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The Impact of Gender Differences on the Ethical Conduct of Corporate Middle Management

Daniel W. Kemper

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THE IMPACT OF GENDER DIFFERENCES ON THE ETHICAL CONDUCT OF CORPORATE MIDDLE MANAGEMENT

Daniel W. Kemper, B.S.

An Abstract Presented to the Faculty of the Graduate School of Lindenwood College in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration

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ABSTRACT

This thesis will focus on the study of business ethics and the impact gender has upon the ethical decisions of corporate middle management.

Research has attributed the lack of ethics in businessmen to a decline in moral standards. Because this condition seems to be the rule rather than the exception, it becomes necessary to focus more clearly on the corporate system and the moral development of the individuals who make up this system.

Over the years moral development has been the subject of controversy as many theorists have developed their own ideas as to why people behave morally. Some theorists believe that there are differences in the way males and females solve ethical dilemmas; others do not.

The purpose of the present study is to investigate the possibility that, within a corporate setting, male and female middle managers may use different moral reasoning strategies when attempting to resolve ethical dilemmas. Specifically, it is hypothesized that dis-

cernible differences exist in the ethical decision-making processes used by male and female corporate managers.

Fifty-two graduate and undergraduate students participated in the study, twenty-six males and twenty-six females. The subjects were administered the Defining Issues Test and a simplified version of the Situational Perceptions Observations Test for the purpose of measuring the differences between male and female ethical decision making processes from both a moral development and a value orientation perspective. Data were analyzed by a one-way analysis of variance.

Results of the analysis produced considerable evidence to suggest that the hypothesis be rejected and to conclude that, within this sample pool, male and female moral development levels and value orientations are very similar.

THE IMPACT OF GENDER DIFFERENCES ON THE ETHICAL CONDUCT OF CORPORATE MIDDLE MANAGEMENT

Daniel W. Kemper, B.S.

A Culminating Project Presented to the Faculty of the Graduate School of Lindenwood College in Partial Fulfillment of the Requirements for the Degree of Master of Business Administration

1987

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Preface

It is almost impossible to pick up a daily newspaper or the current issue of a popular magazine without seeing some reference to a decline in the ethical conduct of the corporate work force. Articles on insider trading, bank fraud, stock manipulation, and tax evasion, just to name a few, seem to be the rule rather than the exception in much of today's reading material. For example, in a recent issue of Time, approximately fifteen pages were devoted to the subject of ethics, and much of the material dealt with all or most of the above-mentioned crimes.

White-collar crime, as it is sometimes called, is on the increase and it's costing the U.S. taxpayer a fortune. "While common street crime costs the U.S. an estimated $4 billion a year in losses, white-collar lawbreaking drains at least $40 billion--and probably much more--from corporations and governments . . ." (Koepp 23). At the onset it may appear that this kind of crime is common among corporate executives capable of wheeling and dealing within the realm of big business; however, this is not always the case. "Business crime is just as insidious on a small scale: two tow-truck operators in New Jersey were convicted last year

for pouring oil on a freeway ramp to cause accidents and boost their business" (Koepp 23).

Because it is evident that white-collar crime is prevalent within the entire scope of the work force, the main concern, at this time, is discovering the reason for the increase in crime. The most often proposed reason found in the media is a general decline in moral values. In a recent survey, seventy-six percent of the respondents attributed the lack of ethics in businessmen to the decline in moral standards (Bowen 26). If it is possible to generalize this statistical percentage to the overall population, then the perceived severity of the situation becomes obvious along with the necessity to focus more clearly on the corporate system and the moral behavior of the individuals who make up this system.

Therefore, this paper will focus on the study of business ethics and moral development. It will begin with a brief look at the general subject of ethics and then continue to consider ethics as it pertains to business. Next, the concept of moral development will be discussed along with the work of Jean Piaget, Lawrence Kohlberg, and Carol Gilligan. Piaget is best known for his theory of cognitive development.

Kohlberg is recognized for his stages of moral development, his technique of presenting moral dilemmas to individuals, and his assignment of these individuals to the different stages of development based on the answers received in response to the dilemma. Gilligan, on the other hand, is noted for her research into Kohlberg's theories, and her claim that females generally ranked lower in Kohlberg's stages of development because his rating scale was based on an all-male sample. Finally, this paper will focus on the differences (if any) in the moral development of males and females in an effort to ascertain whether or not these differences have an impact on the ethical decision-making processes utilized by male and female middle level managers.

Chapter I

INTRODUCTION

Ethics

The origin of ethics is rather obscure. Some theorists believe that ethics had its inception in what is referred to as "prehuman ethics." This belief centers around evolutionary theory and the idea that many animal species shared the same group socialization characteristics as human beings. If it can be presumed that the common ancestor of humans, and man's closest relation, the apes, lived in social groups, then the social behavior of nonhuman animals and the evolutionary theory that explains this behavior may illuminate the origin of human morality (Singer 18: 628).

As with humans, social animals behave in ways that benefit other members of the group. Many nonhuman animals living in groups practice reciprocity and kin altruism. For example, chimps will exchange their personal food supply with other group members, and the parents of almost every higher order of animal species will look after their offspring in an effort to promote

survival of that species. In addition, research reveals that a "surprising proportion of human morality can be derived from the twin bases of concern for kin and reciprocity" (628). For example, a mother nurtures and protects her children, a husband provides for his family, and workers collectively work together for the benefit of themselves, other workers, and their employers (628).

In addition to evolutionary theory, one might also consider religion as a source of human ethical behavior. Research reveals that the "link between morality and religion has been so firmly forged that it is still sometimes asserted that there can be no morality without religion" (627). While the issue of religion and ethics is somewhat complex, the link between the two can be simplified with the idea that religious belief provides a reason for doing what is right. This reason, in its simplest form, proposes that "those who obey the moral law will be rewarded by an eternity of bliss while everyone else roasts in hell" (628). It is agreed that while this postulate promotes an element of fear, it does, nonetheless, provide an impetus for moral behavior, especially for those who believe in the existence of a hereafter.

While the origin of ethics may be subject to some controversy, "it is generally agreed that ethics seeks a critical grasp of the principles and standards that guide a man in making morally right choices in his daily activities" (Tsanoff 9: 333). Many of these principles have been systematically arranged (codified) for the purpose of maintaining the professional standing and responsibility of organizations and professions that have an impact on our society. The purpose of the code is to serve as a guide, reminding individuals of the need for high standards of proficiency, improved relationships among individuals, and for the promotion of the general welfare of society as a whole. Clearly then, a code of ethics is for the benefit of all concerned; therefore, it is of little surprise to see that the enterprise system which comprises the realm of big business has subscribed to some form of business ethics.

Business ethics

If ethics is a set of moral principles that govern the actions of an individual, then business ethics, or management ethics, as it is sometimes referred to, simply applies these moral principles to productive

(business) organizations.

Some writers discussed the application of these principles as early as the 1920's. For example, Oliver Sheldon, in his book The Philosophy of Management (1923), stated that "ethics is as essential to management as economics." According to Sheldon, management has a duty to its employees and to the community. Managers are responsible for treating their employees with fairness and honesty, and for conducting business for the promotion of the highest ends of the community (Stoner & Wankel 37). However, the subject of ethics, apart from legal issues, was not a wide-spread concern until the 1970's when business ethics became a separate field in its own right. Currently, corporations are becoming more involved with ethics. According to Richard T. De George, in a recent article on the status of business ethics, some corporations provide direct training in business ethics, while ". . . many firms have ethics committees and social policy committees which include concern for ethical issues" (6: 203). De George also maintains that business ethics has become an academic field. He states that ". . . there are over 500 courses across the country at colleges, universities, and schools of

business, with over 40,000 students getting academic credit for studying the field" (203). In addition, the subject of business ethics is covered in most of the management textbooks currently being used in many colleges and universities. While not as comprehensive as an ethics text, these managerial texts offer the student an introduction to ethics, and then usually zero in on ethics as it pertains to managerial decisions.

Quite often a manager will be required to make a decision that in all likelihood will have an affect upon the other members of an organization. Often these decisions do not lend themselves to simple right or wrong answers because multiple priorities must be considered. To superficially demonstrate the broad and complex spectrum of moral dilemmas commonly faced by corporate employees, a nonscientific ethics test is presented in Table 1.

Table 1

An Ethics Test

Many situations in day-to-day business are not simple right-or-wrong questions, but rather fall into a grey area. To demonstrate the perplexing array of moral dilemmas faced by 20th-century Americans, here is a "nonscientific" test for slippage.... Don't expect to score high. That is not the purpose. But give it a try, and see how you stack up.

Put your value system to the test in the following situations:

Scoring Code: **Strongly Agree = SA**
Agree = A
Disagree = D
Strongly Disagree = SD

	SA	A	D	SD
1. Employees should not be expected to inform on their peers for wrong-doings.	—	–	–	—
2. There are times when a manager must overlook contract and safety violations in order to get on with the job.	—	–	–	—
3. It is not always possible to keep accurate expense account records; therefore, it is sometimes necessary to give approximate figures.	—	–	–	—
4. There are times when it is necessary to withhold embarrassing information from one's superior.	—	–	–	—
5. We should do what our managers suggest, though we may have doubts about its being the right thing to do.	—	–	–	—
6. It is sometimes necessary to conduct personal business on company time.	—	–	–	—
7. Sometimes it is good psychology to set goals somewhat above normal if it will help to obtain a greater effort from the sales force.	—	–	–	—
8. I would quote a "hopeful" shipping date in order to get the order.	—	–	–	—

Table 1

9.	It is proper to use the company WATS line for personal calls as long as it's not in company use.	—	–	–	—
10.	Management must be goal-oriented: therefore, the end usually justifies the means.	—	–	–	—
11.	If it takes heavy entertainment and twisting a bit of company policy to win a large contract, I would authorize it.	—	–	–	—
12.	Exceptions to company policy and procedures are a way of life.	—	–	–	—
13.	Inventory controls should be designed to report "underages" rather than "overages" in goods received.	—	–	–	—
14.	Occasional use of the company's copier for personal or community activities is acceptable.	—	–	–	—
15.	Taking home company property (pencils, paper, tape, etc) for personal use is an accepted fringe benefit.	—	–	–	—

Score Key: (0) for Strongly disagree (1) for Disagree

(2) for Agree (3) for Strongly Agree

If your score is:

0 Prepare for canonization ceremony
1---5 Bishop material
6--10 High ethical values
11--15 Good ethical values
16--25 Average ethical values
26--35 Need moral development
36--44 Slipping fast
45 Leave valuables with warden

SOURCE: "Is Your (Ethical) Slippage Showing?" by Lowell G. Rein. Personnel Journal, (1980). As cited in Managing for Performance by John M. Ivancevich et al., (1986).

Several alternative ethical approaches have been developed to assist managers in answering questions such as those presented in the aforementioned ethics test. For example, Hellriegel and Slocum, in summarizing the work of Cavanagh, Moberg, and Velasquez, have highlighted three ethical approaches commonly used for making managerial decisions:

> 1. Utilitarian approach. It judges the effects of decisions and behaviors on those who are directly involved and in terms of providing the greatest good for the greatest number of people.
>
> 2. Moral-rights approach. It judges the consistency of decisions and behaviors with maintenance of certain fundamental personal and group liberties and privileges.
>
> 3. Justice approach. It judges the consistency of decisions and behaviors with maintenance of equity, fairness, and impartiality in the distribution of benefits (rewards) and costs among individuals and groups. (139)

The utilitarian approach is somewhat straightforward in that managers usually try to consider the consequences of their decision or behavior and then select the course of action that is most beneficial to all concerned. Basically, this approach involves act utilitarianism (the end justifies the means type of situation), and rule utilitarianism, a situation involving a

decision based on a preexisting standard or rule. Satisfaction of both of these conditions usually results in a decision that renders the greatest good for the greatest number of individuals; consequently, it is of little surprise to learn that it is the most widely selected method for solving corporate ethical dilemmas (140).

The moral-rights approach usually involves a decision in which a manager has a duty to protect an individual's moral rights. These rights are considered basic and are somewhat self-explanatory in that they include the right to life and safety, the right of truthfulness, privacy, free speech, and so on (143).

The justice approach guides decisions and behavior for the purpose of supporting fairness and equality. This approach involves the principles of liberty and difference. The liberty principle deals with the basic freedoms of an individual, while the difference principle advocates an ethical decision or behavior that benefits the disadvantaged rather than the advantaged (145).

According to Hellriegel and Slocum, the utilitarian approach is favored by many corporate managers because it considers the majority of all concerned, and

because it is ". . . most compatible with goals of efficiency, productivity, and profit maximization" (151). Both the moral-rights and justice approach, however, present a contrasting point of view in that greater emphasis is placed "on the personal rights of individuals and the need to distribute benefits and burdens among individuals fairly" (151). Hellriegel and Slocum maintain that "if the moral-rights and justice approaches were used exclusively as ethical guides by managers, we would be more likely to see reductions in innovation, technological change, risk taking, and efficiency" (151).

While these three approaches to business ethics are among the most commonly used, there are other alternatives to examining the propriety of a managerial decision. One writer proposes the use of questions (Table 2) when confronted with an ethical decision, while other writers seem to view ethics as an issue of moral development.

The question approach seems to adequately touch on all the necessary bases when examining the ethics of a business decision. While not nearly as complex as the ethical approaches mentioned earlier in the text, this series of questions helps the manager define the

problem and then continues on to include such important concerns as the manager's intentions, the effects of the manager's decision for both a short and long period of time, and the opinions and concerns of other levels of management within the corporation.

Table 2

Twelve Questions for Examining the Ethics of a Business Decision

1. Have you defined the problem accurately?
2. How would you define the problem if you stood on the other side of the fence?
3. How did this situation occur in the first place?
4. To whom and to what do you give your loyalty as a person and as a member of the corporation?
5. What is your intention in making this decision?
6. How does this intention compare with the probable results?
7. Whom could your decision or action injure?
8. Can you discuss the problem with the affected parties before you make your decision?
9. Are you confident that your position will be as valid over a long period of time as it seems now?
10. Could you disclose without qualm your decision or action to your boss, your CEO, the board of direc tors, your family, society as a whole?
11. What is the symbolic potential of your action if understood? if misunderstood?
12. Under what conditions would you allow exceptions to your stand?

SOURCE: Harvard Business Review. Exhibit from "Ethics without the Sermon," by Laura L. Nash (1981). As cited in Management by Robert Kreitner (1983).

Moral Development

One of the most comprehensive approaches to the issue of business ethics is the examination of ethical decisions from the perspective of an individual's moral development. Over the years moral development has been the subject of controversy as many theorists have developed their own ideas as to why people behave morally. In the early 1920's, Hugh Hartshorn, a professor of religious education, and Mark May, a professor of psychology, conducted an extensive study on thousands of children at different age levels. Each child was subjected to both real-life and hypothetical situations in an effort to reveal his/her moral behavior. While this study was not actually concerned with the moral development of children per se, it did help to highlight two rather important discoveries, namely that some children are more consistent than others in reacting to moral situations, and that religious education seemed to have little or no effect on moral behavior (Biehler & Hudson 460).

Some years later, Jean Piaget, a cognitivist who also worked primarily with children, maintained that moral development occurs "as a function of maturation within a context of general age-related experience"

(Evans & McCandless 410). Piaget used essentially two methods when studying moral development. First, he observed children playing together. Sometimes he would join them in their games in an effort to learn how the game was played, who established the rules, and if the rules could be changed. Second, Piaget conducted clinical interviews with children. In these interviews, he made up pairs of stories and asked children of different ages to discuss why the character's behavior or action in each story may be morally wrong. From these two methods of research, Piaget concluded that the moral development of children could be categorized into two levels. The first level reflects the moral behavior of children up to age ten and is referred to as morality of constraint. The second level reflects the moral behavior of children of eleven or older and is called the morality of cooperation. The fundamental difference between the two is that with constraint, children seem to view rules as originating from an external authority with no allowance for exceptions or intentions, but with cooperation, children see rules as mutual agreements among equals (Biehler & Hudson 463-465).

Much of Piaget's research has been supported by

other theorists in the field. Thomas Lickona, for example, conducted a thorough review of Piaget's work and ". . . concluded that there is quite a bit of experimental evidence to support the general distinction Piaget has made between the moral thinking of younger and older elementary grade children" (467). Another theorist, Lawrence Kohlberg, was fascinated by Piaget's research into moral development. Kohlberg decided to expand on the idea of clinical interviews and the use of moral dilemmas, presenting them to preadolescents, adolescents, and young adults. Kohlberg's methodology was to present dilemmas that involved stealing, mercy killing, or capital punishment, just to name a few. His most famous dilemma is the case of Heinz:

> In Europe, a woman was near death from a special kind of cancer. There was only one drug that doctors thought might save her. It was a form of radium that a druggist in the same town had recently discovered. The drug was expensive to make, but the druggist was charging ten times what the drug cost him to make. He paid $200 for radium and charged $2000 for a small dose of the drug. The sick woman's husband, Heinz, went to everyone he knew to borrow money, but he could only get together about $1000, which is half of what it cost. He told the druggist that his wife was dying, and asked him to sell it cheaper or let him pay later. But the druggist said, "No, I discovered the drug and I'm going to make money from it." So Heinz got desperate and broke into the man's store to steal the drug for his wife. Should the husband have

done that? Why? (Kohlberg 1: 12)

Kohlberg's chief concern in presenting this and other dilemmas was to hear how each child explained his/her judgment. He wasn't concerned with whether Heinz was right or wrong, but with why Heinz should or should not steal the drug. Kohlberg evaluated each response according to a complex scoring system, and the results of his research culminated in the formation of a universal sequential-stage model (Table 3) that focuses on the attainment of moral maturity.

Kohlberg's model of moral development is divided into three distinct levels of moral thinking with each of these levels being further subdivided into two related stages, so that he actually proposed six developmental stages of moral maturity. The preconventional level is representative of children up to age nine who do not fully understand the rules (conventions) of society. Stage one is called the Punishment-Obedience Orientation stage wherein the physical consequences of an action determine its goodness or badness. Avoidance of punishment and unquestioning respect for authority are the chief concerns. In response to the Heinz dilemma, a child in stage one might say that

Table 3

Kohlberg's Stages of Moral Development

Levels and Stages		Illustrative behavior
Level I	Preconventional morality	
Stage 1	Punishment orientation	Obeys rules to avoid punishment
Stage 2	Reward orientation	Conforms to obtain rewards, to have favors returned
Level II	Conventional morality	
Stage 3	Good-boy/good-girl orientation	Conforms to avoid disapproval of others
Stage 4	Authority orientation	Upholds laws and social rules to avoid censure of authorities and feelings of guilt about not "doing one's duty"
Level III	Postconventional morality	
Stage 5	Social-contract orientation	Actions guided by principles commonly agreed on as essential to the public welfare; principles upheld to retain respect of peers and, thus, self-respect
Stage 6	Ethical principle orientation	Actions guided by self-chosen ethical principles (that usually value justice, dignity, and equality); principles upheld to avoid self-condemnation

SOURCE: Gerald D. Baxter & Charles A. Rarick, "Education for the Moral Development of Managers: Kohlberg's Stages of Moral Development and Integrative Education" Journal of Business Ethics, April, 1987.

Heinz should not steal the drug because he will be caught and sent to jail, while another child might advocate stealing the drug because he will get into trouble if he allows his wife to die. Stage two is called the Instrumental Relativist Orientation stage. In this stage the correct action perceived by the child is one that satisfies his own needs or occasionally the needs of others. Elements of fairness, reciprocity, and equal sharing are viewed from a pragmatic perspective. A child in this stage might say that Heinz should steal the drug for his wife because his wife might save his life some day (17).

The conventional level of morality consists of individuals between the ages of nine and twenty years old. At this level the chief concern is in upholding the expectations of an individual's family or social group. Stage three of level two is referred to as the Interpersonal Concordance or "Good Boy-Nice Girl" Orientation stage. In this stage, good behavior is predicated upon the opinions of others, and how others might perceive the individual's intentions. An individual in this stage might say that Heinz should steal the drug because in doing so he is attempting to save a life--"he means well." In stage four (Society Main-

taining Orientation) there is an orientation toward social conventions, authority, and the belief that law and order is a requirement for societal continuity. In this stage an individual might say that Heinz should steal the drug because it is his duty as a husband. However, in contrast to this opinion, another individual might say that Heinz should not steal the drug because stealing is a violation of the law (18, 258).

Kohlberg refers to his third level as the Post-conventional, Autonomous, or Principled level. This level is achieved by individuals only after the age of twenty, and is concerned with the definition of moral values and principles that are held to be valid by society. These conventions are viewed from an individual's own perspective and are devoid of external authority or group pressure. Stage five of this level is called Social Contract Orientation. In this stage correct behavior is defined in terms of general individual rights with the mutual acceptance of societal conventions. An individual in this stage views the law as a social contract that may be altered by democratic processes; consequently, it would be alright for Heinz to steal the drug because a person's life is at stake. Stage six of this level is called the Universal Ethical

Principle Orientation, and in this stage correct behavior is determined by a decision of conscience only after the facts have been carefully considered against a list of self-chosen ethical guidelines. Heinz should steal the drug because it is morally wrong for the druggist to withhold the drug in favor of a monetary gain (18-19).

From the material presented above, it is clearly evident that Kohlberg envisaged children as moral philosophers capable of generating their own moral values. He saw his stages of moral development as being both universal and sequential; that is, they apply to all individuals in a fixed order of development. According to Kohlberg, it is not possible to jump from stage two to stage five or to regress from stage five to a lower stage. All individuals must move through the stages in sequence beginning at stage one and working their way upward. However, in some of his most recent books, Kohlberg has identified two important alterations to his theory. First, he concluded after a period of extensive research that stage six is a hypothetical construct attainable only by a select few. He cited Dr. Martin Luther King and Mahatma Gandhi as two examples of those who have reached this stage of moral

maturity. Second, Kohlberg reversed his trend of thought with respect to stage five and stated that this stage is not universal, but depends in part on advanced education. In addition, Kohlberg visualized the attainment of moral maturity as depending largely upon the combined effects of cognitive development and "sociomoral experience" (Scarr et al. 476).

Kohlberg's theory of moral development, although praised by many, has received a significant amount of criticism. For example, it is often the case that the scoring of responses to moral dilemmas leads to disagreement about the assigned level of moral maturity. In addition, it is possible that some subjects might score higher than others because they are more articulate as opposed to being advanced moral thinkers (477). While other theorists have cited additional imperfections in Kohlberg's theory, the most recent criticism to come to light is the issue of sexual bias as noted by Carol Gilligan.

Gilligan maintains that Kohlberg's research methodology was sexually biased. She points out that the scale Kohlberg used to measure moral maturity was calibrated on the responses of an all-male sample. In short, Kohlberg ignored the female point of view.

Gilligan states that ". . . half of psychology's population is female. If you selected a sample at random, you'd get both sexes. Any study that leaves out half of the population and generalizes to the whole population is flawed in its methodology" (490). In her book, In a Different Voice, which is a culmination of her research into Kohlberg's theory of moral development, Gilligan introduces Jake and Amy in an effort to present the complete perspective of moral development, the male as well as the female point of view. According to Gilligan, Jake and Amy were participants in a study of morality that focused on the variables of age and gender and held constant such items as intelligence, education, and social class. As a result, Jake and Amy were both bright, articulate children with similar intellectual, educational, and social backgrounds. Gilligan also points out that the children (both eleven years old at the time of the study) have not been stereotyped into a typical male/female role; Jake had an interest in English, while Amy preferred science (25).

In typical Kohlbergian form, Gilligan presents Jake and Amy with the case of Heinz. Jake replies:

> For one thing, a human life is worth more than money, and if the druggist only makes $1,000, he is still going to live, but if Heinz doesn't steal the drug, his wife is going to die.
> Interviewer: Why is life worth more than money?
> Jake: Because the druggist can get a thousand dollars later from rich people with cancer, but Heinz can't get his wife again.
> Interviewer: Why not?
> Jake: Because people are all different and so you couldn't get Heinz's wife again. (26)

Without a doubt, Jake believes that Heinz should steal the drug. When told that stealing is against the law, and Heinz might be arrested, Jake replies that "the laws have mistakes" and "the judge would probably think it was the right thing to do . . . giving him the lightest possible sentence" (26). Jake, in resolving this dilemma, sets up an equation that proceeds logically toward an acceptable solution. Using this rationale, Jake believes that everyone will view the problem in a similar perspective and thus arrive at the same logical conclusion---Heinz should steal the drug and save his wife. According to Kohlberg's theory Jake is in the conventional level of moral development, between stages three and four. Gilligan agrees with Kohlberg; she recognizes Jake's ability to use deductive logic and reasoning and admits that these attributes help support Kohlberg's theory (27).

However, Amy's response to the Heinz dilemma represents an entirely "different voice." When asked if Heinz should steal the drug, Amy replies:

> Well, I don't think so. I think there might be other ways besides stealing it, like if he could borrow the money or make a loan or something, but he really shouldn't steal the drug--but his wife shouldn't die either.
> Interviewer: Why shouldn't he steal the drug?
> Amy: If he stole the drug, he might save his wife then, but if he did, he might have to go to jail, and then his wife might get sicker again, and he couldn't get more of the drug, and it might not be good. So, they should really just talk it out and find some other way to make the money. (28)

Amy's response to the dilemma (according to Kohlberg's theory) places her a level (preconventional) below Jake, between stages two and three. While Jake presents a logical straightforward response to the dilemma, Amy's response lacks logic and seems somewhat inarticulate. Furthermore, while Jake believes the judge would give Heinz a break, Amy believes that Heinz and the druggist "should really just talk it out." Similarly, where Jake sees the law to "have mistakes," Amy thinks the dilemma to be a mistake, capable of being resolved only by an act of sharing rather than stealing, ". . . he [druggist] should just give it to the wife and then have the husband pay back the money

later" (29). It is evident that both children see the solution to the problem in terms of an agreement. However, Jake sees the agreement impersonally through logic, justice, and law, while Amy sees the agreement personally through effective communication within the scope of a relationship.

Gilligan believes that while Kohlberg's theory is applicable to males, it falls short in adequately dealing with females. This condition exists because of the way a female might perceive a problem and then set out to obtain a solution. For Jake, the solution is simple: Heinz should steal the drug. Any conflict that results from the theft will be resolved by logical deduction. For Amy, the solution is more complex. She ponders about what Heinz should really do and then begins immediately to consider other alternatives to theft. According to Gilligan, Amy perceives the problem differently than Jake; therefore, Amy has a different solution. But for Kohlberg, Amy's response "falls through the sieve" of his scoring system and this places her solution outside the realm of moral maturity. According to Gilligan, Amy scores lower than Jake, not because she is morally immature, but because in attempting to provide a solution, she has been

evaluated for what she did not say instead of for what she said (29-32).

Hypothesis

Gilligan's thesis has generated a considerable amount of research contrasting the moral thinking and behavior of men versus women. Clear-cut differences have emerged in some studies, while others have produced inconclusive results. The purpose of the present study is to investigate the possibility that, within a corporate setting, male and female middle managers may use different moral reasoning strategies when attempting to resolve ethical dilemmas. Specifically, it is hypothesized that discernible differences exist in the ethical decision-making processes used by male and female middle level managers.

Chapter II

LITERATURE REVIEW

The issue of gender difference with respect to moral development has been traced back to the work of Freud. Freud, in his theory of psychosexual development, maintained that males, when they enter the genital stage of development, encounter conflicts associated with the so-called "Oedipus Complex" and as a result experience castration anxiety. This anxiety triggers the defensive maneuver of identification with their fathers which leads to the development of a strong masculine superego structure. However, due to anatomical differences and the inability of females to have a successful Oedipal resolution, Freud perceived females to be developmental failures. He believed women "show less sense of justice than men, that they are less ready to submit to the great exigencies of life, [and] that they are more often influenced in their judgment by feelings of affection or hostility" (Reimer 2).

Other theorists seem to share a similar view.

Piaget, for example, in his observation of children at play, believed that "children learn the respect for rules necessary for moral development by playing rule-bound games" (Gilligan 10). He observed that "boys are fascinated with the legal elaboration of rules . . . while girls have a tendency to view rules as pragmatic and are more tolerant in their attitudes toward rules"(10). From this observation Piaget concluded that "the legal sense is far less developed in little girls than in boys" (10). In a similar study, Janet Lever also found support for a gender difference in development. She concluded, from the games children play, that boys learn independence and the ability to deal with competition, while girls learn the pattern of human relationship and the development of empathy and sensitivity (11).

It is this pattern of human relationship, this development of sensitivity, that has caused women to be labeled, in their responses to Kohlberg's dilemmas, as being vague and less principled than men. Kohlberg saw this gender difference as a product of socialization rather than development, and he stated that women learn through the need to identify with positively valued feminine traits such as feminine niceness and activi-

ties of caring. He claimed that this type of morality is great for housewives and mothers, but falls a little short for businessmen and professionals. Consequently, from a Kohlbergian perspective, women seem inferior both socially and morally (Reimer 3). Lever seems to share Kohlberg's ideas to some degree. She believes that the male model is the better one for moral development because it fits the requirements for corporate success. As for females, Lever maintains that there is very little market value in sensitivity and altruism. In sum and substance, she suggests that, "given the realities of life, if a girl does not want to be left dependent on men, she will have to learn to play like a boy" (Gilligan 10).

From the above quote, one could conclude that male moral development is generic, or applicable to everyone. In fact, Gilligan maintains that this assumption has been the problem all along. She believes that theorists, over the years, have "implicitly adopted the male life as the norm" and in doing so "have tried to fashion women out of masculine cloth" (6). David McClelland agrees with Gilligan to some extent and states that "psychologists have tended to regard male behavior as the 'norm' and female behavior as some kind

of deviation from that norm" (14). McClelland believes that this situation has occurred because empirical research, for the most part, has been interpreted by men from the studies of men (14).

Gilligan claims that psychologists, when discussing morality, have historically considered women as a problem. She maintains that "they [women] didn't fit anyone's data, so they were ignored" (Saxton 63). However, since Freud, times have changed. From her research, Gilligan has shown that "what has been characterized as 'women's logic,' a supposedly irrational, illogical, and underdeveloped form of thought, actually has a clear logic and rationality [that] is closely in touch with reality" (64). Gilligan has found that, for women, "morality is connected to responsibility in relationships . . . . they always assume a connection between self and others [care], whereas men tend to look at moral issues in terms of the rights [justice] of individuals" (63).

Gilligan's views have received support from some researchers, but not others. Earlier research (circa 1977) revealed that females are more empathic than males. In fact, Martin L. Hoffman, in a review of research pertaining to sex differences in empathy

(defined as the vicarious affective response to another person's feelings), noted that "in every case, regardless of the age of the subjects or the measures used, the females obtained higher scores than did the males" (715). Based on this information, Hoffman suggested that "females may have a greater tendency to imagine themselves in the other's place, whereas males have more of a set toward instrumental ameliorative action" (712). In a later study of sex differences and empathy, Eisenberg and Lennon noted that sex differences were a function of the methods used to assess empathy. Some methods revealed inconclusive results, while significant sex differences favoring females were found when self-report or other-report measures were used to assess empathy. Moreover, Eisenberg and Lennon perceived these differences to exist (albeit inconsistently) primarily with adults (100-124).

Peter D. Lifton, in a recent study of over three hundred college sophomores and adults, concluded that there were significant differences by sex in stages of moral judgment among his sample pool. According to Lifton, "this suggests qualified support for Gilligan's contention that men and women differ in their moral orientations, with men preferring the universal princi-

ple of justice, women the universal principle of caring" (329). Similarly, Ford and Lowery, after studying 202 college students, concluded that "female subjects were more consistent in their use of a care orientation, and that male subjects were more consistent in their use of a justice orientation . . ." (777). In addition, Ford and Lowery administered the Interpersonal Disposition Inventory (IDI) to their subjects. The IDI is an 85-item scale used to measure psychological sex roles. Scores from the IDI are used to divide subjects into high and low masculinity and femininity groups, and into four sex role categories (masculine, feminine, androgynous, and indeterminate). The results of the IDI test scores revealed that "more feminine males were more likely to report the use of care orientation than less feminine males" (777), and that females, high and low on the femininity rating, considered care orientation about the same (782).

Using interview data from the responses of male and female subjects to real-life moral conflicts, Nona Lyons also produced evidence of the justice and care considerations in making moral decisions. Although her sample size was relatively small (thirty), Lyons found that "women use considerations of response [care] more

frequently [75%] than rights [justice] and men use considerations of rights more frequently [79%] than response" (139). However, Lyons, continuing to study her sample pool, looked closely at the absence of considerations of response or rights by females and males. She discovered that while all the females in the sample presented considerations of response, thirty-seven percent (6) failed to mention any consideration of rights. Moreover, all the males presented considerations of rights, but thirty-six percent (6) failed to mention any consideration of response. According to Lyons, this suggests that,

> in real-life moral conflict, individuals in this sample call upon and think about both care and justice considerations but use predominantly one mode which is related to but not defined or confined to an individual by virtue of gender. (139)

Lyon's research points out the possibility of a combination of justice and care orientations in both males and females, a condition that may suggest a limitation in the amount of gender differences in moral development.

Pratt, Golding, and Hunter, after studying thirty males and thirty females, "indicated limited evidence of sex differences in moral orientation . . ." (321).

Similarly, Bussey and Maughan, in a study of 150 male and female adults, concluded that the "subjects' moral reasoning did not differ according to their sex role classification" (701). However, after changing the sex of the central character within the moral dilemma, Bussey and Maughan noted a stage difference for males. Males at stage four when the central character was a male regressed to stage three when the character was changed to female. Females, however, remained at stage three regardless of the sex of the central character. While this information does not specifically address a gender difference in moral development, it does provide an impetus for additional research in that it is contrary to Kohlberg's contention that there is an invariant sequence of moral development (704-705) (See page 19).

In an extensive review of literature on gender differences in moral development, Lawrence Walker concluded that "the moral reasoning of males and females is more similar than different" (687). Walker, using metaanalysis, found a few inconsistent sex differences in childhood and adolescence, and evidence of higher moral development in adult males over adult females. However, in the concluding remarks of his study, Walker

states that his findings do "not preclude the possibility of sex differences in content within a stage or in the preferential use of various orientations in the making of moral judgments" (688). Walker's concluding comments not only suggest the possibility of the existence of gender differences but also add credence to Gilligan's theory that viable orientations exist in the making of moral judgments, namely the orientations of justice and care.

Diana Baumrind, after a careful examination of Walker's data, concluded that his analysis was flawed; consequently, his findings were incorrect. Baumrind, in her study, points out that moral development is a discontinuous variable and, therefore, should be analyzed using nonparametric statistics. She states that Walker, in using ANOVA or t tests in his metaanalysis, failed to account for the interval inequality between Kohlberg's stages of moral development. In addition, Baumrind also notes that Walker failed to account for education in his sample pool. She states that "the inconsistency of sex differences across the studies reviewed by Walker may be explained by variations in educational level among the samples studied" (517). She cites evidence that when educational level

is controlled, no sex differences exist only in the middle range (i.e. three or more years of college but no graduate degrees). At the higher and lower ends of the educational spectrum, gender differences can be found, with women out scoring men in the less educated samples (two years of college or less), and men out-scoring women in the more educated samples (graduate degree holders) (517-518).

While both Walker and Baumrind's research and analysis of data are extremely complex, two important points emerge. First, Walker, while finding no sex differences in stages of moral development as a result of his research, did suggest the possibility of a sex difference in moral reasoning. And second, Baumrind, after citing flaws in Walker's research methodology, used a different type of statistical analysis and proved the existence of a sex difference in moral development under some conditions. The issue of gender differences in moral development is currently undergoing extensive research. Nonetheless, having established at least the possibility of some degree of a gender difference in moral development, it is intriguing to consider its possible impact on the ethical decision-making process of middle level managers by

examining the role of personal values in solving ethical dilemmas.

The ethical decision-making process of any corporation is, at the very least, complex. Complexities, however, are more readily understood if they can be reduced to a smaller scale and viewed independently. For example, a corporation is frequently defined as "a legal creation authorized to act with the rights and liabilities of a person." Therefore, a corporation, even though it may be extremely large, is not a completely impersonal entity that functions self-sufficiently within the realm of our enterprise system. Corporations are created by individuals for individuals. Moreover, these individuals, collectively working together, can build corporate empires that manufacture usable goods, provide employment, and are beneficial to our society. On the other hand, these same individuals, also working together, can deteriorate or even destroy a corporation. A case in point is the Manville Corporation, an industry giant until just a few years ago. Currently, Manville is in the process of converting over eighty percent of its equity into a trust that will be used to settle liability claims against the company. It seems that for over forty years,

Manville's management willfully suppressed research information indicating that the company's chief product, asbestos, was responsible for a variety of lung diseases. Moreover, the Manville medical department collaborated in the cover-up and concealed chest X-ray results from the affected employees. Eventually all the details were disclosed, a bitter court battle ensued and, in the end, the court found that "Manville had made a conscious, cold-blooded business decision to take no protective or remedial action, in flagrant disregard of the rights of others" (Gellerman 86). Consequently, the individuals who helped build Manville into a productive, profitable organization were also responsible for its demise.

The Manville incident is just one of many cases. Research reveals that within the last ten years about two-thirds of America's 500 largest corporations have been involved in some form of unethical behavior (85). With statistics like these, surely one must wonder if there really is an ethical side to enterprise. Lee L. Morgan, president and chief operating officer of the Caterpillar Tractor Company, believes in the moral integrity of business but maintains that ethics begins with the individual. He claims that the ethical re-

sponsibility of a corporation must exist in the mind of every corporate employee. It is the individual's high moral character that will put ethics in motion. However, according to Morgan, "moral character does not start with the first day of employment . . . . nothing can come out of the adult that was not put into the child" (14). Consequently, Morgan believes that corporations should strive to hire people whose character appears to be in keeping with corporate standards. But this policy is easier said than done simply because first, it requires a corporation to establish a code of ethics, and second, it requires this corporation to hire only those individuals who conform to the code.

According to Michael Hoffman, director of the Center for Business Ethics at Bentley College in Waltham, Mass., "writing a code of ethics is an important first step toward building an ethical corporation" (Dresang 1). However, not every business executive sees ethics as an important issue. For example, Peter Drucker, the famous management consultant and philosopher, has in the past referred to business ethics as a passing fad and "stated flatly that there is no such thing as 'business ethics'" (Henderson 37). Fortunately for the American enterprise system, many corporate

executives are beginning to get serious about ethics. According to Ed Hood, vice chairman and executive officer of General Electric, "ethical behavior means doing the right thing for a wide range of constituencies. No business can succeed over time unless it does the right things for the constituencies it serves" (Dresang 1). Hood believes that "ethical behavior is pro-business and pro-profitability" (1). Jack Whiteman, chief executive officer for Empire Southwest, a distributor of construction equipment, agrees with Hood. Whiteman believes that a corporation can play fair and still earn a profit. Refusing to go along with payoff schemes that occurred at one time with foreign business transactions, Whiteman became adamant on the subject of ethics. Whiteman maintains that his honesty and the honesty of his employees has paid off in the long run. When commenting on the advantages of business ethics, Whiteman says, "There is no doubt in my mind that ethical behavior pays off at the bottom line" (Berney 22).

As more executives perceive the benefits of good business ethics, many are developing corporate ethical guidelines. Recent research by the Ethics Resource Center in Washington, D.C. found that "seventy-five

percent of the USA's 1,200 largest companies had established ethics codes" (Dresang 1). Similarly, a survey conducted by the Center for Business Ethics at Bentley College found that, of the corporations responding, eighty percent were in the process of establishing ethical guidelines (1).

Developing a code of ethics is not an easy task. According to Mark Pastin, director of the Center for Ethics at Arizona State University, there are two important questions that must be answered before proceeding to implement a code of ethics: (1) Is senior management willing to make development of a code of ethics a fully participative process? (2) Is senior management willing to commit the resources necessary to back the code with an organization-wide training program? Pastin maintains that unless these questions can be answered positively, corporate management is not ready to develop and implement a code of ethics. He firmly believes that the process of developing a code must be fully participative in order to gain sufficient support and positively affect conduct. In addition, the code needs the implementation of a corporate-wide training program or it might be perceived as nothing more than a defensive document (1).

According to Pastin, the corporate code should include three components: the company's purpose, its operating principles, and examples of those principles in action. Moreover, the code should be simple, non-legalistic and in a positive tone (2). As far as developing and implementing a code of ethics, Pastin says, "the chief executive must take a leadership role" (3). It is up to senior management to make sure the components of the code are clear, concise, and easily explained to corporate employees. Pastin maintains that a code of ethics "is best implemented through a rigorous training program minimally involving all personnel in management positions and optimally involving all employees" (4). Other ethics professionals seem to share Pastin's views. For example, Paul Mok, an ethics consultant and president of Training Associates of Richardson, Texas, believes that "it is up to the CEO to make ethics an acceptable topic of conversation" (Berney 23). Mok says that a CEO should "lead discussions in ethics workshops or training sessions and make videotapes explaining the company's written code and how to apply it" (23).

However, Pastin believes that it takes a little more than a code of ethics and training to make a

difference. Management should take an active role in setting an ethical climate. Pastin maintains that one of the keys to an effective ethics program is management commitment. He says "good ethics requires leaders who exemplify good ethics" (Higgins 13). Other corporate professionals share a similar view. For example, N. R. Horton, President and CEO of the American Management Association, believes that good ethics is possible "only by the deliberate and conscious actions of management at all levels" (3). According to Horton, each manager needs to understand his or her own personal code of ethics:

> what is fair; what is right; what is wrong? Where is the ethical line that I draw, the line beyond which I shall not go? And where is the line beyond which I shall not allow my organization to go? (3)

Horton believes that once the personal code of ethics has been established, all levels of management must promote ethical training by constant example and demonstration (3).

Gary Edwards, executive director of the Ethics Resource Center in Washington, D.C., agrees. He believes that managers must promote ethical behavior by serving as an example for other employees. Edwards sees this

as a function of middle management because "the manager's daily contact with employees provides the best forum for integrating corporate values into everyday conduct and decision making of the company's workforce" (15). Dorothy Schaeffer, a retired Southern Bell Telephone Company manager, supports Edwards' thinking to some degree. She believes that ethics is a science of moral duty, and that managers develop a sense of work ethics as a result of a combination of both personal life and on the job experience. Schaeffer maintains that these two kinds of experience help the manager formulate a standard with which to evaluate employee conduct (3).

In a study of moral issues experienced by managers, Waters, Bird, and Chant interviewed a variety of managers and found that "managers often do in fact experience themselves as making decisions and taking actions on the basis of moral considerations" (382). Waters et al concluded that managers think about corporate issues in moral terms when, (1) they feel moral standards may affect their deliberations, and (2) when the results of their decisions have an impact on the well-being of others (383). In a subsequent study, Bird and Waters identified and analyzed the moral

standards managers use in addressing corporate ethical issues and found that many managers see moral standards as self-evident cultural conventions that are often viewed as taken-for-granted common sense ideas (12). Some of these moral standards include:

> (1) honesty in communication, (2) fair treatment, (3) special consideration, (4) fair competition, (5) organizational responsibility, (6) corporate social responsibility, and, (7) respect for law. (1)

Furthermore, Bird and Waters have found that these standards, even though they are treated as self-evident cultural conventions, are, for the most part, "imprecisely understood, only loosely and haphazardly followed, and invoked largely as private intuitions" (13). In a later study, Waters and Bird found that managers, because of their inability to act in a given ethical situation or because they often found themselves in between a standard of organizational responsibility and some other competing moral standard, often experienced "moral stress" (17). The key source of this stress, as indicated by the researchers, is the lack of communication between employees about corporate moral issues. It seems that morality is readily discussed among individual managers but not among groups

of managers. Waters and Bird maintain that "because managers do not feel able to discuss moral issues with peers and superiors, they often experience the stress of being morally on their own" (18).

Gary Edwards, in an article entitled "Workplace Ethics," points out the importance of effective managerial communication. He says that managers should feel able to talk freely and openly about ethical issues and corporate policy. Furthermore, managers should strive to maintain a positive atmosphere by communicating to employees the principles of fairness, honesty, and trust as a necessary foundation for a strong relationship between the individual and the corporation (16).

Some ethics professionals, however, see these values as second place goals. Kenneth E. Goodpaster, an ethics professor at the Harvard Business School, maintains that businesses "often have an environment that pays more attention to economic success and winning than other values" (Clayton 38). In support of Goodpaster's claim, Richard D. Rosenberg, in a rather interesting study of managerial morality and behavior, found that "ethical values, in most cases, were subordinated to the manager's duty to achieve company goals"

(23). Moreover, Rosenberg found that the "inner conflict that managers sometimes experience between what was professed as right, and what had to be done in practice, was generally resolved on the basis of utility rather than on ethical or moral grounds" (23).

Often times this inner conflict may be the result of a manager discovering misconduct by peers, supervisors, or the entire organization. When this occurs, a manager must attempt to strike a balance between individual and corporate values in an effort to decide whether or not he should "blow the whistle" on those responsible for the misconduct. Whistle-blowing is probably one of the most sensitive and controversial issues occurring in the area of business ethics. Many corporations support whistle-blowing within their code of ethics, others do not. In a recent article commenting on corporate codes of conduct, Sanderson and Varner believe that while a code should be worded in such a way as to protect whistle blowers, they also think that "in the interests of overall morale, this form of reporting (or informing) should not be stressed or heavily relied on" (31). John D. Aram, professor of management at Case Western Reserve University, points out that many managerial actions that can be challenged

on ethical or legal grounds are usually performed in the hope of increasing the bottom line. Aram maintains that managers, when considering the total profit picture, often lose sight of such values as customer or public safety, honesty, and fairness. Aram believes that this imbalance of values, if left unchecked, will develop into a form of managerial anxiety; managers will begin to feel the pressure associated with corporate loyalty, the risk of job security, and loss of career (38). John Byrne, in his article "Think Before You Blow The Whistle," suggests that managers experiencing this form of anxiety should consider other alternatives before blowing the whistle. Byrne points out that morality is a matter of personal values and subject to controversy among individual employees. For this reason, Byrne suggests that managers should point out the misconduct privately, citing the benefits of a correct form of behavior (161).

Unfortunately, for many managers, this suggestion is not all that easy to follow. Nancy R. Hauserman, Associate Professor of Industrial Relations and Human Resources at the University of Iowa, claims that many whistle blowers are terminated or in some way disciplined by their employer. Hauserman believes whistle

blowers are, for the most part, honest employees but are not treated as such. She claims that they are not likely to be perceived as "teammates" by the corporation because "they violated an unwritten rule or job requirement: They asserted a loyalty that went beyond--or did not place primary emphasis on--the corporate employer" (9). Hauserman believes that in exalting the aims of business, we sometimes deny the moral and cultural values of the individuals within that business (5). Therefore, Hauserman thinks the whistle blower should be protected against employer retaliation. She says, "protecting the whistleblower is one way of reasserting individual morality in the corporate structure" (9).

The research on whistle blowing reveals that individual morality and/or personal values are frequently connected with ethical decision making. Other researchers have examined, in different contexts, the importance of personal value structures "in directing individuals' attitudes toward and behavior in the business setting" (Hegarty and Sims 451). Several studies support the contention that "middle and lower level managers often perceive far greater pressure than top managers, and top management requires good perform-

ance first and that ethical behavior is a second and less important objective" (451).

One reason this may be the case is found in the research by John Brummer, who divides business ethics into micro and macro ethical issues. Brummer maintains that while macro ethics deals with ethical policy formation within the corporation, micro ethical issues "center around potential conflicts which may emerge between an individual's personal value system and the occupational demands of his or her profession" (82). Brummer believes that often times managers, and especially middle managers, are caught in an ambivalent situation, in that they find it difficult to resolve the conflict between personal values and occupational roles.

George W. England, of the University of Minnesota, believes that a personal value system is "viewed as a relatively permanent perceptual framework which shapes and influences the general nature of an individial's behavior" (54). England developed the Personal Values Questionnaire (PVQ) to study the personal values (behavior) of corporate management. While England's methodology is extremely complex, the basic premise of the PVQ can be summarized as follows:

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> the behavior of a manager, insofar as behavior is a function of values, is best indicated by the joint function of those concepts he considers important and those concepts which fit his primary orientation. For a pragmatically oriented manager, a behavior is best predicted by those concepts considered important and successful; for a moral-ethically oriented manager, behavior is best predicted by those concepts considered important and right; while for an effect-oriented manager, behavior is best predicted by those concepts considered important and pleasant. (58)

As a result of his studies, England believes that, among other things, personal value systems "may influence a manager's decisions and solutions to problems . . . [and] may set the limits for the determination of what is and what is not ethical behavior by a manager" (54).

In a comparative study of the personal values of female and male managers, Watson and Ryan found that the "primary value orientation of both the female and male managers was pragmatic, and the secondary value orientation for both groups of managers was moralistic" (310). While a chi square test found no significant difference between the female and male managerial groups, the female subjects demonstrated a greater tendency toward a moralistic value orientation then did the male subjects (311).

In a similar study which compared the personal values and managerial decisions of female and male business students, David D. Palmer found that "although both groups exhibited value patterns generally comparable to those of [previously surveyed] managers, significant differences between men and women were found" (124). Both women and men students "exhibited strong pragmatic orientations and relatively strong orientations toward the seeking of positions of power and leadership" (130). However, "women were less strongly oriented toward Economic, Political and Theoretical values and more strongly oriented toward Social, Aesthetic and Religious values" (128). These results suggest that, in a comparison of value profiles, males were very similar to managers, but females displayed evidence of a combination of the profiles of both females and managers (130).

In a more recent study, Posner and Munson, using England's PVQ, also found differences in the value profiles of males and females. Using senior business students and college recruiters to make up the subject pool, Posner and Munson found significant differences in three out of five of England's value catagories, while a fourth category approached statistical signifi-

cance. According to Posner and Munson, females placed significantly greater importance on such value items as organizational stability, organizational efficiency, social welfare, employees, customers, co-workers, compromise, emotions, and equality (871-873).

In summary, this review began with a presentation of empirical evidence both for and against the issue of a gender difference in moral development. Next, the ethical decision-making process of a corporation was discussed along with the role of management in the establishment and implementation of a corporate code of ethics, and finally, personal value systems were discussed with reference to gender differences and their application to the ethical decision-making process. Empirical evidence was presented in support of and in opposition to a gender difference in managerial personal value systems.

Given that the literature presented has established the importance of moral development and personal value systems in solving ethical dilemmas, and that there is at least the possibility of some degree of a gender difference in moral development and in a manager's personal value system, then it is reasonable to hypothesize that these gender differences may have an

impact on the ethical conduct of corporate middle management.

Chapter III

RESEARCH METHODOLOGY

Subjects

The subjects were volunteer graduate and undergraduate students from two universities within the St. Louis metropolitan area. A total of ninety-three students completed the tests, forty-three males [46.2%] and fifty females [53.8%]. Ten males [10.7%] and seventeen females [18.3%], who completed the tests, were not included in the sample pool because they either did not satisfy the operational definition of middle management or because they left a portion of the tests incomplete. The resulting sample included sixty-six participants, thirty-three males and thirty-three females. The mean age of the male students was 36.6 years, with a range of twenty-four to fifty-three years. The mean age of the female students was 37.2 years, with a range of twenty-three to fifty-three years. Each student was employed in a corporate setting as a middle manager. For the purpose of this study, a middle manager was operationally defined as a

person who has supervisory responsibilities involving the coordination of work of subordinates and who reports to a higher level manager within the organizational structure of the corporation. The mean number of years of managerial experience for the male students was 8.5, with a range of one to eighteen years. The mean number of years of managerial experience for the female students was 5.6, with a range of one to seventeen years. The students had no known prior knowledge of this study, nor were they familiar with the research instruments.

Instrument

There were two research instruments used in this study. The first instrument, the Defining Issues Test (DIT), was developed by Dr. James Rest, research director for the Center For The Study of Ethical Development, at the University of Minnesota. The DIT is a multiple-choice test consisting of six moral-dilemma stories. Following each story, subjects are asked to decide on an appropriate solution to the dilemma. Next, subjects are presented with a series of twelve issues most of which might be considered in deciding how to resolve the dilemma. Each of these

issues is rated on a five point scale from "great importance" to "no importance." Finally, the subjects are asked to choose the four most important issues and rank them in the order of importance. The DIT contains two safeguards against invalid responding: an M score that indicates the extent to which the subjects endorse high-sounding but meaningless statements, and a consistency check that compares ratings and rankings to detect random responding. The DIT gives information about the process by which people judge what should be done in moral dilemmas. It assumes that the basic moral problem-solving strategies of people can be characterized in terms of six stages as identified by Kohlberg. Currently, the DIT provides three indices of moral reasoning, the P, D, and U score. The P score represents the relative importance that a subject gives to principled moral considerations (Stages 5 and 6) in making a moral decision. The D score represents the ratings of principled items in relation to preconventional (Stage 2) and conventional (Stages 3 and 4) items. The U score indicates the extent to which a subject is using concepts of justice in choosing the "right" moral choice. The DIT is divided into two parts. The first part (Appendix A) includes instruc-

tions, an example, and six moral dilemma stories. The second part (Appendix B) consists of statements and questions pertaining to each story and serves as an answer sheet (Rest 1-12).

The second instrument used in the study (Appendix C) is an excerpt from the Situational Perceptions-Observations Test (SPOT) developed by Dr. Paul Mok. This test consists of eight self-descriptive statements. The respondents were asked to complete each statement by circling the letter next to the phrase that best described how they would react to a given situation. Each phrase represents one of four groups of value sets. These sets include: 1. Socially Oriented Values, values that are characterized by a deep concern for the welfare of others; 2. Rational Values, values that center on commitment to rules and regulations; 3. Individualistic Values, values that are expressed in autonomous thinking and the belief that people should evaluate rules rather than obeying them blindly; 4. Competitive Values, values that are typical of someone motivated by the desire "to win the game" (Berney/Mok 26).

Procedures

The DIT and the Ethics Test were administered to the students in a relaxed atmosphere shortly before or after their regularly scheduled class. A brief explanation of the test was given; however, the purpose of the study was not revealed at this time. To insure confidentiality, student names or corporate employers were not recorded on any of the test forms. Tests were identified for analysis by an Identification Number. Students were asked to complete this number by filling in five blank rectangles located in the upper right-hand corner of the DIT answer sheet. If a student was male, he was asked to put a "0" in the first rectangle on the left. If the student was female, she was asked to put a "1" in this rectangle. In the subsequent two rectangles, students were asked to record their age. And in the last two rectangles, the students were asked to record their years of managerial experience. Those students who could not satisfy the operational definition of middle management were asked to put a "0" in the last two rectangles. The Identification Number and the DIT number (located in the lower right-hand corner of the DIT answer sheet) were then recorded on the Ethics Test. All of the students completed the tests

in approximately one hour or less.

Immediately after testing, a short debriefing session was held. At this time, the purpose of the study was discussed, the students were thanked for their participation, and they were informed that the results of the study would be mailed to their instructor for subsequent class discussion. Those students who were unavailable during regular class hours were administered the tests by mail. In this case, a cover letter (Appendix D) was included with the tests to permit a brief explanation of testing procedures.

Data Analysis

This was an experimental study with gender as the independent variable and the test scores as the dependent variable. Reading and scoring of the DIT was completed by the Center For The Study of Ethical Development. Subjects were assigned to the specific stages of moral development based on their test scores. The groups (male and female) were compared in terms of their mean scores by a one-way analysis of variance (ANOVA). The level of significance was set at .05.

The Ethics Test was hand scored. Responses to the self-descriptive statements were coded according to the

value set they represent. Scores obtained for each value set were totaled, and mean scores were calculated and statistically compared for each group (male v. female) by a one-way analysis of variance. The level of significance was set at .05.

Chapter IV

RESULTS

The sample pool was reduced somewhat due to the invalid responding safeguards incorporated in the DIT scoring procedures (See page fifty-six). Eleven [16.6%] of the sixty-six questionnaires were rejected because they violated the consistency standards. None of the questionnaires was rejected because of excessive M scores. Three questionnaires were randomly selected for rejection so as to maintain a balanced sample pool. The resulting sample included fifty-two participants, twenty-six males and twenty-six females.

Table 4 contains the means and standard deviations of the sample pool.

Table 4

Descriptive Statistics
Sample Pool

	MALE		FEMALE	
	$\bar{X}$	SD	$\bar{X}$	SD
AGE	36.6	7.26	36.4	7.63
EXPERIENCE	9.4	5.40	5.2	4.60

Table 5 contains the means and standard deviations for the DIT and Ethics Test variables.

Table 5

Descriptive Statistics
DIT and Ethics Test Variables

	MALE		FEMALE	
	$\bar{X}$	SD	$\bar{X}$	SD
P SCORE	36.35	11.99	40.71	14.49
U SCORE	.15	.12	.15	.12
SOCIAL	1.50	.98	1.00	.80
RATIONAL	2.88	1.68	2.88	1.47
INDIVIDUAL	2.65	1.52	3.03	1.34
COMPETITIVE	.96	.99	1.07	1.01

The DIT uses several scoring indices in the analysis of data. Two of these, the P score and the U score, were used in this study. The P score is interpreted as the relative importance that subjects give to principled moral considerations when making a moral decision. It consists of the simple sum of scores from Stages 5A, 5B, and 6, converted to a percent. According to Rest, the P score represents the degree to which a person's thinking is like the thinking of moral phi-

losophers. P scores generally range in the 40s for college students and adults in general, 50s for graduate students, and 60s for moral philosophers. Standard deviations in each of the student groups usually range between six and fourteen.

Table 6 represents a one-way analysis of variance between male and female P scores.

Table 6

ANOVA of P Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	246.863	1	246.863	1.395	.2432
WITHIN	8851.111	50	177.022		
TOTAL	9097.974	51			

N=52

The U score indicates the extent to which a subject is using concepts of justice in choosing the "right" moral choice. Investigated by Dr. Stephen Thoma (See Thoma, 1986), the U score is derived from two pieces of DIT data: the action choices that subjects make (i.e., Heinz should steal, or Heinz should not steal), and the items that they rank as most important. According to Thoma, the twelve items for each moral dilemma have a logical implication that

favors one action or the other. High U scores are obtained when a subject's item selection tends to go along with their action choice. The U score can range from +1.0 to -1.0, but most scores are usually between .10 and .20.

Table 7 represents a one-way analysis of variance between male and female U scores.

Table 7

ANOVA of U Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	8.3200E-04	1	8.3200E-04	.057	.8130
WITHIN	.735	50	.015		
TOTAL	.736	51			

N=52

With the second instrument (An Ethics Test), there were four possible answers to each of the eight self-descriptive statements. Each answer was coded according to an assigned value set. There were four value sets used in the study (See page fifty-seven).

Table 8 represents a one-way analysis of variance between the male and female social value set test scores.

Table 8

ANOVA of Social Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	3.250	1	3.250	4.012	.0506
WITHIN	40.500	50	.810		
TOTAL	43.750	51			

N=52

Table 9 represents a one-way analysis of variance between the male and female rational value set test scores.

Table 9

ANOVA of Rational Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	8.1538E-26	1	8.1538E-26	3.2535E-26	1.0
WITHIN	125.308	50	2.506		
TOTAL	125.308	51			

N=52

Table 10 represents a one-way analysis of variance between the male and female individualistic value set test scores.

Table 10

ANOVA of Individualistic Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	1.923	1	1.923	.935	.3382
WITHIN	102.846	50	2.057		
TOTAL	104.769	51			

N=52

Table 11 represents a one-way analysis of variance between the male and female competitive value set test scores.

Table 11

ANOVA of Competitive Scores

SOURCE	SS	D.F.	MS	F	PROB
BETWEEN	.173	1	.173	.170	.6816
WITHIN	50.808	50	1.016		
TOTAL	50.981	51			

N=52

Chapter V

DISCUSSION

The data introduced in the preceding chapter reveals interesting information about the subject pool. Most of this data has been arranged in tables and is explained as follows: Table 4 shows that while the students were very close to the same age, the males had approximately four more years of managerial experience than did the females. Table 5 contains a list of variables used in both the DIT and the Ethics Test. The first two variables concern the DIT, while the remaining four variables apply only to the Ethics Test. From the mean scores presented in Table 5, it is easy to determine that the females outscored the males on the first, fifth and sixth variables, the males outscored the females on the third variable, and both males and females scored approximately the same on the second and fourth variables.

The reason for using the DIT in this study was to examine the moral judgment level of male and female corporate managers. The DIT accomplishes this task using the two indices, the P score and the U score,

explained in the previous chapter. With respect to the P score, the females showed a higher level of moral judgment development than did the males; however, reference to Table 6 reveals that a one-way ANOVA determined that the difference between the means did not approach statistical significance ($F = 1.395$, $df = 1/50$). Similar results were obtained in Table 7 when the U score was subjected to a one-way ANOVA. Since both male and female U scores were almost identical, it goes without saying that the means did not approach statistical significance ($F = .057$, $df = 1/50$). Moreover, this analysis, and the comparison of the sample means to the U score norms (see page 64), indicates that the subjects' item selection tended to coincide with their selection of a course of action for each dilemma, a good indication that the subjects used the concepts of justice in making their moral judgments.

Given the expectation that there might be a difference in the moral judgement levels of males and females in the subject pool, a follow-up study was designed to determine if any such differences could be due to differences in underlying value orientations. As mentioned previously, the Ethics Test consisted of eight self-descriptive statements, each with an

assigned value set, or orientation. The purpose of the test was to measure how a subject would apply their values to the descriptive statements. For example, if the majority of statements selected by a subject were assigned to the rational value set, then it might be concluded that this subject's values centered on a commitment to rules and regulations. Once again, the mean scores for both males and females with respect to the Ethics Test variables were very similar, with one exception. Males outscored the females on the Social value set, and this was the only variable throughout the study that came close to approaching statistical significance ($F = 4.012$, $p = .0506$)(Table 8). This result indicates that the male respondents were governed more, in their decision making, by a concern for the welfare of others than the female respondents. This is an unexpected finding in light of Gilligan's theory and prevailing sexual stereotypes.

With respect to the rational value set, male and female mean scores were identical and, as could be expected, a one-way ANOVA (Table 9) revealed no significant differences ($F = 3.253$, $df = 1/50$). Females outscored the males in both the individual (Table 10) and competitive (Table 11) value sets, but, once again,

ANOVA's revealed no significant differences between the mean scores.

Summary

This study has covered a number of different aspects pertaining to the corporate ethical decision making process. Ethical problems confronting today's managers have been cited along with alternative solutions to these problems. In addition, the notion that moral development plays a big part in how a manager may attempt to solve an ethical dilemma has been discussed including the possibility that male managers may differ in their level of moral development from female managers. Personal value systems and their relationship to the ethical decision making process were also discussed. Empirical evidence both for and against the issue of gender differences in personal value systems and moral development were presented leading to the hypothesis that discernible differences do exist in the ethical decision-making processes used by male and female middle level managers.

Specifically, the intent of this research was to measure the differences between male and female ethical decision making processes from both a moral development

and a value orientation perspective; however, test scores and the subsequent statistical analysis presented in the preceding chapter have produced considerable evidence to suggest that the hypothesis be rejected and to conclude that, within this sample pool, male and female moral development levels and value orientations are very similar.

Limitations

The limitations of this study should be carefully considered when attempting to discuss the research results. First, the subjects used in this study were adult graduate students occupying corporate management positions. While this subject pool, for all intents and purposes, may seem to be ideal for this type of research, it must be borne in mind that work days are long and evenings pursuing graduate study are even longer. Research involving the use of complex tests such as the DIT require subjects who are sufficiently motivated, and testing conditions that permit full concentration on the material at hand. Perhaps the subject rejection rate (16.6%) would have been lower if all of the students had been prepared for the test in advance, and a special time had been set aside for its

administration that did not conflict with other obligations. Under these circumstances, it is also possible that different results would have been obtained from the subjects who were not rejected. Second, it is believed that the DIT may have been too complex and the Ethics Test too simple. Perhaps the short version of the DIT would have been sufficient for this type of research and easier to complete, while a longer version of the Ethics Test may have given a better assessment of an individual's value set profiles and produced more divergent test scores.

Suggestions for Future Research

For future research, a replication of this study would be appropriate; however, certain modifications in research methodology may be necessary to achieve more conclusive results. It is advised that the subject pool be drawn from a group of corporate managers representing a diverse enterprise system. Perhaps a professional managerial organization such as the Administrative Management Society (AMS) or the American Association of Industrial Management (AAIM) may be a reliable source of qualified managers. In addition, it may be advisable to examine alternative research instruments.

An instrument that measures moral development and personal value orientations, while offering ethical dilemmas from a corporate perspective, may be more in line with the objectives of this type of study.

APPENDIX A

DEFINING ISSUES TEST

INSTRUCTION BOOKLET

University of Minnesota
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Opinions about Social Problems

The purpose of this questionnaire is to help us understand how people think about social problems. Different people have different opinions about questions of right and wrong. There are no "right" answers to such problems in the way that math problems have right answers. We would like you to tell us what you think about several problem stories.

You will be asked to read a story from this booklet. Then you will be asked to mark your answers on a separate answer sheet. More details about how to do this will follow. But it is important that you fill in your answers on the answer sheet with a #2 pencil. Please make sure that your mark completely fills the little circle, that the mark is dark, and that any erasures that you make are completely clean.

The identification Number at the top of the answer sheet may already be filled in when you receive your materials. If not, you will receive special instructions about how to fill in that number.

In this questionnaire you will be asked to read a story and then to place marks on the answer sheet. In order to illustrate how we would like you to do this, consider the following story:

FRANK AND THE CAR

> Frank Jones has been thinking about buying a car. He is married, has two small children and earns an average income. The car he buys will be his family's only car. It will be used mostly to get to work and drive around town, but sometimes for vacation trips also. In trying to decide what car to buy, Frank Jones realized that there were a lot of questions to consider. For instance, should he buy a larger used car or a smaller new car for about the same amount of money? Other questions occur to him.

We note that this is not really a social problem, but it will illustrate our instructions. After you read a story you will then turn to the answer sheet to find the section that corresponds to the story. But in this sample story, we present the questions below (along with some sample answers). Note that all your answers will be marked on the separate answer sheet.

First, on the answer sheet for each story your will be asked to indicate your recommendation for what a person should do. If you tend to favor one action or another (even if you are not completely sure), indicate which one. If you do not favor either action, mark the circle by "can't decide."

Second, read each of the items numbered 1 to 12. Think of the issue that the item is raising. If that issue is important in making a decision, one way or the other, then mark the circle by "great." If that issue is not important or doesn't make sense to you, mark "no." If the issue is relevant but not critical, mark "much," "some," or "little" --depending on how much importance that issue has in your opinion. You may mark several items as "great" (or any other level of importance) -- there is no fixed number of items that must be marked at any one level.

Third, after you have made your marks along the left hand side of each of the 12 items, then at the bottom you will be asked to choose the item that is the most important consideration out of all the items printed there. Pick from among the items provided even if you think that none of the items are of "great" importance. Of the items that are presented there, pick one as the most important (relative to the others),

then the second most important, third, and fourth most important.

SAMPLE ITEMS and SAMPLE ANSWERS:

FRANK AND THE CAR: ● buy new car 0 can't decide
0 buy used car

Great Much		Some Little		No	
0	0	0	0	●	1. Whether the car dealer was in the same block as where Frank lives.
●	0	0	0	0	2. Would a used car be more economical in the long run than a new car.
0	0	●	0	0	3. Whether the color was green, Frank's favorite color.
0	0	0	0	●	4. Whether the cubic inch displacement was at least 200.
●	0	0	0	0	5. Would a large, roomy car be better than a compact car.
0	0	0	0	●	6. Whether the front connibilies were differential.

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	●	0	0	0	0	0	0	0
Second most important	0	●	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	●	0	0	0	0	0	0	0	0	0
Fourth most important	●	0	0	0	0	0	0	0	0	0	0	0

Note that in our sample responses, the first item was considered irrelevant; the second item was considered as a critical issue in making a decision; the third item was considered of only moderate importance; the fourth item was not clear to the person responding whether 200 was good or not, so it was marked "no"; the fifth item was also of critical importance; and the sixth item didn't make any sense, so it was marked "no."

Note that the most important item comes from one of the items marked on the far left hand side. In deciding between item #2 and #5, a person should reread these items, then put one of them as the most impor-

tant, and the other item as second, etc.

Here is the first story for your consideration. Read the story and then turn to the separate answer sheet to mark your responses. After filling in the four most important items for the story, return to this booklet to read the next story. Please remember to fill in the circle completely, make dark marks, and completely erase all corrections.

HEINZ AND THE DRUG

In Europe a women was near death from a special kind of cancer. There was one drug that doctors thought might save her. It was a form of radium that a druggist in the same town had recently discovered. The drug was expensive to make, but the druggist was charging ten times what the drug cost to make. He paid $200 for the radium and charged $2,000 for a small dose of the drug. The sick woman's husband, Heinz, went to everyone he knew to borrow money, but he could only get together about $1,000, which is half of what it cost. He told the druggist that his wife was dying, and asked him to sell it cheaper or let him pay later. But the druggist said, "No, I discovered the drug and I'm going to make money from it." So Heinz got desperate and began to think about breaking into the man's store to steal the drug for his wife. Should Heinz steal the drug?

ESCAPED PRISONER

A man had been sentenced to prison for 10 years. After one year, however, he escaped from prison, moved to a new area of the country, and took on the name of Thompson. For eight years he worked hard, and gradually he saved enough money to buy his own business. He was fair to his customers, gave his employees top wages, and gave most of his own profits to charity. Then one day, Mrs. Jones, and old neighbor, recognized him as the man who had escaped from prison eight years before, and whom the police had been looking for. Should Mrs. Jones report Mr. Thompson to the police and have him sent back to prison?

NEWSPAPER

Fred, a senior in high school, wanted to publish a mimeographed newspaper for students so that he could

express many of his opinions. He wanted to speak out against the use of the military in international disputes and to speak out against some of the school's rules, like the rule forbidding boys to wear long hair.

When Fred started his newspaper, he asked his principal for permission. The principal said it would be all right if before every publication Fred would turn in all his articles for the principal's approval. Fred agreed and turned in several articles for approval. The principal approved all of them and Fred published two issues of the paper in the next two weeks.

But the principal had not expected that Fred's newspaper would receive so much attention. Students were so excited by the paper that they began to organize protests against the hair regulation and other school rules. Angry parents objected to Fred's opinions. They phoned the principal telling him that the newspaper was unpatriotic and should not be published. As a result of the rising excitement, the principal ordered Fred to stop publishing. He gave as a reason that Fred's activities were disruptive to the operation of the school. Should the principal stop the newspaper?

DOCTOR'S DILEMMA

A lady was dying of cancer which could not be cured and she had only about six months to live. She was in terrible pain, but she was so weak that a good dose of pain-killer like morphine would make her die sooner. She was delirious and almost crazy with pain, and in her calm periods, she would ask the doctor to give her enough morphine to kill her. She said she couldn't stand the pain and that she was going to die in a few months anyway. Should the doctor give her an overdose of morphine that would make her die?

WEBSTER

Mr. Webster was the owner and manager of a gas station. He wanted to hire another mechanic to help him, but good mechanics were hard to find. The only person he found who seemed to be a good mechanic was Mr. Lee, but he was Chinese. While Mr. Webster himself didn't have anything against Orientals, he was afraid to hire Mr. Lee because many of his customers didn't like Orientals. His customers might take their business elsewhere if Mr. Lee was working in the gas

station.

When Mr. Lee asked Mr. Webster if he could have the job, Mr. Webster said that he had already hired somebody else. But Mr. Webster really had not hired anybody, because he could not find anybody who was a good mechanic besides Mr. Lee. Should Mr. Webster have hired Mr. Lee?

STUDENT TAKE-OVER

Back in the 1960s at Harvard University there was a student group called Students for a Democratic Society (SDS). SDS students were against the war in Viet Nam, and were against the army training program (ROTC) that helped to send men to fight in Viet Nam. While the war was still going on, the SDS students demanded that Harvard end the army ROTC program as a university course. This would mean that Harvard students could not get army training as part of their regular course work and not get credit for it towards their degree.

Harvard professors agreed with the SDS students. The professors voted to end the ROTC program as a university course. But the President of the University took a different view. He stated that the army program should stay on campus as a course.

The SDS students felt that the President of the University was not going to pay attention to the vote of the professors, and was going to keep the ROTC program as a course on campus. The SDS students then marched to the university's administration building to force Harvard's President to get rid of the army ROTC program on campus for credit as a course.

Were the students right to take over the administration building?

Please make sure that all your marks are dark, fill the circles, and that all erasures are clean.

THANK YOU.

APPENDIX B

DEFINING ISSUES TEST

ANSWER SHEET

Identification Number | | | | | |

University of Minnesota
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HEINZ AND THE DRUG: 0 Should Steel 0 Can't Decide
0 Should not steal

Great Much		Some		No Little	
0	0	0	0	0	1. Whether a community's laws are going to be upheld.
0	0	0	0	0	2. Isn't it only natural for a loving husband to care so much for his wife that he'd steal?
0	0	0	0	0	3. Is Heinz willing to risk getting shot as a burglar or going to jail for the chance that stealing the drug might help?
0	0	0	0	0	4. Whether Heinz is a professional wrestler, or has considerable influence with professional wrestlers.
0	0	0	0	0	5. Whether Heinz is stealing for himself or doing this solely to help someone else.
0	0	0	0	0	6. Whether the druggist's rights to his invention have to be respected.
0	0	0	0	0	7. Whether the essence of living is more encompassing than the termination of dying, socially and individually.
0	0	0	0	0	8. What values are going to be the basis for governing how people

act towards each other.

0	0	0	0	0	9. Whether the druggist is going to be allowed to hide behind a worthless law which only protects the rich anyhow.
0	0	0	0	0	10. Whether the law in this case is getting in the way of the most basic claim of any member of society.
0	0	0	0	0	11. Whether the druggist deserves to be robbed for being so greedy and cruel.
0	0	0	0	0	12. Would stealing in such a case bring about more total good for the whole society or not.

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

ESCAPED PRISONER: 0 Should report him 0 Can't decide
0 Should not report him

Great Much		Some		No Little	
0	0	0	0	0	1. Hasn't Mr. Thompson been good enough for such a long time to prove he isn't a bad person?
0	0	0	0	0	2. Everytime someone escapes punishment for a crime, doesn't that just encourage more crime?
0	0	0	0	0	3. Wouldn't we be better off without prisons and the oppression of our legal system?
0	0	0	0	0	4. Has Mr. Thompson really paid his debt to society?
0	0	0	0	0	5. Would society be failing what Mr. Thompson should fairly expect?
0	0	0	0	0	6. What benefits would prisons be apart from society, especially for a charitable man?

0	0	0	0	0	7. How could anyone be so cruel and heartless as to send Mr. Thompson to prison?
0	0	0	0	0	8. Would it be fair to all the prisoners who had to serve out their full sentences if Mr. Thompson was let off?
0	0	0	0	0	9. Was Mrs. Jones a good friend of Mr. Thompson?
0	0	0	0	0	10. Wouldn't it be a citizen's duty to report an escaped criminal, regardless of the circumstances?
0	0	0	0	0	11. How would the will of the people and the public good best be served?
0	0	0	0	0	12. Would going to prison do any good for Mr. Thompson or protect anybody?

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

Please do not write in this box

● ● ● ● 0 ● 0 ● ● 0 0 ● 0 ● 0 0 0 0 0 1 0 6 7 1

NEWSPAPER: 0 Should stop it 0 Can't decide
0 Should not stop it

Great Much		Some	Little	No	
0	0	0	0	0	1. Is the principal more responsible to students or to parents?
0	0	0	0	0	2. Did the principal give his word that the newspaper could be published for a long time, or did he just promise to approve the newspaper one issue at a time?
0	0	0	0	0	3. Would the students start protesting even more if the principal stopped the newspaper?
0	0	0	0	0	4. When the welfare of the school is threatened, does the principal have the right to give orders to students?
0	0	0	0	0	5. Does the principal have the freedom of speech to say "no" in this case?
0	0	0	0	0	6. If the principal stopped the newspaper would he be preventing full discussion of important problems?
0	0	0	0	0	7. Whether the principal's order would make Fred lose faith in the principal.
0	0	0	0	0	8. Whether Fred was really loyal to his school and patriotic to his country.
0	0	0	0	0	9. What effect would stopping the paper have on the student's education in critical thinking and judgment?
0	0	0	0	0	10. Whether Fred was in any way violating the rights of others in publishing his own opinions.
0	0	0	0	0	11. Whether the principal should be influenced by some angry parents when it is the principal that knows best what is going

						on in the school.
0	0	0	0	0	12.	Whether Fred was using the newspaper to stir up hatred and discontent.

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

DOCTOR'S DILEMMA: 0 He should give the lady an overdose that will make her die
0 Can't decide
0 Should not give the overdose

Great Much		Some		No Little		
0	0	0	0	0	1.	Whether the woman's family is in favor of giving her the overdose or not.
0	0	0	0	0	2.	Is the doctor obligated by the same laws as everybody else if giving an overdose would be the same as killing her.
0	0	0	0	0	3.	Whether people would be much better off without society regimenting their lives and even their deaths.
0	0	0	0	0	4.	Whether the doctor could make it appear like an accident.
0	0	0	0	0	5.	Does the state have the right to force continued existence on those who don't want to live.
0	0	0	0	0	6.	What is the value of death prior to society's perspective on personal values.
0	0	0	0	0	7.	Whether the doctor has sympathy for the woman's suffering or cares more about what society might think.

Great Much		Some	Little	No		
0	0	0	0	0	8.	Is helping to end another's life ever a responsible act of cooperation.
0	0	0	0	0	9.	Whether only God should decide when a person's life should end.
0	0	0	0	0	10.	What values the doctor has set for himself in his own personal code of behavior.
0	0	0	0	0	11.	Can society afford to let everybody end their lives when they want to.
0	0	0	0	0	12.	Can society allow suicides or mercy killing and still protect the lives of individuals who want to live.

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

WEBSTER: 0 Should have hired Mr. Lee 0 Can't Decide
0 Should not have hired him

Great Much		Some	Little	No		
0	0	0	0	0	1.	Does the owner of a business have the right to make his own business decisions or not?
0	0	0	0	0	2.	Whether there is a law that forbids racial discrimination in hiring for jobs.
0	0	0	0	0	3.	Whether Mr. Webster is prejudiced against orientals himself or whether he means nothing personal in refusing the job.
0	0	0	0	0	4.	Whether hiring a good mechanic or paying attention to his customers' wishes would be best for his business.

0	0	0	0	0	5. What individual differences ought to be relevant in deciding how society's rules are filled?
0	0	0	0	0	6. Whether the greedy and competitive capitalistic system ought to be completely abandoned.
0	0	0	0	0	7. Do a majority of people in Mr. Webster's society feel like his customers or are a majority against prejudice?
0	0	0	0	0	8. Whether hiring capable men like Mr. Lee would use talents that would otherwise be lost to society?
0	0	0	0	0	9. Would refusing the job to Mr. Lee be consistent with Mr. Webster's own moral beliefs?
0	0	0	0	0	10. Could Mr. Webster be so hard-hearted as to refuse the job, knowing how much it means to Mr. Lee?
0	0	0	0	0	11. Whether the Christian commandment to love your fellow man applies to this case.
0	0	0	0	0	12. If someone's in need, shouldn't he be helped regardless of what you get back from him?

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

STUDENTS: 0 Take it over 0 Can't decide
0 Not take it over

Great Much		Some		No Little	
0	0	0	0	0	1. Are the students doing this to really help other people or are they doing it just for kicks.

0	0	0	0	0	2. Do the students have any right to take over property that doesn't belong to them.
0	0	0	0	0	3. Do the students realize that they might be arrested and fined, and even expelled from school.
0	0	0	0	0	4. Would taking over the building in the long run benefit more people to a greater extent.
0	0	0	0	0	5. Whether the president stayed within the limits of his authority in ignoring the faculty vote.
0	0	0	0	0	6. Will the takeover anger the public and give all students a bad name.
0	0	0	0	0	7. Is taking over a building consistent with principles of justice.
0	0	0	0	0	8. Would allowing one student take-over encourage many other student take-overs.
0	0	0	0	0	9. Did the president bring this misunderstanding on himself by being so unreasonable and uncooperative.
0	0	0	0	0	10. Whether running the university ought to be in the hands of a few administrators or in the hands of all the people.
0	0	0	0	0	11. Are the students following principles which they believe are above the law.
0	0	0	0	0	12. Whether or not university decisions ought to be respected by students.

	1	2	3	4	5	6	7	8	9	10	11	12
Most important item	0	0	0	0	0	0	0	0	0	0	0	0
Second most important	0	0	0	0	0	0	0	0	0	0	0	0
Third most important	0	0	0	0	0	0	0	0	0	0	0	0
Fourth most important	0	0	0	0	0	0	0	0	0	0	0	0

APPENDIX C

An Ethics Test

DIT No._____ Identification No._____

To complete the eight self-descriptive statements, please circle the letter next to the phrase that best describes you.

1. In relating to a boss, I may:
a. express a lack of concern if a lack of concern is expressed to me.
b. convey impatience with ideas that involve departures from procedures.
c. show little interest in thoughts and ideas that show little or no originality or understanding of the company.
d. tend to get impatient with lengthy explanations and direct my attention to what needs to be done right now.

2. When circumstances prevent me from doing what I want, I find it most useful to:
a. review any roadblocks and figure out how I can get around them.
b. rethink all that has happened and develop a new idea, approach or view of my job.
c. keep in mind the basics, pinpoint the key obstacles and modify my game plan accordingly.
d. analyze the motivations of others and develop a new "feel" for those around me.

3. If I must deal with an unpleasant customer, I would probably try to:
a. clarify the problem and explore the alternatives.
b. highlight in plain language what I want, need or expect the customer to do.

c. explain the "big picture" and how the situation relates to it.
d. express empathy by putting myself in his/her shoes.

4. In terms of things like personal phone calls on the job, a company should probably:
a. be understanding of the employees if they don't overdo it.
b. make the rules clear and see that they are followed.
c. do what is best for company profits.
d. explore company policies that are consistent with personal needs.

5. If a friend told me he was "padding" the expense account for $10, I would probably:
a. advise the person not to; that he is stealing and should not do it.
b. figure this is common practice even if it isn't right.
c. figure each person is trying to survive the best he can.
d. try not be judgmental and see if I could help.

6. If I have done something that goes against the company policy and procedures, I probably:
a. would have done so to help others in the company.
b. would be upset and need to re-examine my actions.
c. would have done so to get results in the most practical way.
d. would consider how the policies and procedures could be modified in the future.

7. When I start a new job, I feel it is preferable to:
a. learn what is expected, what the rules are, and follow them.
b. see where the company is and what its orientation really is.
c. make a name for myself based on competitive results.
d. make friends and show I am a "regular" person.

8. When workmates take shortcuts, my actions will probably depend on:
a. whether the workmates are good friends or not.

b. whether they knew the rules; if they didn't, I would explain them.
c. whether their actions would hurt me and my department.
d. whether such shortcuts would significantly affect results.

SOURCE: Situational Perceptions-Observations Test by Dr. Paul Mok. As cited in "Finding The Ethical Edge" by Karen Berney. Nation's Business (August 1987).

Thank you for your participation in this study.

APPENDIX D

COVER LETTER

October 18, 1987

1290 Jackson Lane
Florissant, Missouri 63031

Dear

As per our telephone conversation, enclosed herewith is the Defining Issues Test (DIT) and a simplified version of an ethics test. Please complete both tests as soon as possible, and return all forms to me in the enclosed self-addressed stamped envelope.

To insure confidentiality, please do not put your name or your employer on any of these forms. In the upper right hand corner of the DIT answer sheet there is a series of five blank rectangles entitled "Identification Number." This number will be used for test identification during statistical analysis. It is important that this number be completed correctly. If your are male put a "0" in the first rectangle on the left. If you are female put a "1" is this rectangle. In the subsequent two rectangles record your age. And in the last two rectangles place the number of years of experience that you have as a middle manager. Now, record this number in the upper right-hand corner of the Ethics Test. At this time, you will notice a blank space in the upper left hand corner of the Ethics Test. This space is to be used for the DIT number. You will find the DIT number in the lower right-hand corner of the DIT answer sheet. Please record the DIT number in this space now.

Please read over the DIT instruction booklet and answer the questions by filling in the appropriate circle on the DIT answer sheet. The DIT is, for the most part, self-explanatory; however, if you should have a problem, please do not hesitate to call me at 837-5870. Remember to answer all the questions as a blank answer

will negate a portion of the scoring procedure. The average time for completing the DIT is approximately forty-five minutes.

After completing the DIT, you may proceed to the Ethics Test. This test is relatively short in comparison to the DIT and should take you approximately fifteen minutes to complete. Please be sure to answer all eight of the self-descriptive statements by circling only one letter for each statement.

I am extremely grateful for your participation in this study. Thanking you in advance and anxiously awaiting your reply, I remain,

Respectfully,

Daniel W. Kemper

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