completed by 476 liberal arts and business students attending a private, religiously affiliated college in New York State. The data indicate numerous differences in perceptions between students and business and community leaders.

Differences were also found when students were classified by school (Arts & Science versus Business) and by gender. Overall, students appear to place a strong value on education. Students are the source of new entrants to the business world and the foundation for ethical structures being built by organizations. The findings from this study should assist both educators and employers in the development of necessary programs to maximize the ethical potential of their constituents.

**KEY WORDS:** business, ethics, gender, school, students, survey

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### Introduction

In response to concerns about ethics in American business, Touche Ross (1988) conducted an opinion survey about ethical behavior in America. The survey included the opinions of business leaders, deans of business schools, and members of Congress. The importance of such a survey is indicated by the fact that 94% of the respondents said that the business community was troubled by ethical problems.

Approximately 15 years later the business community continues to find itself immersed in a quagmire of ethical shortcomings. Media outlets constantly report instances of, for example, insider-trading, corrupt CEOs, and unsavory aspects of stock options. The Enron debacle and accounting (mis)practices of WorldCom are front page news and their shockwaves continue to reverberate among the business community, politicians, stockholders, and other stakeholders. Business people have been and continue to be confronted with ethical dilemmas that affect their decisions. "If we live in a setting

where people see few or no consequences for good or bad actions, then moral causality and responsibility, praise and blame are hard to conceive" (Walton, 2001, p. 111).

Although undergraduate students are exposed to ethical issues through class assignments, discussions, and readings, they typically do not have first hand experience with business dilemmas. Student opinions on ethical standards and behavior in American business have received scant attention in the literature. These students, however, are the source of new entrants into the business world and they are the foundation for the ethical structures being built in organizations. This study addresses the beliefs and perceptions of students about ethics in American business.

It is critical to engage further studies assessing similarities and differences between the ethical attitudes of students and those of business professionals because recent research indicates wide divergences between these two groups with professionals exhibiting a greater ethical aptitude (Cohen et al., 2001; Conaway and Fernandez, 2000; Stevens, 2001). Lysonski and Gaidis (1991) and Dupont and Craig (1996), though, offer evidence of some ethical parity between students and professionals but both are concerned, based on their evaluations of students, about the future of ethics in the business professions; both sets of researchers adopt opposite positions regarding the positive value of ethics courses and internships or practicums. The extensive website, collegevalues.org, which houses the online Journal of College and Character as well as the Character Clearing House points to a broad-based concern with ethics on the part of students, faculty, and administrators. The Cooperative Institutional Research Project (CIRP) study of college freshmen attitudes and values indicates an ethical sensitivity among students based on evidence of rising social activism and greater involvement in service (2002). Among business students, the rapid development of campus chapters of Net Impact, a "network of emerging business leaders committed to using the power of business to create a better world" (www.net-impact.org), also suggests growth in students' awareness of ethical questions and dilemmas.

Additionally, other research supports the impression that college has long-term effects on the attitudes and values of students (Astin, 1977; Astin and

Erlandson, 1997; Pascarella and Terenzini, 1991). Education, experience, and frequent communication between professionals in the field and business schools can function to increase students' ethical stances. Pascarella and Terenzini (1991, pp. 363–364) write that "[c]ollege appears to foster increases in one's use of principled moral reasoning to judge moral issues that in turn and under certain conditions may enhance the likelihood of morally motivated behavior." O'Leary and Cotter (2000) similarly note that education augments students' awareness of ethical issues. Further, Clikeman and Henning state (2000, p. 3) that studies in other professional disciplines "consistently find that student attitudes and beliefs change during the years of professional education."

Although the American Assembly of Collegiate Schools of Business (AACSB), since 1976, has encouraged ethics education, it has been accorded very minimal attention and reflects poorly on promotion, tenure, and awards for faculty engaged in ethics research and teaching (Hosmer, 1999). Sixty-five percent of students polled in one study (Cohen et al., 2001) had no ethics course at all. According to Julian Cummins, business schools "seem to have this in-built assumption that the sole purpose of business is to maximize long-term earnings per share – a view that is out of sync with how business is done" (Overell, 1999, p. 11). Further, the Aspen Institute's Initiative for Social Innovation through Business recently completed a longitudinal study of MBA students; the study finds that over 80% of 512 respondents who had completed the first year of the program viewed maximizing shareholder value as their prime concern (Aspen ISIB, 2001, p. 5).

Empirical research on ethics reports numerous differences among students. St. Pierre et al. (1990) found that accounting students scored lower on the DIT, a test of moral reasoning, than psychology students. Hosmer (1999) noted that Accounting and Finance students, as compared to other students, were more likely to view business ethics and social responsibility as generally unimportant. Frank and Gilovich (1993) concluded that economics students grew increasingly self-interested as they progressed through their program.

Research has produced mixed results about how gender affects ethical perceptions and behavior. Akaah (1989) notes that many of the explanations for

gender differences are attributable to differences in the socialization process or cultural expectations for what society considers appropriate behavior for males and females. Peterson et al. (2001) note no differences between male and females with respect to belief in universal moral rules. Furthermore, Robin and Babin (1997) present evidence there are no ethical differences between male and female professionals. From another point of view, Ryan and Ciavarella (2002) indicate that gender is significant when designating moral referent groups while Kelly et al. (1990) revealed that females report their behavior as being more ethical. Touche Ross (1988), on the other hand, reported that men gave themselves higher ratings for ethical behavior. Fisher et al. (1999) found that female respondents viewed questionable behavior less favorably than males. However, Harris' (1990) study indicates that gender has no significant effect on the degree of tolerance to fraud. Smith and Rogers (2000) found gender-based ethical differences and discovered distinctions according to whether a subject was an actor or a respondent in a specific situation. Libby and Agnello (2000) recommend that age and work experience must be taken into account when considering the effects of gender on ethical decision-making. Continued research in this area is necessary to clarify the role of gender in business ethics.

The purpose of the study is to provide additional information to both educators and organizations about the ethical perceptions of students. This will enable both educators and employers to develop the necessary programs to maximize the ethical potential of their constituents. Furthermore, the study contrasts student responses to the business and community leaders' responses in the Touche Ross (1988) study.

## Research design

### Subjects

The sample consists of 476 liberal arts and business students attending a private, religiously affiliated college in New York State. The demographics of the subjects are reported in Table I. Subjects completed the survey during the Spring semester of 2002. The timing of the survey was subsequent to

TABLE I  
Demographic characteristics

Gender	
Male	215 (45.2)
Female	261 (54.8)
School	
Arts & Science	281 (59.7)
Business	190 (40.3)
Level	
Freshman	157 (36.3)
Sophomore	136 (31.5)
Junior	75 (17.4)
Senior	64 (14.8)

the Enron debacle but prior to the reports on WorldCom.

### Research instrument

The research instrument consisted of a survey of 23 questions and demographic information that appears in Appendix A. The survey is based on the Touche Ross (1988) instrument administered to business leaders, deans of business schools, and members of Congress.

## Results

The results are discussed below. Comparisons with the Touche Ross (1988) survey, where applicable, and any significant differences between student groupings that are at least  $p < 0.05$  are detailed below. Results from the Touche Ross (1988) study were obtained from their report as the actual data was not available. Consequently, statistically significant differences between students and respondents to the Touche Ross study could not be determined.

### Students versus leaders: the state of American business

Responses that relate to student opinions about the state of American business are disclosed in Table II (questions 1 through 8). Only 24.5% of student respondents agree that American business is ethical, which is a stark contrast to the Touche Ross (1988)

TABLE II  
Means and frequencies total students

	Mean	Agree N (%)	Disagree N (%)	Neutral N (%)
1. American business is ethical	2.90	115 (24.5)	151 (32.1)	204 (43.4)
2. The business community as a whole is troubled by ethical problems	3.54	272 (58.0)	51 (10.9)	146 (31.1)
3. Ethical problems will be a problem in the future	3.70	316 (67.5)	40 (8.6)	112 (23.9)
4. The business community is <i>more</i> troubled by ethical problems than it was 10 years ago	3.43	248 (52.9)	79 (16.8)	142 (30.3)
5. The business community is <i>less</i> troubled by ethical problems than it was 10 years ago	2.54	61 (13.1)	238 (50.9)	168 (36.0)
6. The issue of business ethics has been overblown	2.80	90 (19.3)	176 (37.8)	200 (42.9)
7. High ethical standards <i>strengthen</i> a company's competitive position	3.44	252 (53.9)	91 (19.4)	125 (26.7)
8. High ethical standards <i>weaken</i> a company's competitive position	2.61	97 (20.8)	240 (51.4)	130 (27.8)
9. Ethical standards differ from country to country	4.08	394 (84.2)	23 (4.9)	51 (10.9)
10. Ethical standards differ between regions of the U.S.	3.52	269 (57.2)	59 (12.6)	142 (30.2)
11. Ethical standards differ between professions	3.80	350 (74.4)	41 (8.8)	79 (16.8)
12. Ethical standards differ by industry	3.70	328 (69.8)	42 (8.9)	100 (21.3)
13. Ethical standards differ between college majors	3.25	203 (43.3)	100 (21.3)	166 (35.4)
14. College students in Arts & Science are more ethical (vs. business)	2.56	63 (13.4)	231 (49.0)	177 (37.6)
15. College students in private colleges are more ethical	2.39	49 (10.4)	270 (57.3)	152 (32.3)
16. College students in religion affiliated private colleges are more ethical	2.52	72 (15.3)	246 (52.5)	151 (32.2)
17. Females are more ethical than males	2.61	88 (18.7)	215 (45.8)	167 (35.5)

study, where 97% of respondents reported they believe that American business is ethical. When asked the extent to which the business community as a whole is troubled by ethical problems, 58.0% of student respondents agreed. This is comparable to the Touche Ross survey where 63% of respondents agreed.

Students were asked several questions about ethics over time. When asked if ethical problems will be a problem in the future, 67.5% of student respondents agreed. The majority of student respondents (52.9%) believe that the business community is more troubled by ethical problems than it was 10 years ago. When asked from a different perspective, 50.9% of student respondents disagree that the business community is less troubled by ethical problems than it was ten years ago. The neutral response for both of these questions is substantial (30.3, 36.0%).

The significance accorded to ethics is illustrated by the findings that only 19.3% of student respondents believe business ethics has been overblown.

This is in contrast to the Touche Ross (1988) study where 32% of respondents agreed. The significance accorded to ethics is also implied since the majority of student respondents (53.9%) believe that high ethical standards strengthen a company's competitive position. In contrast, the Touche Ross (1988) study reported 63% of respondents agreeing. The results were consistent when subjects were asked if high ethical standards weaken a company's competitive position.

#### *Students versus leaders: differences in ethical standards*

Responses to questions relating to differences in ethical standards are also disclosed in Table II (questions 9 through 17). The majority of respondents believe that ethical standards differ between countries (students = 84.2%, Touche Ross (1988) respondents = 95%), U.S. regions (students = 57.2%, Touche Ross respondents = 58%),

professions (students = 74.4%, Touche Ross respondents = 97%), and industry (students = 69.8%, Touche Ross respondents = 87%). Higher percentages obtained in the Touche Ross study for every category, especially professions and industry, indicate that leaders more strongly believe such differences exist.

There was an interest in ascertaining if and how students view themselves in reference to their peers. This inquiry was prompted by differences reported in the Touche Ross (1988) survey. Student respondents indicated agreement (disagreement) 43.3% (21.3%) that there is an ethical standards difference between college majors. Interestingly, only 13.4% of student respondents believe that students in arts and sciences are more ethical than business students.

The survey attempted to ascertain if students perceived any ethical differences between institutions of higher education. Student respondents indicated agreement (disagreement) 10.4% (57.3%) that students in private colleges are more ethical than students in public colleges. Furthermore, student respondents indicated agreement (disagreement)

15.3% (52.5%) that students in religious affiliated private colleges are more ethical than students in nonreligious affiliated private colleges. When asked if females are more ethical than males, 18.7% (45.8%) agreed (disagreed).

#### *Student perceptions: demographic differences*

We were interested in determining whether student perceptions differ by demographic variables. *T*-tests disclosed certain differences in student perceptions by school (Arts & Science versus Business) and by gender. Table III discloses means by school, as well as results from *t*-tests. Table IV discloses frequencies for those questions where significant differences between schools were found. Business students more strongly believe that American business is ethical ( $t = 2.76, p < 0.01$ ), whereas Arts & Science students more strongly believe that ethical problems will be a problem in the future ( $t = 2.06, p < 0.05$ ). Business students more strongly believe that ethical standards differ by country ( $t = 2.17, p < 0.05$ ),

TABLE III  
Means and *T*-test by school

	Arts & Science N = 281	Business N = 190	<i>t</i> -Test
1. American business is ethical	2.80	3.04	2.76**
2. The business community as a whole is troubled by ethical problems	3.53	3.54	
3. Ethical problems will be a problem in the future	3.77	3.61	2.06*
4. The business community is <i>more</i> troubled by ethical problems than it was 10 years ago	3.42	3.44	
5. The business community is <i>less</i> troubled by ethical problems than it was 10 years ago	2.53	2.55	
6. The issue of business ethics has been overblown	2.84	2.74	
7. High ethical standards <i>strengthen</i> a company's competitive position	3.39	3.51	
8. High ethical standards <i>weaken</i> a company's competitive position	2.65	2.54	
9. Ethical standards differ from country to country	4.01	4.18	2.17*
10. Ethical standards differ between regions of the US	3.57	3.45	
11. Ethical standards differ between professions	3.84	3.75	
12. Ethical standards differ by industry	3.74	3.63	
13. Ethical standards differ between college majors	3.35	3.11	2.67**
14. College students in Arts & Science are more ethical (vs. business)	2.64	2.45	2.11*
15. College students in private colleges are more ethical	2.41	2.36	
16. College students in religion affiliated private colleges are more ethical	2.51	2.54	
17. Females are more ethical than males	2.58	2.65	

\*\*  $p < 0.01$ .

\*  $p < 0.05$ .

TABLE IV  
Frequencies Arts & Science versus Business ( $N = 471$ )

	Agree $N$ (%)	Disagree $N$ (%)	Neutral $N$ (%)
American business is ethical			
Arts & Science	57 (20.3)	100 (35.6)	124 (44.1)
Business	58 (30.7)	51 (27.0)	80 (42.3)
Ethical problems will be a problem in the future			
Arts & Science	197 (70.6)	13 (4.7)	69 (24.7)
Business	119 (63.0)	27 (14.3)	43 (22.8)
Ethical standards differ from country to country			
Arts & Science	230 (82.2)	17 (6.1)	33 (11.8)
Business	164 (87.2)	6 (3.2)	18 (9.6)
Ethical standards differ between college majors			
Arts & Science	133 (47.5)	50 (17.9)	97 (34.6)
Business	70 (37.0)	50 (26.5)	69 (36.5)
College students in Arts & Science are more ethical (vs. business)			
Arts & Science	38 (13.5)	124 (44.1)	119 (42.3)
Business	25 (13.2)	107 (56.4)	58 (30.5)

Note: Only data where significant differences were found are disclosed above.

whereas Arts & Science students more strongly believe that ethical standards differ between college

majors ( $t = 2.67, p < 0.01$ ) and that students in Arts & Science are more ethical ( $t = 2.11, p < 0.05$ ).

TABLE V  
Means and  $t$ -test by gender

	Male $N = 215$	Female $N = 261$	$t$ -Test
1. American business is ethical	2.85	2.93	
2. The business community as a whole is troubled by ethical problems	3.47	3.60	
3. Ethical problems will be a problem in the future	3.68	3.73	
4. The business community is <i>more</i> troubled by ethical problems than it was 10 years ago	3.38	3.45	
5. The business community is <i>less</i> troubled by ethical problems than it was 10 years ago	2.65	2.47	2.21*
6. The issue of business ethics has been overblown	2.81	2.79	
7. High ethical standards <i>strengthen</i> a company's competitive position	3.31	3.54	2.57*
8. High ethical standards <i>weaken</i> a company's competitive position	2.71	2.50	2.25*
9. Ethical standards differ from country to country	4.08	4.08	
10. Ethical standards differ between regions of the US	3.46	3.57	
11. Ethical standards differ between professions	3.76	3.84	
12. Ethical standards differ by industry	3.64	3.75	
13. Ethical standards differ between college majors	3.27	3.24	
14. College students in Arts & Science are more ethical (vs. business)	2.61	2.53	
15. College students in private colleges are more ethical	2.52	2.30	2.67**
16. College students in religion affiliated private colleges are more ethical	2.57	2.51	
17. Females are more ethical than males	2.46	2.73	2.91**

\*\*  $p < 0.01$ .

\*  $p < 0.05$ .

TABLE VI  
Frequencies by gender  $N = 476$

	Agree $N$ (%)	Disagree $N$ (%)	Neutral $N$ (%)
The business community is <i>less</i> troubled by ethical problems than it was 10 years ago			
Males	35 (16.5)	96 (44.8)	82 (38.7)
Females	27 (10.4)	144 (55.4)	89 (34.2)
High ethical standards <i>strengthen</i> a company's competitive position			
Males	98 (50.3)	51 (23.7)	56 (26.0)
Females	146 (56.5)	42 (16.3)	70 (27.1)
High ethical standards <i>weaken</i> a company's competitive position			
Males	51 (23.9)	99 (46.2)	64 (29.9)
Females	47 (18.3)	145 (56.2)	66 (25.6)
College students in private colleges are more ethical			
Males	31 (14.4)	104 (48.4)	80 (37.2)
Females	19 (7.2)	167 (64.0)	75 (28.7)
Females are more ethical than males			
Males	31 (14.5)	102 (47.7)	81 (37.9)
Females	57 (21.9)	116 (44.5)	88 (33.7)

Note: Only data where significant differences were found are disclosed above.

$T$ -tests also disclose certain differences by gender. Means by gender, as well as results from  $t$ -tests, are disclosed in Table V. Table VI discloses frequencies for those questions where significant differences between gender were found. Males more strongly believe that the business community is *less* troubled by ethical problems than it was 10 years ago ( $t = 2.21$ ,  $p < 0.05$ ). While females more strongly believe that ethical standards strengthen a company's competitive position ( $t = 2.57$ ,  $p < 0.05$ ), males more strongly believe that ethical standards weaken a company's competitive position ( $t = 2.25$ ,  $p < 0.05$ ). Males more strongly believe that students in private colleges are more ethical than students in public colleges ( $t = 2.67$ ,  $p < 0.01$ ). Interestingly, females more strongly believe that they are more ethical than males ( $t = 2.91$ ,  $p < 0.01$ ).

*Rankings by countries, U.S. regions, professions, industries, majors, and groups*

As indicated in the previous section, the majority of students believe ethical standards differ by certain groupings. Accordingly, subjects were asked to provide rankings for these categories in terms of

ethical standards. Subjects were presented with a list of nine countries and requested to rank them in terms of the highest ethical standards. Student respondents, as disclosed in Table VII, and the Touche Ross (1988) survey both reported the United States as first, England as second, and Canada as third. When requested to rank six regions in the United States in terms of highest ethical standards, students reported, as disclosed in Table VIII, the Northeast as first, the East as second, and the Northwest as third, with only a 0.4 point difference between first and third. Respondents in the Touche

TABLE VII  
Ethical standards by country

Countries	Mean
United States	3.91
England	4.21
Canada	4.30
Japan	4.42
Italy	5.18
France	5.37
China	5.65
Spain	5.93
Germany	5.97

TABLE VIII  
Ethical standards by U.S. region

Region	Mean
Northeast	3.0
East	3.2
Northwest	3.4
Midwest	3.5
South	3.8
West	4.1

Ross (1988) survey also ranked the Northeast and the Northwest in the top three categories.

Subjects were presented with a list of 10 professions and requested to rank them in terms of the highest ethical standards. As disclosed in Table IX, students reported teachers as first, doctors as second, and clergy as third, with only a 0.7 point difference between first and third. Respondents in the Touche Ross (1988) survey also reported clergy and teachers in the top three categories. As disclosed in Table X, when asked about ethical standards by industry, students reported agriculture as first, drugs/pharmaceuticals as second, and aerospace as third, with only a 1.0 point difference between first and

TABLE IX  
Ethical standards of top five professions

Professions	Mean
Teacher	3.3
Doctor	3.7
Clergy	4.0
Engineer	5.0
Accountant	5.5

TABLE X  
Ethical standards of top five industries

Industry	Mean
Agriculture	4.6
Drugs	4.8
Aerospace	5.6
Technology	6.0
Securities	6.1

TABLE XI  
Top 12 majors ranked by ethical standards

Majors	Mean
Education	3.6
Psychology	4.9
Criminal Justice	5.4
Science	6.1
Computers	6.8

third. Respondents in the Touche Ross (1988) survey also reported drugs/pharmaceuticals in the top three categories. Student respondents were requested to rank twelve majors in terms of highest ethical standards. Table XI discloses that on an overall student basis, education was reported as first, psychology as second, and criminal justice as third.

Subjects were presented with a list of six groups and requested to rank them in terms of which have been the most helpful in improving American business ethics. As disclosed in Table XII, students reported academia as first, courts as second, and business people as third, with only a 0.7 point difference between first and third. Respondents in the Touche Ross (1988) survey also reported courts and business people in the top three categories.

### Discussion and conclusions

The perceptions of the ethical climate by both students and professionals are significant because we "...cannot continue with a major component

TABLE XII  
Groups helpful in improving business ethics

Groups	Mean
Academia	2.8
Courts	2.9
Business people	3.5
Government	3.6
Business associations	3.7
Media	4.6



of society – the public or business workplace organization – being seen as amoral or with its moral culture being left to chance” (Walton, 2001, p.125).” The Touche Ross (1988) survey is important as it serves to provide a benchmark against which one can compare the perceptions of students.

The most glaring difference between students and leaders is the degree to which American business is perceived as ethical (24.5% for students and 97% for leaders). There is also a difference in the degree to which the issue of business ethics is perceived as having been overblown (19.3% for students and 32% for leaders). The large percentage of leaders who agree that American business is perceived as ethical is consistent with research. This research indicates that executives, as a grouping, believe they are victims of a negative perception of their behavior, and that many feel they are unfairly maligned and that their actual behavior is positive (Laczniaik et al., 1995). Even if allowances are made for the adverse publicity associated with Enron, it is obvious that there is a wide gulf between the perceptions of students and professionals. The causes for these perceptual chasms are an impetus for empirical research in this area. There does not appear, however, to be a concerted effort on the part of either business leaders or business schools to narrow the differences and this is a cause for concern (Hosmer, 1999). In fact, Conaway and Fernandez (2000, p. 30) conclude that their research “strongly suggest[s] that educators must continually interact with business professionals to shape an ethical workplace of the future.” The Aspen ISIB survey similarly concludes that “MBA education needs to provide concrete examples of how business leaders make tough decisions when trying to balance the often conflicting needs of business and society” (Aspen ISIB, 2001, p. 11).

The decision to attend a particular institution is an important decision for both students and parents. Some parental preferences are guided by the extent to which an institution of higher education provides an ethical climate. This survey, however, suggests that students themselves do not appear to discern ethical differences between institutions. This suggests a need for further empirical work in this area. Perhaps students are not bombarded with materials on this issue or they may be inattentive to

them. Furthermore, the perceptions of the parents, the students, or both may not be the reality that exists.

The stronger beliefs, reported by females, that females are more ethical than males are consistent with prior research conducted by Kelly et al. (1990). Our interpretation of the gender literature reviewed for this study is that caution is advised when attempting to assert a relationship between gender and ethical behavior. As noted in Table VI, there are significant gender differences in our study for fundamental ethical issues. Our study merely presents additional empirical evidence on gender and is not designed to determine causality.

When examining the data by school, business students, as opposed to Arts & Science students, appear to be more positive about the shape of American business, as they are more likely to believe that American business is ethical and that ethical problems will not be more of a problem in the future. These results are not surprising since it's likely that business students view themselves as future entrants into American business. It would be disconcerting for these students to see themselves as joining a workforce that is not ethical and may be more troubled by ethics in the future.

The strong value students place on education is apparent from the data. Students rank teachers as a profession and education as a major with the highest ethical standards. Furthermore, they rank academia as the most helpful group in improving American business ethics. Based on this data, and based on research by Astin (1977), Astin and Erlandson (1997), Conaway and Fernandez (2000), O'Leary and Cotter (2000) and Pascarella and Terenzini (1991), it appears that a college education has the potential to raise ethical awareness, affect future behavior, and broaden students' sensitivity for the well being of others. Fostering this potential is critical as college educated students enter the employ of organizations seeking to conduct highly ethical business (Procario-Foley and Bean, 2002). Accordingly, we suggest that this research be continued with both additional institutions of higher education and geographical areas. Scant empirical evidence exists on the ethical perceptions of students and there is an obvious need for this if we are to help maximize the ethical potential of our students.

## Appendix A

To what extent do you believe	Circle one				
	1 Strongly Disagree	2 Disagree	3 Neutral	4 Agree	5 Strongly Agree
1. American business is ethical?	1	2	3	4	5
2. The business community as a whole is troubled by ethical problems?	1	2	3	4	5
3. Ethical problems will be a problem in the future?	1	2	3	4	5
4. The business community is <i>more</i> troubled by ethical problems than it was 10 years ago.	1	2	3	4	5
5. The business community is <i>less</i> troubled by ethical problems than it was 10 years ago.	1	2	3	4	5
6. The issue of business ethics has been overblown.	1	2	3	4	5
7. High ethical standards <i>strengthen</i> a company's competitive position?	1	2	3	4	5
8. High ethical standards <i>weaken</i> a company's competitive position?	1	2	3	4	5
9. Ethical standards differ from country to country?	1	2	3	4	5
10. Ethical standards differ between regions in the US (e.g., Northeast)?	1	2	3	4	5
11. Ethical standards differ between professions?	1	2	3	4	5
12. Ethical standards differ by industry?	1	2	3	4	5
13. Ethical standards differ between college majors?	1	2	3	4	5
14. College students in Arts & Sciences are more ethical than college students in Business?	1	2	3	4	5
15. College students in private colleges are more ethical than college students in public (e.g., SUNY, CUNY) colleges?	1	2	3	4	5
16. College students in religious affiliated private colleges are more ethical than college students in nonreligious affiliated private colleges?	1	2	3	4	5
17. Females are more ethical than males.	1	2	3	4	5

Please answer the following questions.

18. Which countries do you believe have the highest ethical standards? Rank the 9 countries from first to ninth.

Canada	—	France	—	Japan	—
China	—	Germany	—	Spain	—
England	—	Italy	—	United States	—

19. Which regions of the United States have the highest ethical standards? Rank the six regions from one to six.

East	—	Northeast	—	South	—
Midwest	—	Northwest	—	West	—

20. Which professions do you believe have the highest ethical standards? Rank the 10 professions from first to tenth.

Accountants	—	Lawyers	—
Banking/Finance	—	Media	—
Business People	—	Physicians	—
Clergy	—	Politicians	—
Engineers	—	Teachers	—

21. Which industries do you believe have the highest ethical standard? Rank the 12 industries from first to twelfth
- |                             |   |               |   |                    |   |
|-----------------------------|---|---------------|---|--------------------|---|
| Agriculture/Food Processing | — | Insurance     | — | Technology         | — |
| Aerospace/Defense           | — | Manufacturing | — | Telecommunications | — |
| Commercial Banking          | — | Retail        | — | Transportation     | — |
| Drugs/Pharmaceuticals       | — | Securities    | — | Utilities          | — |
22. Which majors do you believe have the highest ethical standards? Rank the twelve majors from first to twelfth.
- |                  |   |                  |   |                    |   |
|------------------|---|------------------|---|--------------------|---|
| Accounting       | — | Education        | — | Marketing          | — |
| Computer Science | — | Finance          | — | Mass Communication | — |
| Criminal Justice | — | Info. Technology | — | Psychology         | — |
| Economics        | — | Management       | — | Sciences           | — |
23. Which groups have been the most helpful in improving American business ethics? Rank the six groups from first to sixth.
- |                       |   |                            |   |            |   |
|-----------------------|---|----------------------------|---|------------|---|
| Academia              | — | Business people themselves | — | Government | — |
| Business Associations | — | Courts                     | — | Media      | — |

Demographic Information: *Please place a√next to the appropriate response.*

Name (please print): \_\_\_\_\_ Social Sec.# : \_\_\_\_--\_\_\_\_--\_\_\_\_

Gender :  male  female

Age at the start of Spring 02:  under 20  21-30  31-40  over 40

Status in Spring 2002:  Fulltime  Parttime

School :  Arts Sci.  Hagan

Level  Undergraduate (if so\* : Freshman\_\_\_\_ Sophomore\_\_\_\_ Junior\_\_\_\_ Senior\_\_\_\_)  
 Graduate \*at the start of Spring 02

Major: Indicate if known : \_\_\_\_\_

Did either parent graduate from College? Yes\_\_\_\_ No\_\_\_\_

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