

IAAER/ACCA International Accounting Education Standards Project

Does Education and Training in Ethics Affect the Ethical Awareness of Practicing Accountants?

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December 2010

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Introduction

Many papers have been written on ethics education in business. There are conflicting views on whether ethics should, or even can, be taught. Moreover, where and how ethics education is delivered varies significantly ranging from stand-alone ethics courses to integrating ethics training in normal business school courses. There is mixed evidence on how ethics instruction might affect ethical decision-making and behavior and on what content should be included. When ethical judgment and decision-making are included as part of the formal education process, educators generally agree that ethics and personal integrity should be taught across a broad range of subjects (Kerr and Smith, 1995; Milton-Smith, 1996; Smith, 2003). Accounting professionals, however, are not confident in the ability of educators to teach accounting ethics effectively in a classroom setting. Rather, accounting professionals have more trust in the ability of educators to conduct research that will aid in technical matters than in providing moral and ethical guidance to solve real-world problems (Carver and King, 1986; Ward et al., 1993). In the eyes of these practitioners, educators appear to be more effective in setting the stage for discussion of ethical issues than they are in resolving them (Cohen and Pant, 1989).

The extent of ethics education in the business curricula appears to be increasing. While this trend is encouraging, many ethics courses appear to be optional and focused on business ethics, with few courses specializing in accounting ethics. Some pundits lament that accounting ethics is not covered in a significant way in most institutions of higher learning (Swanson, 2005; Gaa and Thorne, 2004; Lampe, 1996; Armstrong and Mintz, 1989; Cohen and Pant, 1989; Cooke

et al., 1987-1988). McPhail (2001) claims that unlike other professions, in accounting there are relatively few specific examples of methods and techniques of teaching ethics in the literature. McPhail compares the content and technics in teaching ethics within the medical, legal and engineering professions to what is taught in accounting and finds accounting ethics education lacking.

While many of these studies specifically examine the issues of ethics education covered during the formal accounting education process (i.e., prior to students' formal accounting careers), they do not examine the effects of ethics education on the practicing professional. Professional accountants receive ethics training in qualification courses, continuing professional developments courses, and employer sponsored training. The accounting profession tends to rely on higher education to provide a foundation in moral reasoning recognizing that many ethical dilemmas cannot be fully understood until one faces the dilemmas in "real life". Professional accounting bodies recognize that the nature of accounting work requires a professional code of conduct that instills confidence in the accounting profession.

The accounting profession takes two main approaches to accounting ethics education. One approach can be characterized as a "rules-based" approach. This approach focuses on memorizing a body of do's and don'ts promulgated in professional codes of conduct such as the requirement for an auditor to be independent, in appearance and fact, of an audit client. The rules-based approach is predominantly tested as a precondition and a continuing requirement of being licensed to practice public accounting in the United States.

The second approach is more principles-based. The emphasis of this approach is to train professional accountants to recognize ethical situations and dilemmas and then to use appropriate ethical judgment to resolve problems and challenges that arise. The goal is to blanket the "rules-

based” approach with the skills, judgment, and commitment to ethical behavior that will result in maintaining public confidence in the accounting profession. This is the approach adopted by the International Accounting Education Standards Board (IAESB).

In our study we seek to answer two basic research questions. First, does professional ethics training make a difference in an accounting professional’s ethical motivation, reasoning, and intention? Second, are there other factors such as culture and demographic factors that affect the usefulness of ethics training?

We administered several surveys along each of three stages of ethical behavior to a sample of practicing accountants and persons preparing for the certification/chartering process to become a professional accountant. Using bivariate and regression analysis, we find that professional ethics training does have an influence on practicing accountants depending on their cultural background, other ethics training, and demographic factors. Another important finding is that the more recent professional ethics training is associated with higher ethical intentions and higher moral reasoning.

Ethics Education Continuum

The IAESB is part of the International Federation of Accountants (IFAC) and charged with developing international education practices. In International Education Practice Statement (IEPS) Number 1, the IAESB suggests that to develop ethical competence in accountants, ethics education progresses through a four stage continuum:

Stage 1—Enhancing Ethics Knowledge

Stage 2—Developing Ethical Sensitivity

Stage 3—Improving Ethical Judgment

Stage 4—Maintaining an Ongoing Commitment to Ethical Behavior

(Figure 1)

In attempting to enhance ethics knowledge, it is recognized that individuals entering the accounting profession come with personal ethical perceptions and values developed through family beliefs, religious affiliations, education and interactions with peers and society. Because influences that shape ethical perceptions and attitudes are diverse, Stage 1 education generally attempts to define ethics and create expectations. It is during this stage in professional accounting education that the professional code of conduct is introduced. As such, this level of education is predominantly rules-based. Individuals usually receive this level of education in pre-certification programs such as university courses. Stage 2 ethics is also taught in the pre-certification programs and focuses on helping accounting professionals recognize ethical situations. This stage builds on Stage 1 training and begins to be principles-based. Most people entering the accounting profession have been exposed to Stage 1 and Stage 2 training by the time they begin the qualifying process.

Education in Stages 3 and 4 is generally the focus of continuing professional development and employer sponsored ethics training. The goal of this training is to continue helping professionals identify ethical situations and use their understanding of professional codes of conduct and expected ethical behavior in making the right choices with the hope that as professionals continue to think, act and behave ethically, they become more committed to ethical conduct. As a person cycles through the continuum and gains more experience and exposure to real-world issues, ethical knowledge, sensitivity, judgment and commitment is strengthened and enhanced to a level that a person not only behaves ethically, but also advocates ethical behavior in others. For a young professional accountant, efforts to raise concerns about ethical practices

will require considerable confidence and all the skills that training can impart. These capabilities can be strengthened through an appropriate choice of experiential learning techniques.

Ethics Research

Much of the research that exams ethical behavior can be grouped in three main categories: Moral motivation research, moral reasoning research, and ethical intention research. Ethics studies attempt to identify a person's moral and workplace values, a person's ethical awareness and judgment, and a person's intention to behave ethically. These ethics research categories mirror the Ethics Education Continuum as shown in Figure 2. A person's formative years largely dictates his or her moral motivation and is the starting point for enhancing ethics knowledge. Ethics education is built on this personal ethics foundation. This starting point will not be the same for all people entering the accounting profession because of differences in background, experience, culture, and moral values. Regardless of the starting point, the expected outcome for professional accountants is the same: To teach accountants to recognize ethical issues. The IAESB, in International Education Standard (IES) 4 states that IFAC member bodies should offer professional accounting education to "provide potential professional accountants with a framework of professional values, ethics and attitudes for exercising professional judgment and for acting in an ethical manner that is in the best interest of society and the profession" (par 13). The aim is to bring people into the accounting profession who share a common understanding of ethics and a commitment to ethical behavior. From this common ground, the goal of additional ethics education is to increase ethical sensitivity, judgment, and behavior.

(Figure 2)

Moral reasoning research measures and evaluates a person's ability to recognize ethical situations and make appropriate and mature judgments about the right or moral thing to do in those situations. The desired outcome in accounting ethics education is that ethics training will help accounting professionals recognize ethical dilemmas (Stage 2) and use better ethical judgment (Stage 3).

Finally, because one cannot act ethically until faced with an ethical dilemma, measuring a person's *intention* to act ethically is considered to be the strongest indicator of actual ethical *behavior*. Ethics education should result in a person becoming more ethically sensitive and committed to ethical behavior. One difficulty is that culture dictates what is ethical in different societies. Cultural ethics vary around the world. So there is not a universally accepted definition of ethical behavior. However, the IAESB's mission is to provide ethics standards for professional accountants globally.

Despite the general call for increased ethical education, there is significant debate over whether specific ethics training changes a person's moral identity, moral reasoning, or ethical behavior. Our research is designed to measure the impact of ethics training on professional accountants. Our first research question is:

RQ1: Does ethics specific education affect moral motivation, moral reasoning, and ethical behavioral intentions of accounting professionals?

Additionally, cultural variables seen in different countries interact with the effectiveness of ethics training. Thus, we expect that cultural traditions or norms will dictate the level of ethical awareness an accounting professional starts with and how much ethical knowledge is needed to be developed to adhere to IAESB standards. Our second research question is:

RQ2: Do differences in culture affect moral motivation, moral reasoning, and ethical behavioral intentions of accounting professionals?

We examine the effects of ethics education on the accounting practitioner controlling for such factors as prior education, culture, and ethics training.

Ethics models

The Ethics Education Continuum is founded on Rest's (1986) four-component ethics model. The model is comprised of ethical awareness, ethical judgment, ethical intention and ethical behavior.

Ethical awareness requires a person to (1) recognize and properly interpret whether a situation involves an ethical issue and (2) be aware that there is a moral problem when one exists. With enhanced ethical awareness, a person can judge how various actions might affect the parties concerned and visualize the cause-effect chain of events. A person with good ethical judgment will be able to recognize which action among various alternatives would be most justifiable in a moral sense. Ethical motivation considers a person's degree of commitment to taking the moral course of action, considering moral values over other values, and taking personal responsibility for moral outcomes. Ethical behavior cannot be observed until a person chooses and acts on a course of action. However, proxies for behavior include measuring intention to persist in a moral task, having courage, overcoming fatigue and temptation, and implementing subroutines that serve a moral goal.

Over the years, many ethics measures have been developed and tested. Some have been used and adapted specifically to accounting. As seen in Figure 2, we use multiple measures to

investigate whether ethics training changes moral motivation, moral reasoning, and ethical intention.

Moral Identity (MI)

Moral identity suggests that a person is moral to the extent the person bases his or her identity on moral traits. It also relates to a person's mental image of what a moral person thinks, feels, or how the person behaves. Moral identity develops from early childhood and is influenced by individual and contextual factors. Individual factors include attitudes and values and the way a person's identity develops. Contextual factors encompass social structures (family, friends, schooling, religion etc.) that facilitate the development of morality and identity. Thus, a person is subjected to individual and contextual factors, such as ethics training, that define and make moral behavior central and important. We use the moral identity instrument developed and validated by Aquino and Reed (2002). The instrument has previously been used in general business settings but has not been used in accounting ethics research and is not accounting specific.

Moral Disengagement (MD)

Bandura (1986) suggests that otherwise normal people can engage in unethical behavior when the moral self-regulatory processes that normally stop the unethical behavior are suspended. In other words, a person who faces an ethical dilemma and is able to rationalize unethical behavior, despite knowing it is wrong, has morally disengaged. Bandura (1999) indicates that moral self-regulation can be "turned-off" selectively. More ethical knowledge and sensitivity should make this switch more difficult to flip. We use a moral disengagement instrument developed by Detert, Trevino, and Sweitzer (2008). This instrument is not accounting specific.

Accounting Defining Issues Test (ADIT)

Rest (1979) developed the Defining Issues Test (DIT) to measure an individual's cognitive moral capacity. The DIT presents hypothetical ethical dilemmas and asks subjects to rank the presented response alternatives to the dilemmas. This test has been widely used in ethics research. Thorne (2000) modified the DIT to include accounting, rather than general, ethical dilemmas (we refer to this instrument as the ADIT). She indicates that the DIT and her modified ADIT were developed to measure cognitive moral capacity and designed to capture the most sophisticated cognitive moral structure a person is potentially able to use. Using the ADIT to measure moral cognitive capacity, we expect that professional accountants who have more ethics training and experience have increased moral capacity. The ADIT contains accounting specific situations.

Moral Judgment Test (MJT)

The Moral Judgment Test (MJT) was developed by Georg Lind (1978, 1982, 1985a, 1985c, 2000a, 2002) as an alternative and more precise measure to Kohlberg's moral judgment cognitive-development model. Kohlberg's model recognizes that moral judgments change as individuals progress through different stages of development (Kohlberg 1969). Lind (2008) claims that the MJT makes it possible to "assess the ability of people to judge arguments pro and con a controversial moral problem on the basis of their own moral principles, that is, irrespective of their opinion on the particular" (p 195). It measures moral judgment competence and moral orientations/preferences. Lind also reports that the instrument is culturally unbiased which is important in this study since our sample includes subjects from different countries. The instrument is not accounting specific, but has been used extensively in various business disciplines.

Multidimensional Ethics Scale (MES)

The Multidimensional Ethics Scale (MES) was developed by Reidenbach and Robin (1988, 1990) and is one of the most widely used measures in ethics research (McMahon and Harvey, 2007). It measures an individual's ethical awareness, ethical judgment, and intention to behave ethically. The instrument originally included five ethical philosophies: *Justice*—the idea of fairness should be extended to everyone; *Relativism*—All normative beliefs are a function of a culture or individual, and therefore, no universal ethical rules exist that apply to everyone; *Egoism*—An act is ethical when it promotes the individual's self-interests; *Utilitarianism*—Individuals should act so as to produce the greatest possible ratio of good to evil for the largest number of people; and *Deontology*—focused on the principles of right and wrong, but only to the duties defined by the actor, which may include unwritten or implied contracts or social obligations. The MES was modified by Flory et. al (1992) to include accounting dilemmas and it has been used successfully in a number of other accounting ethics studies. Because there is an intention measure, we are able to use the MES questions in measuring both moral reasoning and ethical intention. The intention measure is denoted as MES-I to distinguish it from the other moral reasoning measure.

Theory of Planned Behavior (TPB)

The theory of planned behavior (TPB) (Ajzen 1985) extends Ajzen and Fishbein's theory of reasoned action (Ajzen and Fishbein 1980, Fishbein and Ajzen 1975). The theory of reasoned action relies on the belief that a person's behavior is precipitated by the person's *intention* to act in a particular manner. Ajzen and Fishbein (1980) indicate that intentions reflect the amount of effort a person is willing to exert to behave in a given way. The intention to behave in a certain way is influenced by attitudes toward the behavior (favorable or unfavorable view to the

behavior), by subjective norms (the influence a person feels to behave in a certain way based on the behavioral expectations of people who are important to the person) and, perceived behavior control (a person's perception about how difficult it would be to behave in desired way).

The attitude a person forms toward a particular behavior is the result of the person's beliefs about the desirability of performing the behavior and that performing the behavior will lead to specific outcomes. Subjective norms are moderated by a person's belief that he or she should or should not engage in the behavior (normative beliefs) and the person's motivation to comply with that belief.

Perceived behavioral control is a function of a person's perception of the existence of necessary opportunities or resources to facilitate the behavior coupled with the evaluation that those opportunities or resources are important to accomplish the outcome (Ajzen and Madden 1986). In summary, an individual's attitudes, norms, and perceptions lead to intentions to behave or act ethically. Buchan's (2005) created an accounting specific instrument; we use his survey.

Methodology

Sample Selection

We gather our survey data from accounting professionals who are undergoing and who have finished their accounting certification/qualifying process. We sent invitations to participate in our study to approximately 105,000 individuals. Not everyone who started the surveys (3,143) completed the surveys. The usable response rate (1692) was under 2% of the total individuals invited to participate. As noted in Table 1, forty-four percent of the respondents of our usable sample were female. The mean age of respondents was 33 years. On average, the respondents reported that they are more religious than not (4.1 with 1 being not at all religious and 7 being very religious) and that religion is more important to them (4.4 with 1 being that

religion is extremely unimportant and 7 being that religion is extremely important). The majority of respondents have completed a university degree or professional qualification (90.9%) and 51.6% report that their degree subject was accounting. More than 74% are currently employed in a full-time accounting position. Demographic information is shown in Table 1.

(Table 1)

Each person receiving a survey answered questions about previous ethics training and whether they had completed an ethics module as part the certification/qualifying process and when, if applicable, the ethics module was completed. In addition, we asked questions about gender, religion, education background, home country, age, and employment. Because of the length of time necessary to take each of the ethics surveys, we did not give each respondent all the surveys. Rather, participants were randomly assigned into one of three survey groupings and completed a subset of the surveys. The surveys and how we grouped them are as follows:

Group 1 –Multidimensional Ethics Survey, the Moral Judgment Test Survey and either the Moral Identity Survey or the Moral Disengagement Survey (randomly determined)¹.

Group 2 – Theory of Planned Behavior Survey and either the Moral Identity Survey or the Moral Disengagement Survey (randomly determined).

Group 3 – Defining Issues Test Survey and either the Moral Identity Survey or the Moral Disengagement Survey (randomly determined).

Each group of surveys was designed to be completed in less than 20 minutes.

¹ Respondents in each group were randomly given either the Moral Identity Survey or the Moral Disengagement Survey.

Our purpose in surveying the participants was to understand the effects of accounting ethics training on their moral sensitivity, ethical judgment, and commitment to ethical behavior. We controlled for ethics training when we examined the survey results from each of the moral/ethical judgment surveys. The dependent variables from the survey responses are:

- MI – the average score from the moral identity survey questions
- MD – the average score from the moral disengagement survey questions
- ADIT – the adjusted p-score from the modified Defining Issues Test (ADIT) survey
- MJT – the C index score calculated using Lind’s (2008) methodology
- MES – the average score from the Moral Ethical Sensitivity survey
- MES-I – the average intention score from the Moral Ethical Sensitivity survey
- TPB – the average intention score from the Theory of Planned Behavior survey

Table 2 shows the descriptive statistics for our sample and provides a definition of each of our variables of interest. In our sample 38 percent have had a professional ethics course as part of their accounting certification/chartering process; 76 percent have had ethics training in some other way; and 38 percent have had ethics training within the last 18 months. Our survey participants are from the following geographic areas as identified in the Global Leadership and Organizational Behavior Effectiveness (GLOBE: House et al. 2004): 14 percent from African, 39.5 percent from Anglo, 9.7 percent from Confucian, 8.8 percent from Eastern European, 10.3 percent from Middle Eastern, and 9 percent from Southeast Asian.

In addition, each of our sample respondents receives a cultural dimension score developed by Hofstede. The average scores for each of these five dimensions are found in Table 2. We use

the following Hofstede cultural to categorize our sample of respondents (Source: www.geert-hofstede.com).

- Power Distance – The extent to which the less powerful members of an organization and institutions (like the family) accept and expect that power is distributed unevenly. The greater the power distance, the greater the distance between superior and subordinate.
- Individualism/Collectivism – Individualism denotes that ties between individuals are loose; each person is expected to look after him/herself and his/her immediate family. Collectivism societies are integrated into strong, cohesive in-groups, often extended families.
- Masculinity/Femininity – Masculinity is associated with assertive and competitive roles; Femininity with modest and caring roles.
- Uncertainty avoidance - High uncertainty avoidance implies a culture whose members are uncomfortable with unstructured situations and are more comfortable with strict laws a rules. The opposite is true for low uncertainty avoidance.
- Confucian dynamism - Long-Term Orientation versus short-term orientation: values associated with Long Term Orientation are thrift and perseverance; values associated with Short Term Orientation are respect for tradition, fulfilling social obligations, and protecting one's 'face'. Both the positively and the negatively rated values of this dimension are found in the teachings of Confucius.

(Table 2)

Results²

In analyzing our data we perform two sets of tests to answer our research questions: (1) bivariate correlations (see Table 3), and (2) interactive multivariate regressions. We examine our results for each of these tests within the context of the three latter stages of the IAESB four stage continuum as mapped out in Figure 2:

Stage 2—Moral Motivation

Stage 3—Moral Reasoning

Stage 4—Ethical Intention

Stage 2 - Moral Motivation Measures

To measure Moral Motivation we use two measures: Moral Disengagement (MD) and Moral Identity (MI). We do not find significant correlations between Professional Ethics Training and MD or MI. However, as shown in Table 3, we did find significant correlations between MD and the following factors: Africa (positive), Eastern Europe (negative), Southeast Asia (negative), Masculinity (negative), Uncertainty Avoidance (negative), Confucian Dynamism (negative), Accounting Degree (positive), Age (positive), Audit Qualification (positive), Gender (positive), and Religiosity (positive).

(Table 3)

What does this mean? On average participants who are from African countries, have an Accounting Degree, are older, are Audit Qualified, are Female, and are more religious are more likely to be morally engaged. While participants who are from Eastern Europe and Southeast Asia, have high Masculinity scores, have high Uncertainty Avoidance scores, and have high Confucian Dynamism scores are more likely to be morally disengaged.

² We examine the moderating effect of culture and other factors on professional ethics training. Our culture measures come from two widely accepted studies on culture: GLOBE and Hofstede.

When we look at the Moral Identity (MI) measure, we find results that confirm most of the MD analysis. Participants from Africa, who are older, and are more religious have a higher MI score while participants from Confucian countries, who have high Masculinity, Uncertainty Avoidance and Confucian Dynamism scores have a lower MI score.

When we examine the multivariate interaction regressions which look for interaction effects with Professional ethics training, Table 4, Panel A, we find several interesting results for MD and MI. We find interaction effects for some culture moderators. For those whose home country is in the Middle East, ethics training is associated with higher moral disengagement and lower moral identity; in all other countries training is associated with lower moral disengagement and higher moral identity (illustrated in Figures 3A and 3B). In contrast, for respondents whose home country is in Southeast Asia, ethics training is linked to lower moral disengagement, whereas in other countries it is linked to higher moral disengagement (illustrated in Figure 3C). These results indicate that professional ethics training has more of an impact in Middle Eastern countries than it does elsewhere.

(Table 4, Panel A)

In addition there were also significant interactions for Masculinity and Age. In participants who are from countries with a low Hostede Masculinity score professional ethics training resulted in a higher MD score, while those with high Masculinity scores had a lower MD score. This indicates that professional ethics training is associated with higher levels of Moral Motivation in low Masculinity cultures than in high Masculinity cultures. Figure 3D provides an illustration of this result.

For the interaction of Moral Identity and Age, we find the older a participant is the more helpful professional ethics training is in increasing Moral Identity. This result is shown in Table 4, Panel A and illustrated in Figure 3E.

(Figures 3A, 3B, 3C, 3D, and 3E)

Stage 3 - Moral Reasoning Measures

To measure Moral Reasoning we use three measures: ADIT, MJT and MES. We do not find significant correlations between Professional Ethics Training and any of these measures. Several other factors, however, have significant correlations with these measures. In Table 3, we find significant correlations between these measures and the following factors: Other Ethics Training (positive), Recent Ethics Training (negative), Africa (negative), Anglo (positive), Southeast Asia (negative), Power Distance (negative), Individualism (positive), Uncertainty Avoidance (negative), Masculinity (positive), Accounting Degree (negative), Age (positive), Audit Qualification (mixed), Education (positive), Gender (mixed), and Religiosity (negative).

An interpretation of these results is that a positive correlation indicates that participants are scoring higher on Moral Reasoning measures who have these characteristics or come from these cultures. If they have had other ethics training, are from Anglo countries, have higher Masculinity and Individualism-Collectivism scores, are older, and more educated they score higher on Moral Reasoning. Those that have had Recent Ethics Training, are from African or Southeast Asian countries, have higher Power Distance and Uncertainty Avoidance scores, have an accounting degree, and are more religious have lower Moral Reasoning scores. Others have mixed results (Audit Qualification and Gender). This may be due to the nature of each of these surveys and its applicability to our sample.

Table 4, Panel B, provides results for the Moral Reasoning measures. Only two interactions are statistically significant at less than five percent levels: Religiosity and Uncertainty Avoidance. Others are marginally significant at the 10 percent level: Audit Qualification, Education, Recent Ethics Training, and Education. Professional Ethics training was more strongly linked to higher moral judgment (MJT) for those with lower in Religiosity (illustrated in Figure 4A). Also, professional ethics training is strongly linked with higher MES scores for those who are from a higher Uncertainty Avoidance culture (illustrated in Figure 4B). This would indicate that Professional Ethics training is more beneficial for these two groups of people: those with lower Religiosity and those with higher Uncertainty Avoidance.

(Table 4, Panel B)

(Figures 4A and 4B)

The marginal significance of some factors indicates that there is some evidence that Professional Ethics Training is not as beneficial or is not as long lasting for those who are Audit Qualified (see negative coefficient for ADIT measure). In addition, a higher level of Education combined with Professional Ethics Training increases the ADIT score. Recent Ethics Training combined with Professional Ethics training increases the MES score indicating that more recent ethics training is beneficial. Also, higher Masculinity scores are indicative of a lower effect for Professional Ethics Training for the MES measure.

Stage 4 - Ethical Intention Measures

To measure Ethical Intention we use two measures: MES-I and TPB. We find marginally significant, mixed correlations between Professional Ethics Training and these two measures. Professional Ethics Training is positively associated with higher MES-I scores, and negatively associated with higher TPB scores. We are unsure how to interpret these results. Several other

factors have significant correlations with these two measures. In Table 3, we find significant correlations between these measures and the following factors: Anglo (positive), Confucian (negative), Middle East (negative), Southeast Asia (negative), Power Distance (negative), Individualism-Collectivism (positive), Masculinity (positive), Confucian Dynamism (negative), Age (positive), Audit Qualification (mixed), Employed in Accounting (positive), Gender (positive), and Religiosity (negative).

One interpretation of these results is that a positive correlation indicates that participants are scoring higher on Ethical Intention measures who have these characteristics or come from these cultures. If they are from Anglo countries, have higher Masculinity and Individualism-Collectivism scores, are older, employed in an accounting job, and are female they score higher on Ethical Intention measures. While those that are from Confucian, Middle East or Southeast Asian countries; have higher Power Distance and Confucian Dynamism scores, and are more religious have lower Ethical Intention scores. Audit Qualification has mixed results.

Table 4, Panel C provides results for the Ethical Intention measures. We find several significant results at less than five percent levels. Professional ethics training is linked to higher ethical intentions (MES-I) for those who had Recent Ethics Training (illustrated in Figure 5A). This helps to confirm the recency effect we found (marginally) when examining the Moral Reasoning measures and indicates that the more recent the Professional Ethics training the more effective it is in when measuring Ethical Intention. This result also provides evidence for some continuing ethics education to reinforce ethics.

Similarly, professional ethics training is associated with higher ethical intentions (MES-I) for those from non-Anglo countries (illustrated in Figure 5B). This result indicates that professional ethics training is more beneficial for participants from non-Anglo countries than for

those from Anglo countries when measuring Ethical Intentions. There is also a significant negative interaction for the Masculinity culture factor (illustrated in Figure 5C). Those with higher masculinity scores benefit less from professional ethics training than do those with lower masculinity scores when measuring Ethical Intentions using MES-I.

(Table 4, Panel C)

(Figures 5A, 5B and 5C)

There is one marginal interaction which indicates that those from a higher Individualism-Collectivism culture have less benefit from Professional Ethics training than do those with lower Individualism-Collectivism scores on the MES-I measure.

Conclusions and Implications

In this study we examine the usefulness of professional ethics training on three stages of ethical development: Moral Motivation, Moral Reasoning, and Ethical Intention. We find that professional ethics training does have an influence on practicing accountants depending on their cultural background, other ethics training, and demographic factors. In particular we find that professional ethics training has an influence on the moral motivation measures particularly for respondents from Middle East and Southeast Asian countries. Also, professional ethics training has more influence on moral reasoning for respondents who report that they are not religious. In addition, if a respondent was from a culture with high Uncertainty Avoidance [meaning they prefer structure and rules and are uncomfortable with uncertainty], then professional ethics training has more influence on moral reasoning. Another important finding is that the more recent professional ethics training is associated with higher ethical intentions. This is also supported by one of the moral reasoning measures. Unfortunately, the influence of this training

fades with time. These results for indicating a recency effect are important for accounting standard setting bodies as they set standards providing for continuing professional ethics training.

Our results indicate that those who are involved in ethics standards setting and ethics training should be aware that ethics education effectiveness varies depending on the ethical development stage and are affected by cultural factors as well as demographic factors, such as gender, education levels, age, and religiosity as well as the culture and demographics of the students receiving the training. The effects training may likely have different outcomes depending on these factors.

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Figure 1
IESBA Ethic Education Continuum

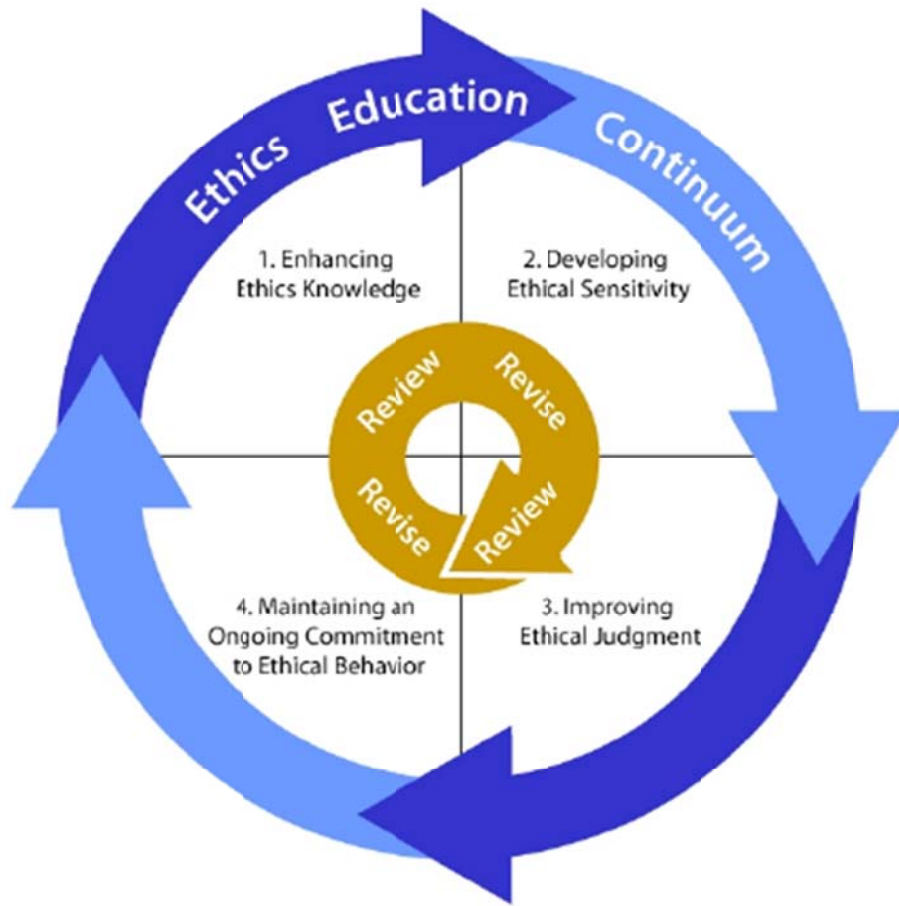


Figure 2
Ethics Measures and Ethics Education Continuum

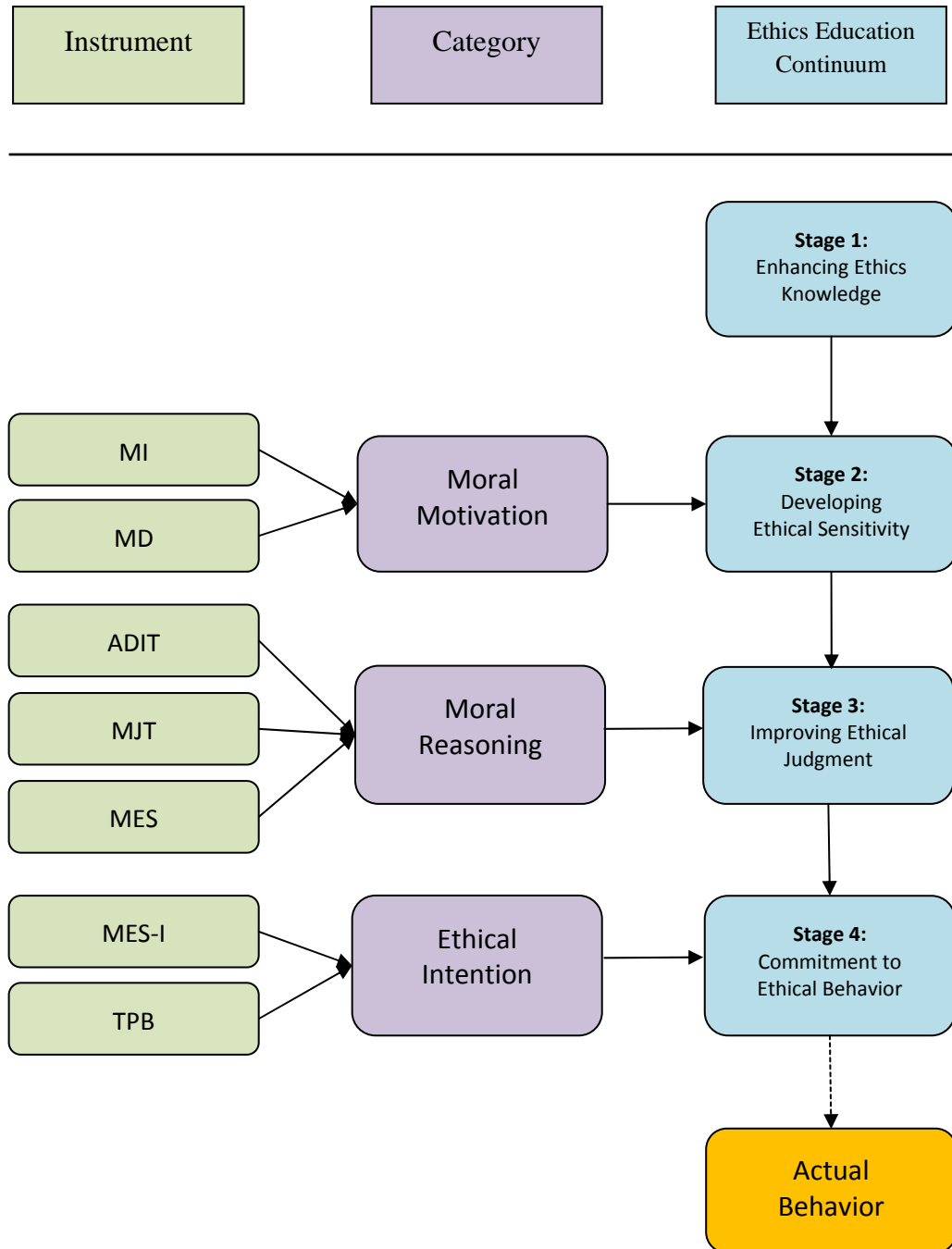
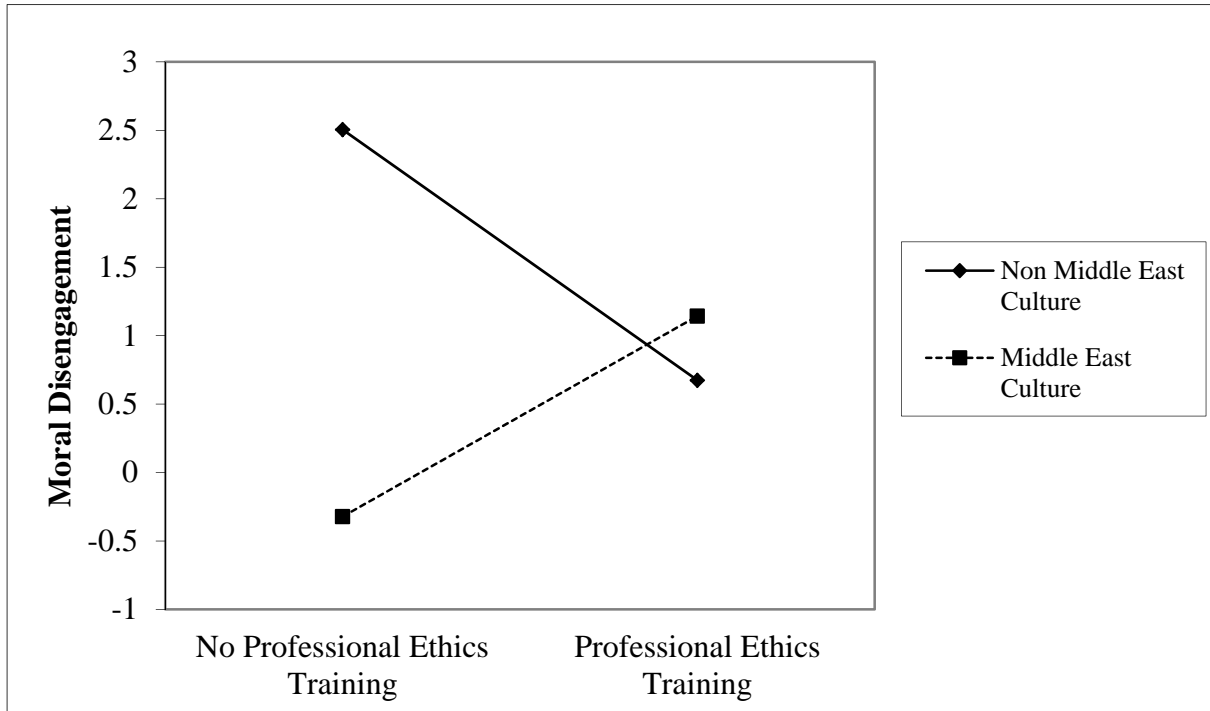


Figure 3
Stage 2: Moral Motivation Interaction Plots

A. Moral Disengagement: Middle East Culture



B. Moral Identity: Middle East Culture

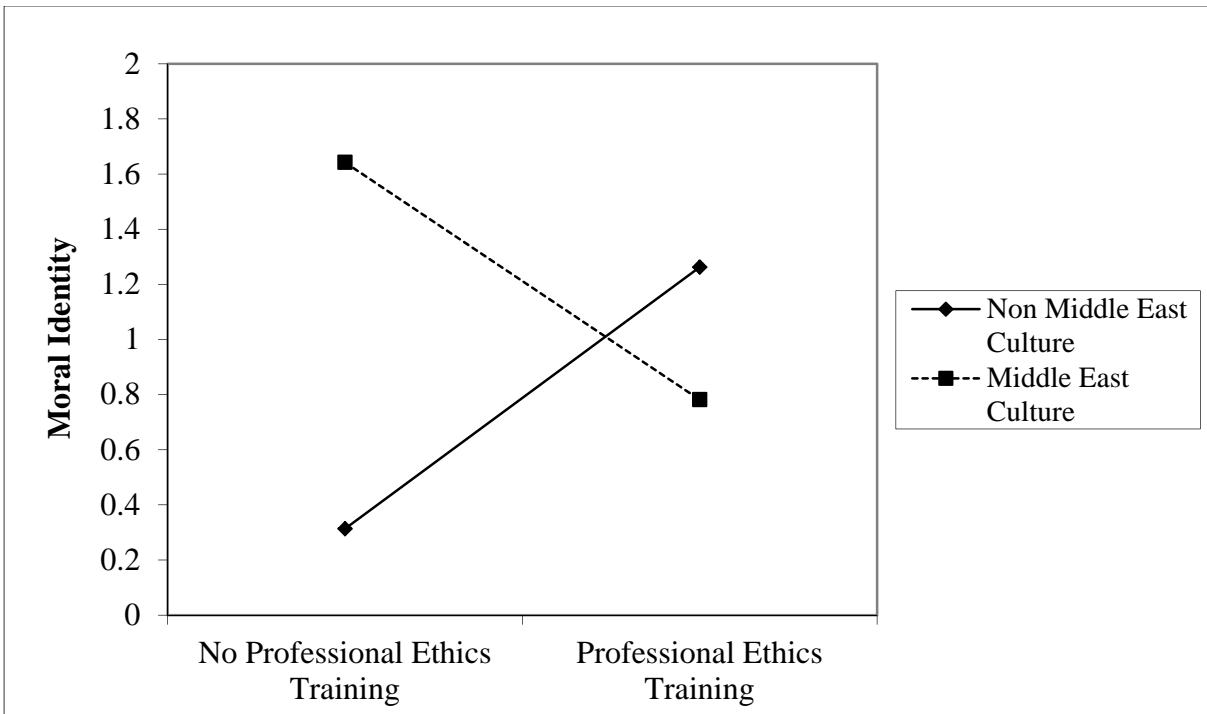
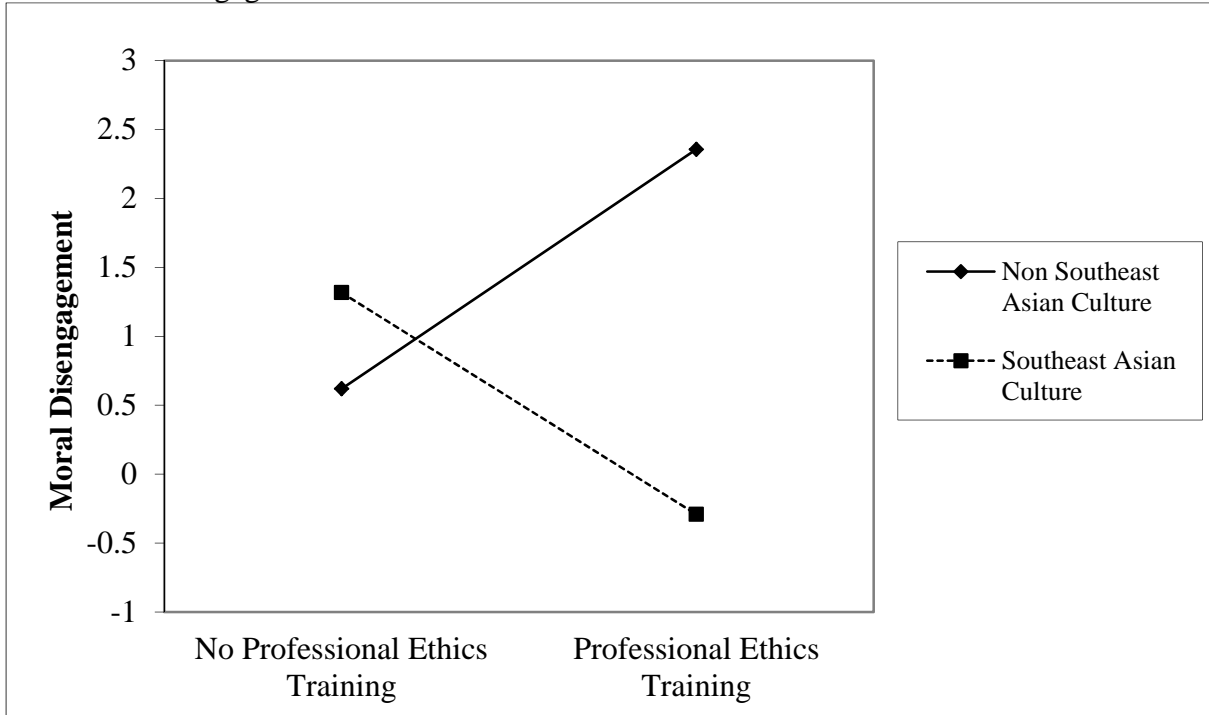


Figure 3
Stage 2: Moral Motivation Interaction Plots

C. Moral Disengagement: SE Asia Culture



D. Moral Disengagement: Masculine Culture

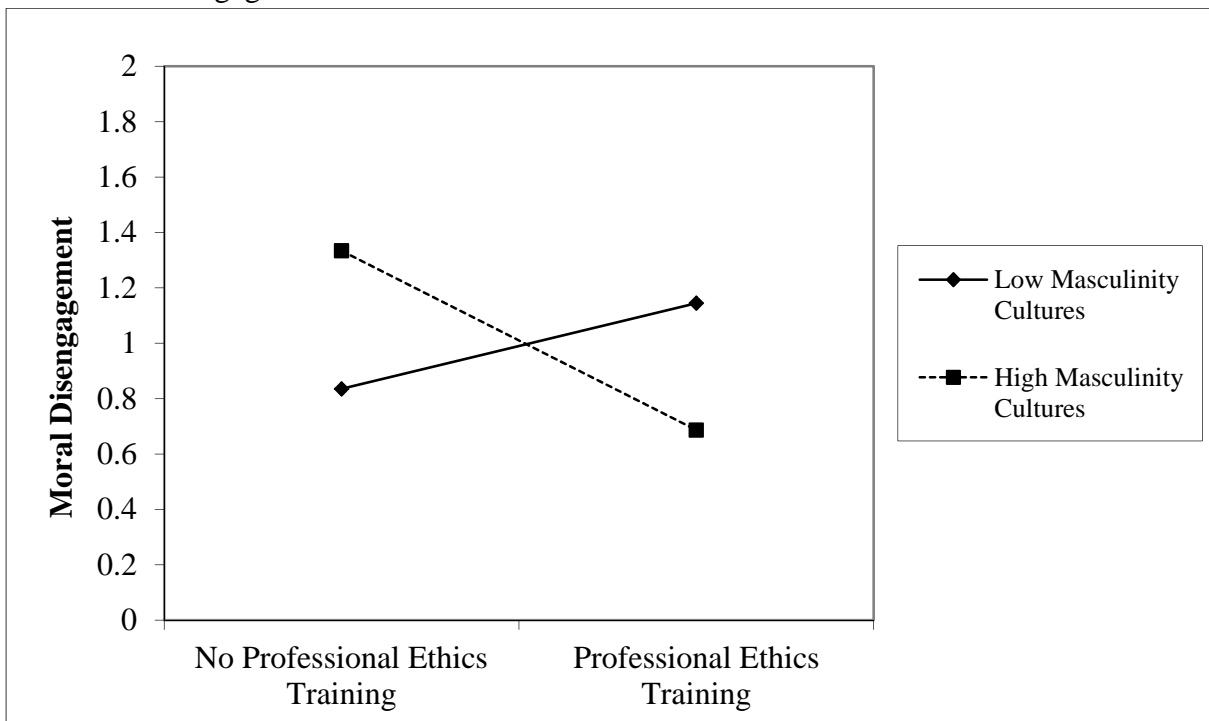


Figure 3
Stage 2: Moral Motivation Interaction Plots

E. Moral Identity: Age

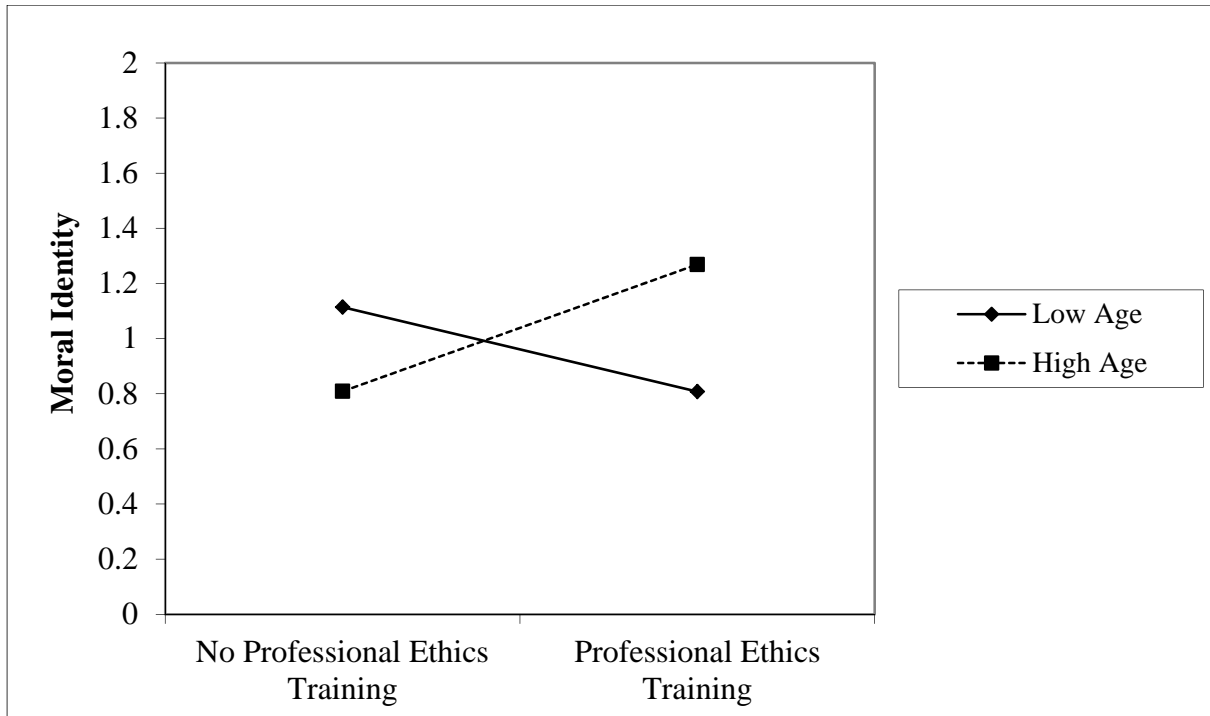
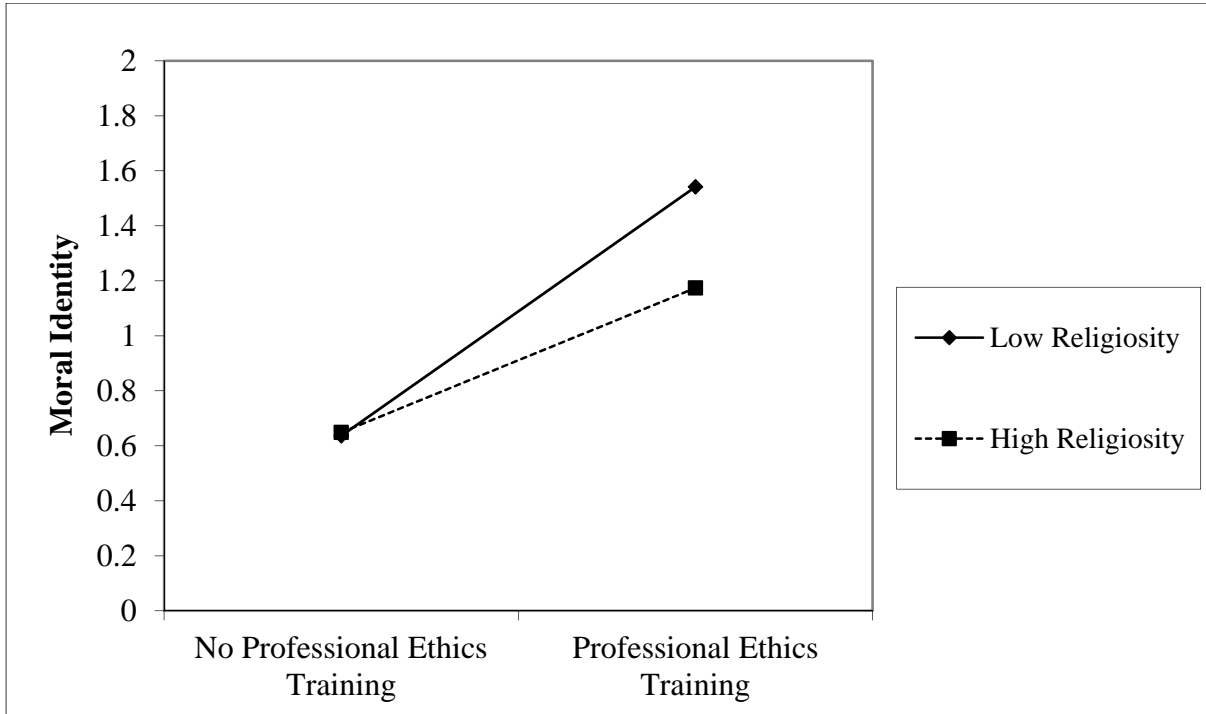


Figure 4
Stage 3: Moral Reasoning Interaction Plots

A. Moral Judgment Test: Religiosity



B. Multidimensional Ethics Scale: Uncertainty Avoidance

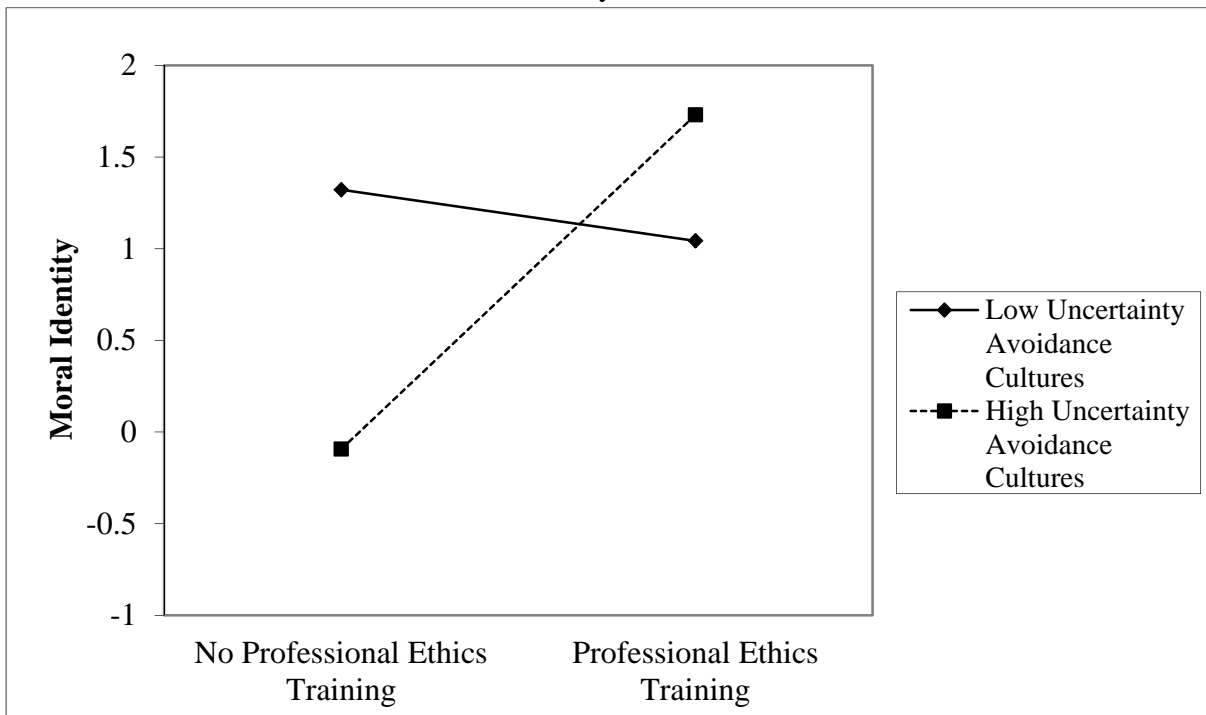
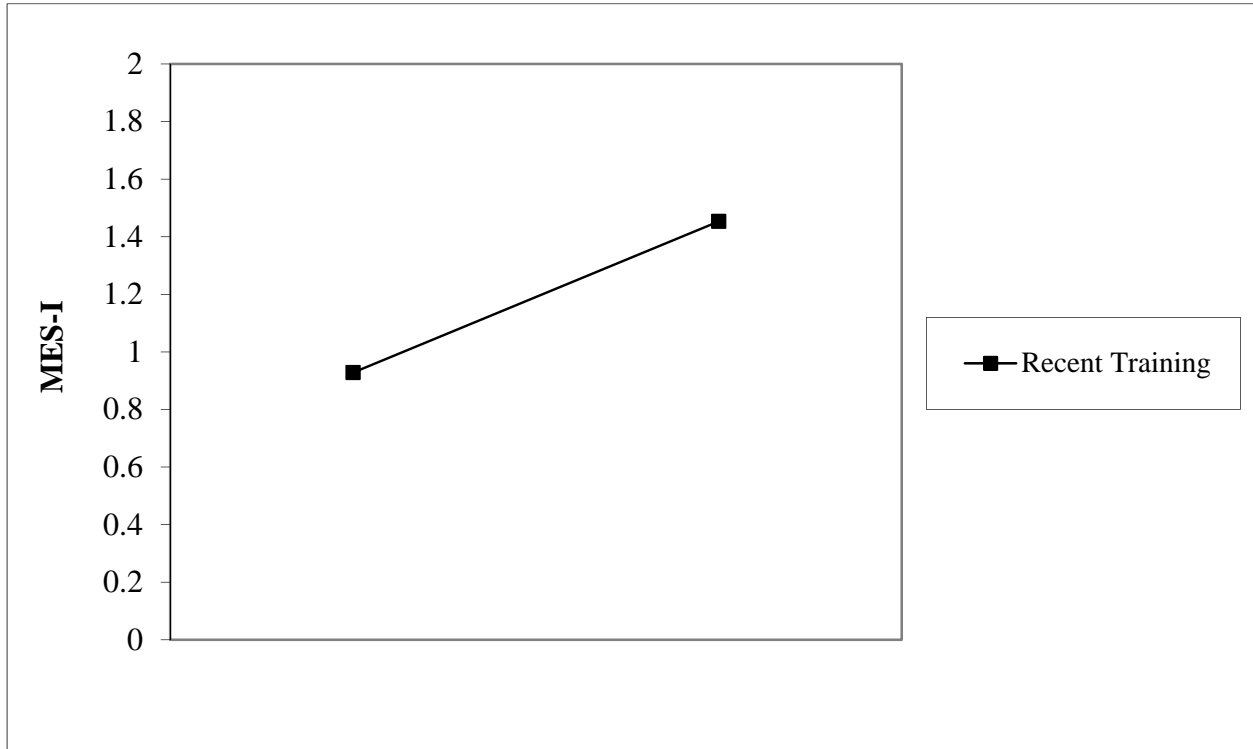
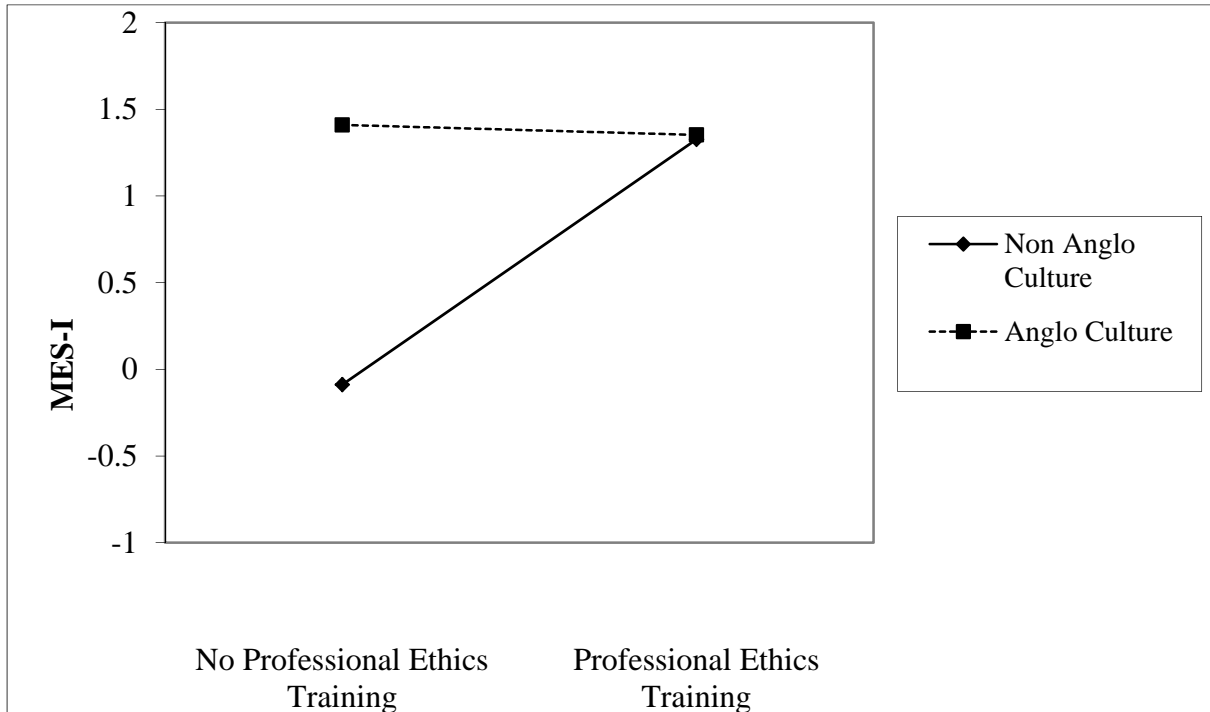


Figure 5
Stage 4: Ethical Intentions Interaction Plots

A. Multidimensional Ethics Scale-Intention: Recent Ethics Training



B. Multidimensional Ethics Scale-Intention: Anglo Culture



C. Multidimensional Ethics Scale-Intention: Masculinity Culture

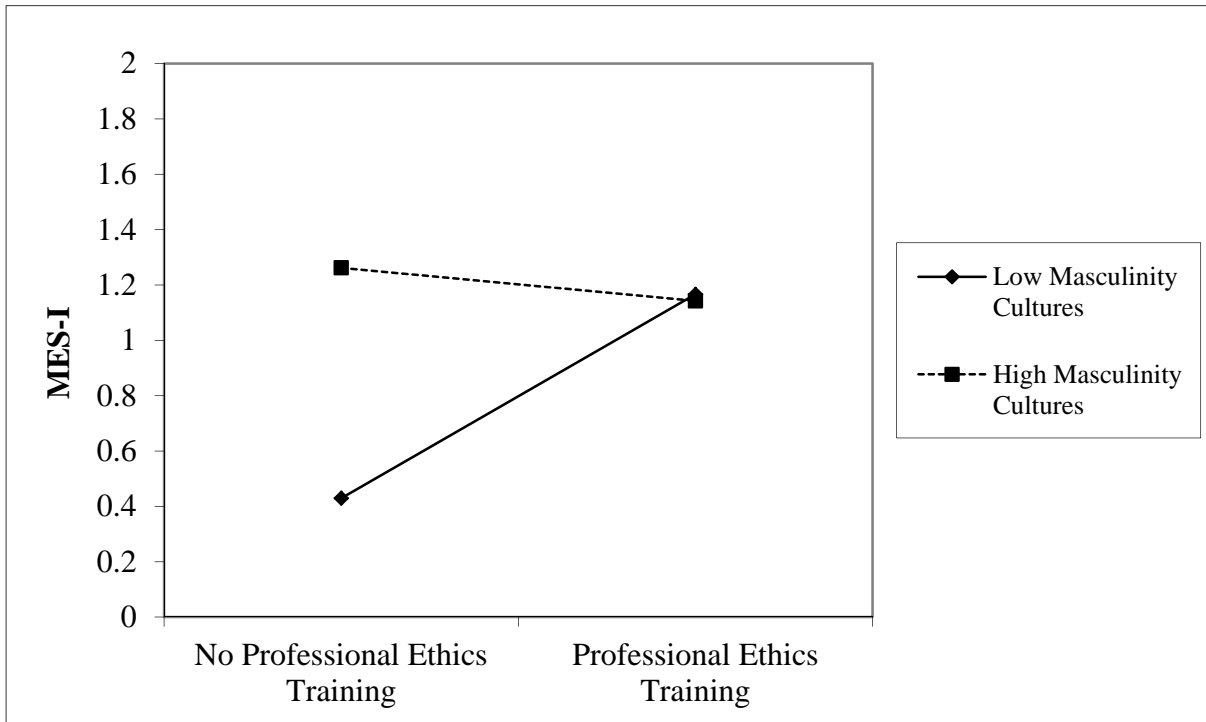


Table 1
Demographics

n	3143
Useable n	1692
Gender (% female)	44.4%
mean age	32.6
How religious are you (1 very, 7 not at all religious)	4.1
How important is religion (1 very, 7 not at all important)	4.4
Highest level of education	
Secondary	4.5%
University degree	31.1%
Masters' degree	14.3%
Doctoral degree	1.2%
Professional qualification	44.3%
other	4.6%
Degree Subject	
Accounting	51.6%
Business	8.0%
Economics	6.3%
Finance	9.6%
Science	9.6%
Social Science	3.5%
Other	11.4%
Sector where working	
public sector	10.8%
not for profit	4.4%
big four accounting	18.2%
other international firm	4.8%
mid tier accounting firm	5.3%
small to medium sized practice	12.2%
corporate sector small/medium (< 250 employees)	8.9%
corporate sector large (>250 employees)	12.6%
financial services small/medium (< 250 employees)	3.4%
financial services large (>250 employees)	6.4%
not applicable/not working/retired	13.0%
Employment Status	
employed in full time accounting	74.3%
employed in part time accounting	4.3%
employed in a non-accounting role	11.6%
full time student	4.4%
not applicable/not working/retired	5.4%
Employment position	
newly qualified accountant	17.9%
accountant	27.4%
manager	11.2%
senior manager	9.6%

director/executive/partner	6.0%
self-employed	2.3%
not applicable/not working/retired	25.6%
How many people managed	
none	41.8%
1-10	39.4%
11-20	5.4%
21-30	2.1%
31-40	1.5%
41-50	1.1%
over 50	4.8%
not applicable/not working/retired	3.7%
most important influence on values (rank 1-6)	
employer	4.16
family	1.94
friends	3.36
professional body	3.75
religion	3.73
schooling/university education	3.75
General ethics as part of degree course	30.7%
Business ethics training as part of degree course	20.2%
Accounting ethics training as part of degree course	29.3%
Employer sponsored ethics training	35.6%
Audit Qualified	21.1%

Table 2
Descriptive Statistics

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Professional Ethics	1692	0.38002	0.48554	643	0	1.00000
Other Ethics	1692	0.75768	0.42861	1282	0	1.00000
Recent Ethics	1692	0.38416	0.48654	650	0	1.00000
African	1692	0.14007	0.34716	237	0	1.00000
Anglo	1692	0.39480	0.48895	668	0	1.00000
Confucian	1692	0.09693	0.29595	164	0	1.00000
Eastern Europe	1692	0.08806	0.28347	149	0	1.00000
Middle Eastern	1692	0.10343	0.30461	175	0	1.00000
Southeast Asia	1692	0.08983	0.28603	152	0	1.00000
Power Distance	1568	53.90547	16.35078	84524	28.25000	83.25000
Individualism	1568	48.50774	23.95024	76060	20.50000	75.37500
Masculinity	1568	55.37499	7.64368	86828	13.75000	62.25000
Uncertainty	1568	52.20547	20.58601	81858	40.25000	112.00000
Confucian Dynamism	1419	32.26483	18.38764	45784	2.00000	77.20000
Accounting Degree	1692	0.48286	0.49985	817	0	1.00000
Age	1603	32.63943	9.67582	52321	12.00000	66.00000
Audit Qualification	1692	0.21809	0.41307	369	0	1.00000
Education	1692	1.45154	0.90436	2456	0	3.00000
Employed in Acctg	1692	0.69444	0.46078	1175	0	1.00000
Gender	1600	0.44438	0.49705	711	0	1.00000
Religiosity	1596	4.20708	2.01683	6715	1.00000	7.00000
MD	482	5.87085	0.79241	2830	2.25000	7.00000
MI	777	6.39665	0.71439	4970	2.60000	7.00000
ADIT	375	35.74815	14.05765	13406	2.77778	77.77778
MJT	543	17.83075	14.15044	9682	0	79.28460
MES	566	5.37618	1.10707	3043	1.00000	7.00000
MES-I	582	22.38660	5.03550	13029	4.00000	28.00000
TPB	517	4.57108	0.49066	2363	1.00000	6.00000

VARIABLE DEFINITIONS

professional ethics	dummy variable = 1 if completed ethics training as part of professional certification process; 0 otherwise
other ethics	dummy variable = 1 if completed ethics training as part of other training/education; 0 otherwise
recent ethics	dummy variable = 1 if professional ethics training completed within 18 months of survey; 0 otherwise
anglo	dummy variable = 1 if home country is from Globe Anglo group; 0 otherwise
african	dummy variable = 1 if home country is from Globe African group; 0 otherwise
eastern european	dummy variable = 1 if home country is from Globe Eastern European group; 0 otherwise
middle eastern	dummy variable = 1 if home country is from Globe Middle Eastern group; 0 otherwise
confucian	dummy variable = 1 if home country is from Globe Confucian/Asian group; 0 otherwise
southeast asia	dummy variable = 1 if home country is from Globe Southeast Asia group; 0 otherwise
power distance	average Hofstede power distance score by Globe designation for each home country
individualism	average Hofstede individualism-collectivism score by Globe designation for each home country
masculinity	average Hofstede masculinity score by Globe designation for each home country
uncertainty	average Hofstede uncertainty avoidance score by Globe designation for each home country
confucian dynamism	average Hofstede confucianism score by Globe designation for each home country
accounting degree	dummy variable = 1 if an accounting major; 0 otherwise
age	age in years
audit qualification	dummy variable = 1 if finished audit qualification; 0 otherwise

education	0 if no degree; 1 if less than 4-year degree; 2 if bachelor's degree; 3 if advanced degree
employed in acctg	dummy variable = 1 if employed in accounting role; 0 otherwise
gender	dummy variable = 1 if female; 0 otherwise
religiosity	average of two religiosity questions from survey, based on 7 point scale
MD	moral disengagement average score
MI	moral identity average score
ADIT	DIT score
MJT	Lind survey c_index score from the moral judgment test survey
MES	MES average ethical judgment score
MES-I	MES average ethical intention score
TPB	Theory of Planned Behavior average intention score

Table 3
Correlation of Factors to Ethical Measures

Factors	Stage 2: Moral Motivation		Stage 3: Moral Reasoning			Stage 4: Ethical Intention	
	MD	MI	ADIT	MJT	MES	MES-I	TPB
Ethics Training Factors							
Professional Ethics training	-0.01970	-0.01244	0.07566	-0.03405	0.09207	0.07635*	-0.07410*
Other Ethics Training	-0.05578	0.03220	0.06961	-0.05213	0.09508**	0.01447	-0.00643
Recent Ethics Training	0.04056	-0.03532	0.01738	-0.08672**	0.01291	0.07968*	-0.03706
Cultural Factors							
Africa	0.20439***	0.14513***	-0.13517***	-0.14104***	0.01224	-0.01681	0.00463
Anglo Countries	0.02838	0.03613	0.19637***	0.14970***	0.01926	0.11322***	0.16435***
Confucian Countries	-0.01426	-0.07282**	-0.04140	-0.03004	-0.01531	-0.02647	-0.14388***
Eastern Europe	-0.10657**	-0.05583	-0.00128	0.02266	-0.03132	-0.03681	0.00435
Middle East	-0.05242	-0.01230	-0.07823	-0.03643	0.01765	-0.02852	-0.09948**
Southeast Asia	-0.20455***	-0.04668	0.00421	-0.14213***	-0.06247	-0.10151**	-0.10316**
Power Distance	-0.06061	-0.01875	-0.14938***	-0.23261***	-0.03338	-0.12326***	-0.22607***
Individualism-Collectivism	0.00753	0.01210	0.18138***	0.20519***	0.01696	0.10730**	0.23088***
Masculinity	-0.09342 **	-0.06565*	0.18898***	0.18525***	0.01108	0.09662**	0.12310***
Uncertainty Avoidance	-0.10276**	-0.08548**	-0.03763	-0.07182*	-0.01472	-0.04314	-0.07046
Confucian Dynamism	-0.10100**	-0.12164***	-0.02067	-0.03653	-0.04977	-0.04947	-0.12347***
Other Factors							
Accounting Degree	0.10714**	-0.01483	-0.10240**	-0.16181***	0.04343	-0.01879	-0.04138
Age	0.20678***	0.09276***	-0.04787	-0.03246	0.15614***	0.15891***	0.15688***
Audit Qualification	0.09543**	-0.03068	-0.05304	-0.16068***	0.16738***	0.10741***	-0.08784**
Education	-0.04867	-0.01398	0.07416	0.08204*	-0.05048	-0.03696	-0.02148
Employed in Accounting	-0.01875	0.03767	0.17036***	-0.00257	-0.04558	0.02621	0.17999***
Gender	0.13896***	0.05270	-0.00858	-0.11983***	0.08974**	0.10550**	0.07256*
Religiosity	0.11256**	0.13522***	-0.09010*	-0.25386***	0.01015	-0.04585	-0.07981*

* Significant at the .10 level; ** Significant at the .05 level; ***Significant at the .01 level

Table 4 Panel A
Moral Motivation Interactions

Moderator Variable	STAGE 2: Moral Motivation					
	Moral Disengagement			Moral Identity		
	Professional Ethics	Moderator Variable	Interaction	Professional Ethics	Moderator Variable	Interaction
Ethics Training Factors						
Other Ethics Training	0.04928	-0.06531	-0.08383	-0.02042	0.03749	-0.00252
Recent Ethics Training	-0.08677	-0.11208	0.27117	-0.03625	-0.04600	-0.06940
Cultural Factors						
Africa	-0.08851	0.030696**	0.28087	-0.05422	0.26766***	0.05793
Anglo	0.09842	0.15335	-0.27060*	-0.04066	0.02696	0.05531
Confucian	-0.01701	0.03193	-0.14603	-0.00671	-0.11867	-0.15800
Eastern European	-0.04470	-0.33062**	0.12297	-0.04312	-0.23491**	0.28555
Middle East	-0.08543	-0.47932***	0.66578**	0.02149	0.16708	-0.33631**
Southeast Asian	0.01054	-0.39875**	-0.56769**	-0.00163	-0.04208	-0.20279
Power Distance	-0.19158	-0.00334	0.00281	0.07630	0.00043	-0.00219
Individualism-Collectivism	0.25254	0.00192	-0.00604*	-0.14215	-0.00093	0.00203
Masculinity	1.30596**	0.00103	-0.02479***	-0.33044	-0.00822**	0.00494
Uncertainty Avoidance	-0.88958*	-0.00762	0.01843*	0.48470	-0.00387	-0.01135
Confucian Dynamism	0.14757	-0.00165	-0.00613	-0.05496	-0.00467**	-0.00017
Other Factors						
Accounting Degree	-0.06778	0.15442	0.07559	0.00257	-0.01363	0.04672
Age	-0.14183	0.01507***	0.00655	-0.44189**	0.00274	0.01434**
Audit Qualification	-0.22189**	0.22552	0.13740	0.02065	0.09035	-0.16600
Education	0.03240	-0.04400	0.01014	-0.06586	-0.02917	0.02836
Employed in Accounting	0.19330	0.09410	-0.28082	-0.06672	0.02786	0.05564
Gender	0.07506	0.25448***	-0.05698	-0.18921	0.02978	0.11957
Religiosity	-0.12739	0.03335	0.02619	-0.06805	0.04433***	0.00671

* Significant at the .10 level

** Significant at the .05 level

***Significant at the .01 level

Table 4 Panel B
Moral Reasoning Interactions

Moderator Variable	STAGE 3: Moral Reasoning								
	ADIT			MJT			MES		
	Professional Ethics	Moderator Variable	Interaction	Professional Ethics	Moderator Variable	Interaction	Professional Ethics	Moderator Variable	Interaction
Ethics Training Factors									
Other Ethics Training	-0.4115	-1.9917	3.3806	-2.9487	-2.7735	2.4872	0.3197	0.0899	-0.1482
Recent Ethics Training	1.3978	-1.4745	1.4874	-2.3770	-3.8357**	-1.7079	0.1652	0.0196	0.4500*
Cultural Factors									
Africa	2.3262	-6.6808**	1.8919	-1.1461	-7.0100***	3.3906	0.1608*	-0.0712	0.2474
Anglo	2.2693	4.4188**	1.4512	-1.7139	4.6958***	2.5809	0.295***	0.1308	-0.2363
Confucian	1.9169	-2.5915	2.2498	-1.0031	-1.4819	-0.0031	0.1681*	-0.1638	0.2721
Eastern European	2.0319	-1.18161	1.81819	-0.9614	1.0798	-0.0434	0.2201**	0.0117	-0.2587
Middle East	2.9742*	-0.2019	-8.4230	-0.2856	1.4838	-6.0178	0.1668	-0.1369	0.2553
Southeast Asian	2.6107*	2.8576	-7.6636	-0.8385	-5.6894**	-3.7846	0.1846**	-0.1615	-0.0228
Power Distance	7.5115	-0.1032*	-0.1064	3.8629	-0.1733***	-0.0845	-0.0504	-0.0044	0.0051
Individualism-Collectivism	-0.0414	0.0995**	0.0484	-2.5844	0.1094***	0.0432	0.5077**	0.0035	-0.0057
Masculinity	-4.4050	0.3378**	0.1250	-7.7858	0.2771***	0.1343	1.3424**	0.01250*	-0.0203*
Uncertainty Avoidance	16.4779	-0.1139	-0.3264	10.6565	-0.0067	-0.2539	-0.8895	-0.0083	0.0240**
Confucian Dynamism	-1.2825	-0.0460	0.0845	-2.2567	-0.0465	0.0364	0.1536	-0.0029	0.0019
Other Factors									
Accounting Degree	4.4322**	-1.1990	-4.6604	-1.0309	-4.6846***	0.4187	0.1093	0.0265	0.1585
Age	2.2083	-0.0529	-0.0121	2.8019	-0.0275	-0.1249	-0.1359	0.0148***	0.0131
Audit Qualification	5.2928***	6.0644	-12.2683*	3.3787**	-9.0376	0.9710	-0.0265	0.9155	-0.4793
Education	-3.3365	-0.5457	3.2817*	-2.0381	1.1666	0.7260	0.3465*	-0.0311	-0.0972
Employed in Accounting	0.1274	4.0318*	2.6146	-2.8098	-0.7869	2.5209	0.1926	-0.1110	0.0130
Gender	1.0445	-0.4474	0.8015	0.8237	-3.0643	-1.3269	0.2196	0.1846*	-0.0093
Religiosity	6.0085*	-0.3964	-0.8642	5.0616*	-1.2577***	-1.3441**	0.0611	-0.0103	0.0318

* Significant at the .10 level

** Significant at the .05 level

***Significant at the .01 level

Table 4 Panel C
Ethical Intentions Interactions

STAGE 4: Ethical Intentions						
Moderator Variable	MES-I			TPB		
	Professional Ethics	Moderator Variable	Interaction	Professional Ethics	Moderator Variable	Interaction
Ethics Training Factors						
Other Ethics Training	1.5859	0.5833	-0.8383	-0.0287	0.0171	-0.0556
Recent Ethics Training	0.3402	-0.7020	2.6448**	-0.1074**	-0.0811	0.0258
Cultural Factors						
Africa	0.5808	-1.1684	2.0176*	-0.0572	0.0817	-0.1320
Anglo	1.7090***	1.9187***	-1.8538**	-0.0496	0.2268***	-0.0075
Confucian	0.8621*	-0.5552	0.2609	-0.0832*	-0.2744***	0.1103
Eastern European	0.7825*	-0.9662	1.0231	-0.0845*	-0.0434	0.1351
Middle East	0.8654*	-1.0628	0.6862	-0.0827*	-0.2105**	0.1287
Southeast Asian	0.8634*	-1.4942*	-0.1968	-0.0658	-0.1406	-0.0569
Power Distance	-1.1008	-0.0525***	0.0355	0.0115	-0.0061***	-0.0012
Individualism-Collectivism	2.5180**	0.0384***	-0.0340*	-0.0389	0.0048	-0.0002
Masculinity	8.5886***	0.1333***	-0.1411**	-0.1269	0.0068*	0.0012
Uncertainty Avoidance	-3.7649	-0.0782*	0.0987	-0.1910	-0.0143***	0.0026
Confucian Dynamism	0.7068	-0.0121	-0.0006	-0.1193	-0.0040**	0.0014
Other Factors						
Accounting Degree	0.5833	-0.3596	0.5762	0.0037	0.0224	-0.1374
Age	-0.1294	0.0826***	0.0443	-0.2410	0.0061**	0.0065
Audit Qualification	0.2689	5.9764*	-4.7649	-0.0076	0.1876	-0.2892
Education	1.3465	-0.1503	-0.2929	-0.0682	-0.0102	-0.0010
Employed in Accounting	1.2774	0.5054	-0.5469	-0.0235	0.2353***	-0.0728
Gender	0.2073	0.9301*	0.5337	-0.0194	0.0805	-0.0339
Religiosity	-0.1352	-0.2201	0.2402	0.0685	-0.0062	-0.0328

* Significant at the .10 level

** Significant at the .05 level

***Significant at the .01 level

Appendix 1 Globe Country Classifications

Africa			
Botswana	3	Cyprus	34
Djibouti	1	Czech Republic	3
Eritrea	1	Greece	13
Ethiopia	5	Hungary	6
Gambia	4	Kazakhstan	3
Ghana	30	Latvia	4
Kenya	20	Lithuania	1
Malawi	15	Moldova	2
Mauritius	23	Poland	22
Niger	1	Romania	15
Nigeria	44	Russian Federation	26
Rwanda	1	Slovakia	1
Sierra Leone	6	Slovenia	1
Sudan	2	Ukraine	<u>5</u>
Swaziland	1		<u>147</u>
Tanzania	4	Middle Eastern	
Togo	2	Bahrain	3
Trinidad and Tobago	21	Egypt	3
Uganda	19	Kuwait	1
Zambia	20	Lebanon	1
Zimbabwe	<u>14</u>	Oman	1
	<u>237</u>	Pakistan	151
		Palestine	1
Anglo		Turkey	1
Australia	2	United Arab Emirates	<u>3</u>
Barbados	5		<u>149</u>
Cayman Islands	10	Southeast Asia	
Channel Islands	9	Bangladesh	8
Christmas Island Pac	1	Bhutan	1
Grenada	1	Brunei Darussalam	2
Guyana	8	Cambodia	2
Ireland, Republic of	52	India	21
Isle of Man	3	Iran	2
Jamaica	16	Malaysia	86
New Zealand	2	Myanmar	7
Saint Kitts and Nevis	1	Nepal	5
Saint Lucia	1	Philippines	1
South Africa	9	Sri Lanka	9
St Helena	1	Viet Nam	<u>8</u>
UK and Northern Ireland	<u>212</u>		<u>152</u>
	<u>691</u>		
Confucian			
China	99		
Hong Kong	22		
Japan	2		
Korea	1		
Macau	1		
Singapore	49		
Taiwan	<u>1</u>		
	<u>175</u>		
Eastern Europe			
Armenia	1		
Azerbaijan	1		
Bulgaria	7		
Croatia	2		

Appendix 2
Instruments used in the Study

IAAER/ACCA Ethics Survey

Instructions

Thank you for participating in this study. This survey will help us to better understand how people training to be accountants and people currently in the accounting field approach and think about difficult accounting dilemmas. Your views and opinions are important to the sponsors of this project --the ACCA, the International Federation of Accountants and the International Association of Accounting Education and Research. Additionally, the results of this survey will greatly benefit the accounting profession by informing us of the ways that accounting training might be improved.

This survey will take you approximately 15-20 minutes to complete. On the next page, you will be asked to provide consent to participate in the study. Then, you will be asked to give your best responses regarding some accounting situations and to express your attitudes and opinions concerning the behaviours. Lastly, you will be asked a number of questions about your background. We will treat all of your responses confidentially and will not attribute any of your answers to you directly or indirectly. We do not capture any information that personally identifies you at any time or in any way in the survey.

We thank you for your time and support in this important research endeavour.

INFORMED CONSENT

This survey is being conducted by the ACCA in conjunction with Drs. Ervin Black, Greg Burton, Sam Hardy, Lee Radebaugh and Kevin Stocks at Brigham Young University to help us to better understand how people training to be accountants and people currently in the accounting field approach and think about difficult accounting dilemmas.

You have been selected to participate in this study because you are associated with the ACCA. The survey will take approximately 15-20 minutes to answer.

Involvement in this research project is voluntary. You may withdraw at any time without penalty or refuse to participate entirely. There will be no reference to your identification at any point in the research. No information will be collected that personally identifies you.

Your participation will help the accounting profession improve the way we train accountants to make ethical decisions.

If you have questions regarding this study you may contact Dr. Ervin Black at +1 801 422-1767, ervblack@byu.edu or Dr. Greg Burton at +1 801 422-8767, fgb@byu.edu. If you have questions regarding your rights as a participant in research projects, you may contact the administrator of the BYU Institutional Review Board for Human Subjects at +1 801 422-1461, A-285 ASB, Brigham Young University, Provo, UT 84602, USA, irb@byu.edu.

- I consent to participate in this study
- I do not consent to participate in this study

Moral Disengagement

This last survey has eight short questions that ask your opinion about some common behaviours. Please read the statements and select the extent to which you agree or disagree with the statement. There are no right or wrong answers. We want to know what you really think and believe. Please, be honest in expressing your opinion and pick the answers that really make sense for you.

INSTRUCTIONS

Please read the eight statements and answer each question below. There are no right or wrong answers. We want to know what you really think and believe. Please, be honest expressing your opinion and pick the answers that really make sense for you.

It is okay to spread rumors to defend those you care about.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
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Taking something without the owner's permission is okay as long as you're just borrowing it.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

Considering the ways people grossly misrepresent themselves, it's hardly a sin to inflate your own accomplishments a bit.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

People should not be held accountable for doing questionable things when they are just doing what an authority figure tells them to do.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

People should not be blamed for doing things that are technically wrong when all their friends are doing it too.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

Taking personal credit for ideas that are not your own is no big deal.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

Some people have to be treated roughly because they lack feelings that can be hurt.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

People who get mistreated have usually done something to bring it on themselves.

Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
----------------------	----------	----------------------	-------------------------------	----------------	-------	----------------

Moral Identity

INSTRUCTIONS

This last survey lists some characteristics that might describe a person. Please read the statements and answer the five questions. There are no right or wrong answers. We want to know what you really think and believe. Please, be honest expressing your opinion and pick the answers that really make sense for you.

Listed below are some characteristics that might describe a person:

Caring, Compassionate, Fair, Friendly, Generous, Helpful, Hardworking, Honest, Kind

The person with these characteristics could be you or it could be someone else. For a moment, visualise in your mind the kind of person who has these characteristics. Imagine how that person would think, feel and act. When you have a clear image of what this person would be like, answer the following questions using the scale below.

	Completely Disagree	Mostly Disagree	Slightly Disagree	Neutral	Slightly Agree	Mostly Agree	Completely Agree
1. It would make me feel good to be a person who has these characteristics.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Being someone who has these characteristics is an important part of who I am.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. I would be ashamed to be a person who had these characteristics.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. Having these characteristics is not really important to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. I strongly desire to have these characteristics.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Accounting Defining Issues Test

DIT Block 1

This is the longer of two surveys you will see. In this survey, you will be presented with four independent scenarios describing situations that are common to practising accountants. There are no right or wrong answers. Some of the questions may sound similar to others but they are different for our research purposes. We want to know what you really think and believe. Please, be honest in expressing your opinion and pick the answers that really make sense for you.

Scenario 1

Alice is a senior auditor and a Chartered Accountant for a national public practice firm that provides auditing, tax, and consulting services. The firm has developed a package called the ACME Accounting System which is sold to the general public as well as to the firm's clients. Alice is the auditor in charge of field work on the ABC Company, Inc. audit. During the course of this audit assignment, Alice is asked to evaluate the quality control of the accounting system which happens to be the ACME package. Alice uncovers several severe control weaknesses in the ACME system. Before rendering the management letter to ABC management, Alice is told by her boss to modify the negative comments regarding the ACME package.

Ideally, should Alice amend the management letter? (Select one)

- Should amend it
- Can't decide
- Do not amend it

Alice will consider many different factors in arriving at her decision. Many of them of a practical and a pragmatic nature. Below is a list of some of these items. Please indicate the importance of each of the following items to Alice's response:

	Great	Much	Some	Little	No
a) Whether the weaknesses in the ACME system may be easily remedied by compensation controls.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Wouldn't a good employee defer to her superior's judgment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Whether Alice's job may be threatened by her refusal to revise the letter.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Whether fair deliberations on the client's financial position can predict professional reputation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Great	Much	Some	Little	No
e) What is best for Alice's firm?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Whether Alice has a duty to ensure the management letter is accurate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) What is the potential value of an independent audit in lieu of society's current perspective on an enterprise's net worth.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) How is society best served?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) Whether clients really care about internal control or if all they ever really want is a clean audit opinion.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Would amending the management letter be consistent with what Alice thinks is right?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k) What action would Alice's peers in the audit firm expect her to make?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l) What factors are relevant in determining Alice's professional responsibility?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

From the choices in the previous question, think about the four items of greatest importance to an "ideal" response.

In this screen, rank the MOST IMPORTANT, the second most important, the third most important and the fourth most important item to an ideal response:

- a) Whether the weaknesses in the ACME system may be easily remedied by compensation controls.
- b) Wouldn't a good employee defer to her superior's judgment?
- c) Whether Alice's job may be threatened by her refusal to revise the letter.
- d) Whether fair deliberations on the client's financial position can predict professional reputation.
- e) What is best for Alice's firm?
- f) Whether Alice has a duty to ensure the management letter is accurate.

- g) What is the potential value of an independent audit in lieu of society's current perspective on an enterprise's net worth.
- h) How is society best served?
- i) Whether clients really care about internal control or if all they ever really want is a clean audit opinion.
- j) Would amending the management letter be consistent with what Alice thinks is right?
- k) What action would Alice's peers in the audit firm expect her to make?
- l) What factors are relevant in determining Alice's professional responsibility?

DIT Block 2

Scenario 2

Bill is an auditor and a Chartered Accountant for a small public practice firm that provides auditing services. The president of the Dogwood Construction Corporation is searching for a Chief Financial Officer, and has asked Bill to help recruit and select an appropriate candidate. Bill is the "in-charge" auditor on the Dogwood engagement which is among the largest and most profitable jobs for the firm. Bill truly believes that he can provide a valuable service to Dogwood as well as his firm by performing the function. In addition, Bill already knows an individual, a personal friend, who has the right qualifications for this very important position.

Should Bill assist Dogwood's president? (Select one)

- Should assist him
- Can't decide
- Should not assist him

Bill will consider many different factors in arriving at his decision. Many of them of a practical and a pragmatic nature. Below is a list of some of these items. Please indicate the importance of each of the following items to Bill's response:

	Great	Much	Some	Little	No
a) What effect will Bill's refusal have on his firm's relationship with the client.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Whether Bill has the right to assist a client in the selection and recruitment of a Chief Financial Officer.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Whether employment referrals ought to be in the hands of a few greedy headhunters.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Does telling his friend the job is available constitute an infringement of Bill's professional responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Great	Much	Some	Little	No
e) Will having a friend as the controller prevent Bill from making a fair assessment of the firm's financial position in the future.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Whether Bill is overweight or has a weakness for fast food.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Whether the audit partner of the Dogwood audit will endorse Bill's actions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Wouldn't a good auditor refuse to assist Dogwood's president.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) What actions would Bill's friend expect him to take.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Would it be fair to other clients of the firm if Bill assisted Dogwood's president.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k) Would assisting the president in any way violate the rights of others.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l) Would refusing to assist the president be consistent with what Bill thinks is right.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

From the choices in the previous question, think about the four items of greatest importance to an "ideal" response.

In this screen, rank the MOST IMPORTANT, the second most important, the third most important and the fourth most important item to an ideal response:

- a) What effect will Bill's refusal have on his firm's relationship with the client.
- b) Whether Bill has the right to assist a client in the selection and recruitment of a Chief Financial Officer.
- c) Whether employment referrals ought to be in the hands of a few greedy headhunters.
- d) Does telling his friend the job is available constitute an infringement of Bill's professional responsibilities.
- e) Will having a friend as the controller prevent Bill from making a fair assessment of the firm's financial position in the future.
- f) Whether Bill is overweight or has a weakness for fast food.
- g) Whether the audit partner of the Dogwood audit will endorse Bill's actions.

- h) Wouldn't a good auditor refuse to assist Dogwood's president.
- i) What actions would Bill's friend expect him to take.
- j) Would it be fair to other clients of the firm if Bill assisted Dogwood's president.
- k) Would assisting the president in any way violate the rights of others.
- l) Would refusing to assist the president be consistent with what Bill thinks is right.

DIT Block 3

Scenario 3

John is the senior in charge of the field work for two legally unrelated audit clients: The Folders Company and Colby Corporation. While on the Folders job, John learns that Colby is the only supplier of a product that is critical to the manufacturing of Folder's final output. Colby is the only vendor in the marketplace. The next day, John learns from Colby's management that they are greatly increasing the price of their primary products--and the new pricing policy can bankrupt Folders. John knows that Folders recently considered the acquisition of a small company in Asia that with some effort can redirect its production to produce a product similar to the one made by Colby. However, the estimated unit cost was greater than the present (known and assumed stable) prices offered by Colby. Based on their limited information, Folders did not seriously consider the purchase of this small company.

Should John disclose Colby's plans to Folders?

- Yes
- Can't decide
- No

John will consider many different factors in arriving at his decision. Many of them of a practical and a pragmatic nature. Below is a list of some of these items. Please indicate the importance of each of the following items to John's response:

	Great	Much	Some	Little	No
a) Is John obliged to maintain client confidentiality regardless of circumstance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Whether the partner on the audit will endorse John's actions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) What is best for the reputation of John's firm?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Whether Folder's reliance on a single supplier is disclosed in the financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Great	Much	Some	Little	No
e) Whether client confidentiality is the ultimate prelude to the necessity of rendering an audit opinion.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Which course of action will bring about the greatest good for all society?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) How will John's actions be perceived by others in the audit firm.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Whether the Folders Company brought this upon itself by relying solely upon one supplier.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) Whether John's actions will go against regulatory standards with respect to insider information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) What values are the basis for determining which stakeholder's interest takes precedence when they conflict.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k) Would John's action be consistent with what he believes is just.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l) Whether the reputation of the audit profession will suffer if Folders goes bankrupt.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

From the choices in the previous question, think about the four items of greatest importance to an "ideal" response.

In this screen, rank the MOST IMPORTANT, the second most important, the third most important and the fourth most important item to an ideal response:

- a) Is John obliged to maintain client confidentiality regardless of circumstance.
- b) Whether the partner on the audit will endorse John's actions.
- c) What is best for the reputation of John's firm.
- d) Whether Folder's reliance on a single supplier is disclosed in the financial statements.

- e) Whether client confidentiality is the ultimate prelude to the necessity of rendering an audit opinion.
- f) Which course of action will bring about the greatest good for all society.
- g) How will John's actions be perceived by others in the audit firm.
- h) Whether the Folders Company brought this upon itself by relying solely upon one supplier.
- i) What values are the basis for determining which stakeholder's interest takes precedence when they conflict.
- j) Would it be fair to other clients of the firm if Bill assisted Dogwood's president.
- k) Would John's action be consistent with what he believes is just.
- l) Whether the reputation of the audit profession will suffer if Folders goes bankrupt.

DIT Block 4

Scenario 4

Bob is a brand new partner in a medium size audit firm. Bob has inherited a substantial amount of business as a result of the unanticipated demise of one of the firm's founders. In fact, Bob has had the good fortune to have been granted the audit of the firm's largest and oldest client, Cora Limited, and its 70 percent owned subsidiary, Corinne Incorporated. Bob discovers that Cora Limited has historically been charging an exorbitant management fee to Corinne Incorporated. Bob is concerned that the interests of the minority shareholders of Corinne Incorporated are materially compromised by such an arrangement. In discussions with the client, Bob learns that this procedure was undertaken several years ago upon the advice of his own firm's tax department. It is used to boost Cora's earnings to take advantage of significant tax savings that would otherwise be lost to Cora Limited. Cora's management is not amenable to losing these tax savings. The magnitude of all related party transactions between Cora Limited and Corinne Incorporated are disclosed in the financial statements as required by the accounting standard. Consequently, submits Cora's management, the financial statements of Cora Limited and Corinne Incorporated are fairly presented.

Should Bob insist on separate disclosure of the management fee by Cora Limited?

- Yes
- Can't decide
- No

Bob will consider many different factors in arriving at his decision. Many of them of a practical and a pragmatic nature. Below is a list of some of these items. Please indicate the importance of each of the following items to Bob's response:

	Great	Much	Some	Little	No
a) Whether other partners in the firm will support Bob's position.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Would it be fair to the tax department if Bob did not insist that the	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Great	Much	Some	Little	No
management fee be disclosed.					
c) Whether anybody really cares about GAAP in their efforts to exploit everyone else.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Whether a retroactive adjustment to the financial statements is required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Whether or not disclosure of the management fee would benefit more people to a greater extent.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) What is the quintessence of an audit apart from displacement, especially for minority shareholders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Is Bob obliged by professional standards to assess the reasonableness of the management fee.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h) Whether it is generally accepted that firms manipulate the amount of management fees between associated companies to minimise their tax liability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i) What is the financial importance of the Cora audit to Bob's firm.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j) Doesn't Bob have a professional duty to protect the rights of minority shareholders.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k) Would Bob's decision be consistent with his own personal beliefs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l) What values are the basis for governing fair presentation when conventional reporting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

practices do not result in full disclosure.

	Great	Much	Some	Little	No
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From the choices in the previous question, think about the four items of greatest importance to an "ideal" response.

In this screen, rank the **MOST IMPORTANT**, the second most important, the third most important and the fourth most important item to an ideal response:

- a) Whether other partners in the firm will support Bob's position.
- b) Would it be fair to the tax department if Bob did not insist that the management fee be disclosed.
- c) Whether anybody really cares about GAAP in their efforts to exploit everyone else.
- d) Whether a retroactive adjustment to the financial statements is required.
- e) Whether or not disclosure of the management fee would benefit more people to a greater extent.
- f) What is the quintessence of an audit apart from displacement, especially for minority shareholders.
- g) Is Bob obliged by professional standards to assess the reasonableness of the management fee.
- h) Whether it is generally accepted that firms manipulate the amount of management fees between associated companies to minimise their tax liability.
- i) What is the financial importance of the Cora audit to Bob's firm.
- j) Doesn't Bob have a professional duty to protect the rights of minority shareholders.
- k) Would Bob's decision be consistent with his own personal beliefs.
- l) What values are the basis for governing fair presentation when conventional reporting practices do not result in full disclosure.

Moral Judgment Test

MJT Block 1

In this survey, you will be asked your opinion of two stories. Please read the stories carefully and answer the questions. You will find questions that ask about arguments *in favor* of the decision in each story and arguments *against* the decision in each story. There are no right or wrong answers. Some of the questions may sound similar to others; however, we want to know what you really think and believe. Please, be honest in expressing your opinion and pick the answers that really make sense for you.

Situation 1: Workers' Dilemma

Recently a company fired some people for unknown reasons. Some workers think the managers are listening in on employees through an intercom system and using the information against them. The managers deny this charge. The union says it will only do something about it when there is proof. Two workers then break into the main office and take the tapes that prove the managers were listening in.

	I Strongly Disagree	I Disagree	I Some-what Disagree	I Neither Agree nor Disagree	I Some-what Agree	I Agree	I Strongly Agree
Would you disagree or agree with the workers' behaviour?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How acceptable do you find the following arguments *in favor* of the two workers' behaviour?

Suppose someone argued they were *right* . . .

	Strongly Reject	Reject	Mostly Reject	Some-what Reject	Neither Accept nor Reject	Some-what Accept	Mostly Accept	Accept	Strongly Accept
because they didn't cause much damage to the company.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
because due to the company's disregard for the law, the means used by the two workers were permissible to restore law and order.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
because most of the workers would approve of their deed and many of them would be happy about it.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
because trust between people and individual dignity count more than the firm's internal regulations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

because the company had committed an injustice first, the two workers were justified in breaking into the offices.

because the two workers saw no legal means of revealing the company's misuse of confidence, and therefore chose what they considered the lesser evil.

How acceptable do you find the following arguments *against* the two workers' behaviour?

Suppose someone argued they were *wrong* . . .

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

because we would endanger law and order in society if everyone acted as the two workers did.

because one must not violate such a basic right as the right of property ownership and take the law into one's own hands, unless some universal moral principle justifies doing so.

because risking dismissal from the company on behalf of other people is unwise.

because the two should have run through the legal channels at their disposal and not committed a serious violation of the law.

because one doesn't steal and commit burglary if one wants to be considered a decent and honest person.

because the dismissals of the other employees did not affect them and thus they

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

had no reason to steal the transcripts.

MJT Block 2

Situation 2: Doctor's Dilemma

A woman had cancer and she had no hope of being saved. She was in terrible pain and so weak that a large dose of a pain killer such as morphine would have caused her death. During a temporary period of improvement, she begged the doctor to give her enough morphine to kill her. She said she could no longer stand the pain and would be dead in a few weeks anyway. The doctor decided to give her an overdose of morphine.

Do you disagree or agree with the doctor's behaviour?

I Strongly Disagree I Disagree I Some-what Disagree I Neither Agree nor Disagree I Some-what Agree I Agree I Strongly Agree

How acceptable do you find the following arguments *in favor* of the doctor?

Suppose someone said the doctor acted *rightly* . . .

	Strongly Reject	Reject	Mostly Reject	Some-what Reject	Neither Accept nor Reject	Some-what Accept	Mostly Accept	Accept	Strongly Accept
because the doctor had to act according to his conscience. The woman's condition justified an exception to the moral obligation to preserve life.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
because the doctor was the only one who could fulfill the woman's wish; respect for her wish made him act as he did.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
because the doctor only did what the woman talked him into doing. He need not worry about unpleasant consequences.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
because the woman would have died anyway and it didn't take much effort for him to give her an overdose of a painkiller.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

because the doctor didn't really break a law. Nobody could have saved the woman and he only wanted to shorten her suffering.

because most of his fellow doctors would presumably have done the same in a similar situation.

How acceptable do you find the following arguments *against* the doctor?

Suppose someone said that the doctor acted *wrongly* . . .

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

because he acted contrary to his colleagues' convictions. If they are against mercy-killing the doctor shouldn't do it.

because one should be able to have complete faith in a doctor's devotion to preserving life even if someone with great pain would rather die.

because the protection of life is everyone's highest moral obligation. We have no clear moral criteria for distinguishing between mercy-killing and murder.

because the doctor could get himself into much trouble. They have already punished others for doing the same thing.

because he could have had it much easier if he had waited and not interfered with the woman's dying.

Strongly Reject Reject Mostly Reject Some-what Reject Neither Accept nor Reject Some-what Accept Mostly Accept Accept Strongly Accept

because the doctor broke the law. If one thinks that mercy-killing is illegal, then one should refuse such requests.

Multidimensional Ethics Scale

MES Block 1

In this survey, you will be presented with four independent scenarios describing situations that are common to practising accountants. There are no right or wrong answers. Some of the questions may sound similar to others; however, we want to know what you really think and believe. Please, be honest in expressing your opinion and pick the answers that really make sense for you.

Scenario 1

A company has just introduced a highly successful new kitchen appliance. The Sales Manager, who is paid partly on a commission basis, discovers that there has been insufficient product testing to meet government guidelines. The tests so far indicate no likelihood of any safety problem.

Action: The Sales Manager continues to promote and sell the product.

Just	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unjust
Fair	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unfair
Morally right	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not morally right
Acceptable to my family	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not acceptable to my family
Culturally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Culturally unacceptable
Traditionally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Traditionally unacceptable
Not self-promoting for the Sales Manager	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Self-promoting for the Sales Manager
Personally satisfying for the Sales Manager	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not personally satisfying for the Sales Manager
Produces the greatest utility	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Produces the least utility
Minimises benefits while maximises harm	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Maximises benefits while minimises harm
Does not violate an unwritten contract	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unwritten contract
Does not violate an unspoken promise	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unspoken promise
Shows compassion or caring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Shows no compassion or caring

The probability that I would undertake the same action is:

High **Low**

The probability that my peers would undertake the same action is:

High **Low**

The action described above is:

Ethical **Unethical**

MES Block 2

Scenario 2

A promising start-up company applies for a loan at a bank. The Credit Manager at the bank is a friend of and frequently socialises with the company's owner. Because of this company's short credit history, it does not meet the bank's normal lending criteria.

Action: The Credit Manager recommends extending the loan.

Just	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unjust
Fair	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unfair
Morally right	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not morally right
Acceptable to my family	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not acceptable to my family
Culturally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Culturally unacceptable
Traditionally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Traditionally unacceptable
Not self-promoting for the Credit Manager	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Self-promoting for the Credit Manager
Personally satisfying for the Credit Manager	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not personally satisfying for the Credit Manager
Produces the greatest utility	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Produces the least utility
Minimises benefits while maximises harm	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Maximises benefits while minimises harm
Does not violate an unwritten contract	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unwritten contract
Does not violate an unspoken promise	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unspoken promise
Shows compassion or caring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Shows no compassion or caring

The probability that I would undertake the same action is:

High **Low**

The probability that my peers would undertake the same action is:

High **Low**

The action described above is:

Ethical **Unethical**

MES Block 3

Scenario 3

A salesman, the father of two small children, has been promoted to a job in which he has to travel away from home for the firm on a regular basis. Because the trips are frequent and

inconvenience his family life, he is contemplating charging some small personal expenses while traveling for the company. He has heard that this is common practice in the company.

Action: The salesman charges the company £50 for family gifts.

Just	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unjust
Fair	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unfair
Morally right	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not morally right
Acceptable to my family	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not acceptable to my family
Culturally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Culturally unacceptable
Traditionally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Traditionally unacceptable
Not self-promoting for the salesman	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Self-promoting for the salesman
Personally satisfying for the salesman	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not personally satisfying for the salesman
Produces the greatest utility	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Produces the least utility
Minimises benefits while maximises harm	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Maximises benefits while minimises harm
Does not violate an unwritten contract	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unwritten contract
Does not violate an unspoken promise	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unspoken promise
Shows compassion or caring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Shows no compassion or caring

The probability that I would undertake the same action is:

High **Low**

The probability that my peers would undertake the same action is:

High **Low**

The action described above is:

Ethical **Unethical**

MES Block 4

Scenario 4

The CEO of a company requests that the controller reduce the estimate for bad debts in order to increase reported income, arguing that this is a common practice in the industry when times are hard. Historically, the company made very conservative allowances for doubtful accounts, even in bad years. The CEO's request would make it one of the least conservative in the industry.

Action: The controller makes the adjustment.

Just Unjust

Fair	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Unfair
Morally right	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not morally right
Acceptable to my family	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not acceptable to my family
Culturally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Culturally unacceptable
Traditionally acceptable	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Traditionally unacceptable
Not self-promoting for the controller	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Self-promoting for the controller
Personally satisfying for the controller	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Not personally satisfying for the controller
Produces the greatest utility	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Produces the least utility
Minimises benefits while maximises harm	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Maximises benefits while minimises harm
Does not violate an unwritten contract	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unwritten contract
Does not violate an unspoken promise	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Violates an unspoken promise
Shows compassion or caring	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	Shows no compassion or caring

The probability that I would undertake the same action is:

High **Low**

The probability that my peers would undertake the same action is:

High **Low**

The action described above is:

Ethical **Unethical**

Theory of Planned Behavior

TPB Block 1

This is the longer of two surveys you will see. In this survey, you will be presented with four independent scenarios describing situations that are common to practising accountants. There are no right or wrong answers. Some of the questions may sound similar to others but they are different for our research purposes. We want to know what you really think and believe. Please, be honest in expressing your opinion and pick the answers that really make sense for you.

Scenario 1

John, a Chartered Accountant, serves as the auditor of Shrinking Company, a privately held firm. Shrinking's market share has declined drastically, and John knows that Shrinking will soon be bankrupt. Another of John's audit clients is Solid Company. While auditing Solid's accounts receivable, John finds that Shrinking Company owes Solid £200,000. This represents 10% of Solid's receivables.

Action: John warns the client, Solid Company, about Shrinking's impending bankruptcy.

In your opinion, was the behaviour

Good	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bad
Ethical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unethical
Wise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Foolish
Useful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Useless
Professional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unprofessional

Most accounting professionals who are important to me think I _____ perform the behaviour described in the scenario.

Should	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Should Not
---------------	-------------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	-------------------

Most accounting professionals who are important to me will look down on me if I perform the behaviour described in the scenario.

Likely	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unlikely
---------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	-----------------

Accounting professionals who are important to me would consider it to be a violation of the Professional Code of Ethics if I performed the behaviour described in the scenario.

Agree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Disagree
--------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	-----------------

For me to perform the behaviour described in the scenario is:

Easy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Difficult
-------------	-------------------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	------------------

If I wanted to, I could easily perform the behaviour described in the scenario.

Agree	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Disagree
--------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	-----------------

How much control do you have over the behaviour described in the scenario?

Complete Control **Absolute. No Control**

The number of events outside my control which could prevent me from performing the behaviour described in the scenario are:

Numerous **Very Few**

If I had the opportunity, I would perform the behaviour described in the scenario.

Likely **Unlikely**

I would never perform the behaviour described in the scenario.

True **False**

I may perform the behaviour described in the scenario in the future.

True **False**

TPB Block 2

Scenario 2

A public practice firm has recently acquired a new client through a very low bid. The partner suggests that it will take 100 hours to audit the inventory. The senior’s experience with similar clients suggests that in order to have reasonable assurances of no material errors or irregularities, the audit will take a minimum of 150 hours. Performance evaluation is based, in part, on efficiency.

Action: The senior accepts the budget as is. Subsequently, in cases where judgement is required to determine the number of audit procedures, the senior performs fewer procedures.

In your opinion, was the behaviour

Good **Bad**
Ethical **Unethical**
Wise **Foolish**
Useful **Useless**
Professional **Unprofessional**

Most accounting professionals who are important to me think I _____ perform the behaviour described in the scenario.

Should **Should Not**

Most accounting professionals who are important to me will look down on me if I perform the behaviour described in the scenario.

Likely **Unlikely**

Accounting professionals who are important to me would consider it to be a violation of the Professional Code of Ethics if I performed the behaviour described in the scenario.

Agree **Disagree**

For me to perform the behaviour described in the scenario is:

Easy **Difficult**

If I wanted to, I could easily perform the behaviour described in the scenario.

Agree **Disagree**

How much control do you have over the behaviour described in the scenario?

Complete Control **Absolute. No Control**

The number of events outside my control which could prevent me from performing the behaviour described in the scenario are:

Numerous **Very Few**

If I had the opportunity, I would perform the behaviour described in the scenario.

Likely **Unlikely**

I would never perform the behaviour described in the scenario.

True **False**

I may perform the behaviour described in the scenario in the future.

True **False**

TPB Block 3

Scenario 3

A partner is developing a bid for a new client. The partner deliberately sets the bid significantly below cost. The partner knows that the audit will lose money in the first few years. However, the expectation is that the firm will be able to raise the audit fee a few years down the road to generate a profit.

Action: In response to a question from the prospective client, the partner indicates that fees should not be expected to rise significantly in the foreseeable future.

In your opinion, was the behaviour

Good

Bad

Ethical

Unethical

Wise **Foolish**
Useful **Useless**
Professional **Unprofessional**

Most accounting professionals who are important to me think I _____ perform the behaviour described in the scenario.

Should **Should Not**

Most accounting professionals who are important to me will look down on me if I perform the behaviour described in the scenario.

Likely **Unlikely**

Accounting professionals who are important to me would consider it to be a violation of the Professional Code of Ethics if I performed the behaviour described in the scenario.

Agree **Disagree**

For me to perform the behaviour described in the scenario is:

Easy **Difficult**

If I wanted to, I could easily perform the behaviour described in the scenario.

Agree **Disagree**

How much control do you have over the behaviour described in the scenario?

Complete Control **Absolute. No Control**

The number of events outside my control which could prevent me from performing the behaviour described in the scenario are:

Numerous **Very Few**

If I had the opportunity, I would perform the behaviour described in the scenario.

Likely **Unlikely**

I would never perform the behaviour described in the scenario.

True **False**

I may perform the behaviour described in the scenario in the future.

True **False**

TPB Block 4

Scenario 4

A supervisor, the mother of two small children, has been promoted and assigned to an engagement which requires travel away from home for the firm on a regular basis. Because these trips are frequent and inconvenience her family life, she is contemplating charging some small

personal expenses while traveling for the firm. She has heard that this is common practise in the firm.

Action: The supervisor charges the firm £50 for family gifts.

In your opinion, was the behaviour

Good	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bad
Ethical	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unethical
Wise	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Foolish
Useful	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Useless
Professional	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Unprofessional

Most accounting professionals who are important to me think I _____ perform the behaviour described in the scenario.

Should **Should Not**

Most accounting professionals who are important to me will look down on me if I perform the behaviour described in the scenario.

Likely **Unlikely**

Accounting professionals who are important to me would consider it to be a violation of the Professional Code of Ethics if I performed the behaviour described in the scenario.

Agree **Disagree**

For me to perform the behaviour described in the scenario is:

Easy **Difficult**

If I wanted to, I could easily perform the behaviour described in the scenario.

Agree **Disagree**

How much control do you have over the behaviour described in the scenario?

Complete Control **Absolute. No Control**

The number of events outside my control which could prevent me from performing the behaviour described in the scenario are:

Numerous **Very Few**

If I had the opportunity, I would perform the behaviour described in the scenario.

Likely **Unlikely**

I would never perform the behaviour described in the scenario.

True **False**

I may perform the behaviour described in the scenario in the future.

True False

Demographic Questions

This is the last set of questions in the survey. These questions ask information about your background and work experience. Please answer these questions the best you can. Your responses are completely anonymous. We do not gather any information that identifies you in any way or can be traced back to you. The survey only captures your responses. Answers to these questions are vital to the research project. Without your responses to these questions, we are unable to analyse your answers to the other survey questions. We very much appreciate your time and help with this important research.

What is your gender?

Male

Female

In what year were you born?

Which country do you consider to be your original country?

In which country are you currently living, working or studying?

What is your country of permanent residence?

Which of the following best describes your status?

- Divorced
- Living with partner
- Married
- Separated
- Single, never married
- Widowed

Regardless of whether you belong to a particular religion, how religious would you say you are?

Not at all religious **Very religious**

How important is religion in your life?

Extremely unimportant **Extremely important**

What do you see as the most important influence on your values? (Please rank them in order from 1 to 6, where 1 is the most important and 6 is the least important)

	1	2	3	4	5	6
Employer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Friends	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Professional body	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Religion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Schooling/university education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What is the highest level of education you have completed?

- Secondary Education or equivalent
- University Degree or equivalent
- Master's Degree
- Doctoral Degree
- Professional Qualification
- Other (please specify)

In what year did you complete your highest level of education?

In which country did you, or will you, complete your highest level of education?

Which of the following best fits your degree subject?

- Accounting
- Business
- Economics
- Finance
- Science
- Social Science
- Other (please specify)

In which sector do you work? (Please tick the ONE box that best fits your sector)

- Public sector
- Not-for-profit

- Big Four accounting firm
- Other international accounting firm
- Mid tier accounting firm
- Small to medium sized practice (SMP)
- Corporate sector – small/medium-sized (less than 250 employees)
- Corporate sector – large (more than 250 employees)
- Financial services – small/medium-sized (less than 250 employees)
- Financial services – large (more than 250 employees)
- Unemployed, maternity leave, career break
- Retired
- Other (please specify)

Which of the following best describes your current employment status?

- Employed in a full-time accounting role
- Employed in a part-time accounting role
- Employed in a non-accounting role (full or part-time)
- Full-time student
- Unemployed, maternity leave, career break
- Retired
- Other (please specify)

Which of the following best describes your role?

- Newly-qualified accountant
- Accountant
- Manager
- Senior manager
- Director/Executive/Partner
- Self employed
- Unemployed, maternity leave, career break
- Retired
- Other (please specify)

How many people are you directly responsible for managing within your organisation?

- None
- 1–10 employees
- 11–20 employees
- 21–30 employees
- 31–40 employees
- 41–50 employees
- Over 50 employees
- Not applicable/not working/retired

What ethics training have you received other than training required by the ACCA? (Please tick all that apply)

- General ethics as part of degree course
- Business ethics training as part of degree course
- Accounting ethics training as part of degree course
- Employer sponsored ethics training

Are you an ACCA

- Qualification student
- CAT student
- Affiliate
- Member

How long have you been an ACCA student?

- less than 1 year
- 1-2 years
- 3-6 years
- 7-9 years
- 10+ years

How long have you been an ACCA CAT student?

- less than 1 year
- 1-2 years
- 3-6 years
- 7-9 years

10+ years

How long have you been an ACCA affiliate?

less than 1 year

1-2 years

3-6 years

7-9 years

10+ years

How long have you been an ACCA member

less than 1 year

1-2 years

3-6 years

7-9 years

10+ years

Please indicate the number of years since your admission to membership as a professional accountant.

less than 1 year

1-2 years

3-6 years

7-9 years

10+ years

Have you completed all the ACCA examinations?

Yes

No

In your ACCA training, which papers have you completed? (Please select all that apply)

F1

F9

F2

P1

F3

P2

F4

P3

F5

P4

F6

P5

- F7
- F8

- P6
- P7

When did you complete P1 (or its equivalent) ?

Have you completed ACCA's on-line professional ethics module?

- Yes (Please enter the month and year mm/yy)
- No