TRIGGERS OF ACUTE CHANGES IN ETHICAL ATTITUDE

Do Honour Codes cause Priming Effects?

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ABSTRACT

The recent turbulences that led to a global financial crisis have partially been triggered by immoral and overly egoistic behaviour. In the wake of the disaster many have asked, and keep asking, how a sustainable and socially fair economy can be build. Ethics is one of the cornerstones of human interaction in general and in economic interaction. This thesis has been inspired by the question: How can unethical behaviour be avoided?

This Master Thesis work has dealt with the question of how ethics in general can be improved. In today’s business world Business Ethical Codes of Conduct (BECC), or more commonly called honour codes, have reached some prominence. However, the question remains still unanswered as to if these measures are really effective, and if so, how efficient they are.

This thesis investigated the effect of a BECC by having individuals read it and measuring their ethical attitude by answering a questionnaire. The results were compared to a group not reading the BECC prior to answering the questionnaire. The aim was to investigate if a BECC has an acute effect that may be based on psychological priming. The results do not suggest that a BECC causes a strong shift in moral thinking in the short term, or even acutely.

Additionally, as a control, other groups of individuals were given a story to read that presented a moral dilemma. The test-subjects were asked how they would react in the described situation. The respondents were divided into two groups for analysis, the ones who chose the ethical response and the ones who chose the unethical response. In contrast to the BECC-experiment described above, the unethically responding participants showed a strong decrease in their reported moral values, confirming the validity and functionality of the ethical test itself.

In addition, the study arrived at some intriguing findings that it did not set out to discover. The reading of the dilemma itself reduced reported moral values. To the knowledge of the author, to date only one study has investigated and shown the same effect that is generally known to psychology as the mere-exposure effect.

A side-alley of investigation was the question whether previous findings on the correlation of age, socio-economic status, and gender (sex) could be confirmed. The previous reports have been contradictory in their findings.

The current thesis found supporting evidence that age is positively correlated with moral thinking, i.e. growing age correlated with strengthened moral values, which means that individuals agree more with ethical concepts the older they become. In addition, while socio-economic status did not show any correlation with moral thinking, gender did correlate with ethical values in certain respects. It could be shown, that the above mentioned mere-exposure effect exists for the males but not the females in the test-groups.

In summary, changing ethical attitude is possible. However, controlling ethics, i.e. directional influence, is apparently a complicated business that needs more research.
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“Act only according to that maxim whereby you can at the same time will that it should become a universal law.”

("Handle nur nach derjenigen Maxime, durch die du zugleich wollen kannst, dass sie ein allgemeines Gesetz werde.")

Immanuel Kant [ɪˈmaʊənəl 'kant] (1724-1804),
German philosopher.

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1 INTRODUCTION

Not only criminals but also citizens who are not habitually in conflict with the law exhibit dishonesty, or engage in actions harmful to their fellow citizens (Gabor 1994). Most members of society are aware of the rules that govern the truthfulness of our actions, namely morale and ethics; however, studies indicate that many engage in dishonest behaviour frequently and show for example that everybody lies on a daily basis (DePaulo BM 1996). A staggering 66% of high-school students in the USA for example report to have cheated in exams (Bernardi, Metzger et al. 2004).

A recent example of academic fraud is offered by Germany’s defence minister, Karl-Theodor zu Guttenberg, who has plagiarised large passages of his doctoral thesis (BBC.co.uk 2011). As a consequence the thesis was retracted by the awarding university, the minister has to resign, and the political scandal has triggered debates about the state of moral behaviour of individuals serving in public office in Germany (Warner 2011).

Ethics and morale are of fundamental importance in business and economics, and unethical behaviour stands for great financial damage. Tax avoidance and tax evasion for instance may have caused a damage of 345 billion USD in 2007 in the USA alone (Kaufman 2007). Accountants describe tax evasion as morally questionable less frequently the lower their actual knowledge on the system of taxation is (Eriksen and Fallan 1996). Intellectual property theft worldwide has cost the US industry alone more than 250 billion USD in 2004 (Nina, Dan et al. 2010). “Wardrobing”, i.e. the short-term use and return of recently bought clothing for refund, costs the retail industry approximately 16 billion USD, and as many as 9% of all returns are thought to be fraudulent (Hilinski 2005).

Acceptance of fraud and deception is apparently widespread, as demonstrated by the fact that 10% of US Americans stated in a recent survey, that it was acceptable to hand in fraudulent insurance claims, for example when reporting goods as damaged or stolen when they were not. In the same study, 25% of US Americans even agreed that overstating an insurance claim was acceptable (Accenture 2003).

How can dishonest behaviour be curbed? As the Internal Revenue Service (tax office of the USA) noted for instance, performing more audits did not result in more taxes paid (Herman 2005). If more control is not the answer, the question remains, which measures, techniques and strategies can be used to address, the problem of fraud and deception in the business arena? Certainly, any measure that does improve moral behaviour will improve the economic bottom line of any business fallen victim.

This thesis reviews the possibilities of altering moral behaviour. In doing so it investigates dishonesty in the business arena and evaluates what is known about the underlying reasons for deception, the psychological and sociological mechanisms accompanying this behaviour, and the tools that can be applied to contain deceit. Based on surveys, this study investigates the effect of formally agreed upon rules, such as an Ethical Code of Conduct, on individuals’ moral values.

In brief: This thesis investigates if honour codes are effective in improving morality.
1.1 BACKGROUND

1.1.1 The origin of deception

The terms morale and ethics include a wide variety of different actions. Commonly lying, cheating and stealing are defined as unethical behaviour (Trevino Linda, Weaver Gary et al. 2006). More generally speaking, deception of any kind is thought of as unethical, while behaviours such as honesty, obeying the law, and whistle-blowing are conform with ethical standards (Jones 1991).

Deception and the capacity to detect deceit are products of animal and human evolution (Buchanan 2006). While the way we are dealing with deception certainly is a product of our social evolution the psychological capabilities involved enabling us to lie and cheat have developed in our biology and are hardwired (Leighton 1906). Deceit and detection thereof is a universal human trait (Bond, Omar et al. 1990).

A scenario of deception in the animal kingdom could for instance be a signal warning of a predator when in fact no predator is present. After all animals have fled the scene the deceiver may have a resource such as feed for itself. Deception is thereby defined as a signalling act that in the broadest sense can be any exchange between two or more individuals (Buchanan 2006).

If this exchange manifests as an exchange of goods, a financial, social or material gain can manifest on the expense of the deceived. The origins of deceit may have been simple survival mechanisms that ensure that the more pushy ones, the more egoistic individuals, would survive more easily (Leutenegger 1987).

1.1.2 Definition of Ethics and morale

Human society has come up with definitions for dishonesty and developed coping strategies for dealing with deception (Bond, Omar et al. 1990). However, these definitions are far from fixed, but rather vary in different societies and may change over time (Jones 1991).

In some instances deception may be punished and sanctioned, in others it may be a generally accepted occurrence or even be encouraged. For instance, law-enforcement may employ deception and use misrepresentation as a tool in a number of areas, such as setting up sting operations to catch corrupt officials, placing informants in various undercover situations, and falsifying documents in witness relocation plans (Shine 1989).

The example demonstrates that the line between deception and socially accepted behaviour is at times vague at best. The attempt of defining this line is the function of ethics and the study of morale. Some fields of study distinguish between ethics as being of a more universal relevance and morale as being applicable for a distinguished social group (Wiktionary 2011).

In this thesis the terms ethics and morale are used interchangeably for “the rules or standards governing the conduct of a person or the members of a profession” (Dictionary 2011).
1.1.3 The self in the regulation of behaviour

The concept of the psychological self, self-consciousness or the self-concept, i.e. the way people view and perceive themselves, is a prerequisite in understanding the motivational- and other forces that move the individual to either behave ethical or unethical (Mazar, Amir et al. 2008).

Identity is viewed as something possessing hierarchies, networks or spaces, including personal characteristics’, feelings, roles and social status (Burke 1980). The self-concept explains the reflections and interpretations of on-going behaviour the self performs on its identity.

The self-concept is today being viewed as dynamic and adjustable in its response to challenges from the social environment (Markus and Wurf 1987). The self-concept consists of self-representations, i.e. ways in which the self presents itself to the outer world. Some self-representations may be based on the actual self or images of the self, as it would like to appear (Stryker 2007).

The concepts can be at odds with each other, in so-called self-discrepancy (Higgins 1987). Not all self-representations are subject to conscious reflection, but if they are, they are called self-conceptions (Markus and Wurf 1987). Self-representations may be actively repressed or altered, for example to substitute a sad mood with a happy memory (Josephson, Singer et al. 1996).

Apparently there are two viewpoints in the relationship between the individual and its social surrounding. From the social perspective of the surrounding the individual has internalized social roles through which it interacts with others, which is denominated identity theory (Stryker 2007; Wikipedia 2011).

From the psychological point of view, the individual has inherited traits, which are rather stable, individual and shape a person’s disposition and behaviour, and is called personality theory (Wikipedia 2011). Naturally, the social and the psychological perspectives of the self have large overlaps (Stryker 2007).

In the interaction with its surrounding the individual seeks to control certain behaviours, which is known as self-regulation (Markus and Wurf 1987). Self-regulation does occur also in-group contexts’ when individuals aim at regulating their behaviour in accordance to their perceived social identity (Sassenberg and Woltin 2008).

The person’s believe in the ability, and the willingness to perform an activity contributing to self-regulation has been termed self-efficacy (Albert and Edwin 2009). Self-efficacy is being motivated or channelled by desires and needs, some of which may be the cause of dishonesty (Markus and Wurf 1987).

Understanding the above mentioned mechanisms and how to alter them is paramount in the control of ethical behaviour. Additionally, it may be helpful understanding how moral behaviour develops psychologically.

1.1.4 Stages of moral development

Moral development is a key component in the decision process on moral behaviour (Kohlberg 1984; Hunt 1992; Green and Weber 1997; Abdolmohammadi and Sultan
Kohlberg's conventional level of moral development are a well accepted basis to describe the stages of such a development (Kohlberg 1984; Wikipedia 2011)(Table 1).

The stages describe the progression from a mostly egoistic and self-interested moral perspective, over the acceptance that social norms should be followed for an efficient social existence, to the realization of higher principles, such as ethical principles and social contracts (Kohlb erg 1984).

The basic principles of this model apparently hold true for different cultures, although this circumstance is a matter of some debate (Boom, Wouters et al. 2007; Gibbs, Basinger et al. 2007).

A similar model, that in contrast to Kohlberg’s model does not concentrate as much on social development, but rather emphasizes infant development is Jean Piaget’s developmental stage theory (Carpendale 2000).

Some studies have provided evidence that the stages do correlate with actual behaviour. Employees who had attained Kohlberg's conventional level of moral development refrained from stealing money when they worked in an office that had an ethics program in place. Those on the other hand at the pre-conventional level of development and who worked at an office without an ethics program stole from their employers. Apparently the programs in place improved the moral development of the employees (Greenberg 2002).

Importantly, not only an ethical program in place is of importance but apparently also the personal development of the individuals who are expected to subordinate their egoistic interests to the common rules.

1.1.5 Social cognitive theory of morality

Apparently, even in comparable situations different individuals may take fundamentally different decisions in relation to ethical issues. Social cognitive theory attempts to explain the basis of these differences (Reynolds 2008). The postulate of social cognitive theory is that moral decision is based on the traits of the individual, external stimuli, and the ensuing interaction of the two factors (Bandura 1986).

In accordance to social cognitive theory the difference in moral behaviour derives from variation in attention to moral issues between individuals. The attention is influenced by the significance of the stimulus, how interesting the stimulus is, and the individual’s capacity to recognize and process the stimulus (Taylor 1991).

The basis for moral reasoning is moral judgment that derives from the questions “What is right and wrong?” and the concept of the self, as discussed above (Reynolds and Ceranic 2007). Ethical behaviour starts with a moral judgement based on the awareness
of a moral issue, the intention to act morally, and finally the engagement in the appropriate behaviour (Kohlberg 1975).

The judgment of what is right and wrong is crucial for moral behaviour, and is influenced by two main factors, namely development of moral reasoning (Kohlberg 1984; Hunt 1992; Green and Weber 1997; Abdolmohammadi and Sultan 2002; Greenberg 2002; Bernardi, Metzger et al. 2004), and ethical predisposition, which is defined as a cognitive framework that builds the basis for moral decisions (Brady and Wheeler 1996). Moral judgment is a process that in principle happens every time anew a moral decision has to be taken (Reynolds and Ceranic 2007).

1.1.6 Influencing moral awareness using psychological priming

Some studies have suggested that these factors are subject to priming, i.e. the activation of specific connectional frameworks by subliminal suggestion (Higgins 1989). Priming can for example act by having subjects sort phrases, or unscramble sentences, that are enriched with suggestive terms, for instance words that are associated with the term “mean”.

By subconsciously directing attention towards the framework for judging actions as “mean” individuals can be influenced to judge vignettes as meaner than control subjects that have performed unscrambling tasks with no inbuilt bias (Skowronski John, Sedikides et al. 2010).

Other categories that have been addressed using priming are, racial categories (Devine 1989), gender stereotypes (McKenzie-Mohr and Zanna 1990), political advertisements (Shen 2004), anxiety (Robles, Smith et al. 1987), and violent crimes (James 1986), to name but a few examples of the wide array of possible applications.

1.1.7 Moral attentiveness, moral identity, and social consensus

Some authors distinguish moral awareness, that can be influenced by priming, from moral attentiveness, and define attentiveness as a more general sensitivity to moral topics that exists regardless of context (Jones 1991; Reynolds 2008).

Moral attentiveness can be associated with a more intuitive moral reaction while awareness implies deliberation. Perceptual aspects play a role in moral attentiveness, which let an individual react conditioned to information encountered, based on moral identity, and a reflective aspect which lets the individual examine and judge the experience (Reynolds 2008).

This is an intricate part of an individual’s moral identity which deals with moral aspects of one’s self (Bergman 2002). The moral identity acts as a motivator to behave in accordance to moral sets of rules that an individual has come to accept as basis for his own behaviour (Bornstein 1999; Narvaez and Lapsley 2009).

“Social consensus indicates the extent to which there is a general concurrence within society about the moral status of the issue” (Reynolds and Ceranic 2007). Reynolds and others have argued that a high social consensus reduces the need for moral judgment by an individual, so that the behaviour of the individual is going to be influenced by his moral identity but not the moral judgment (Reynolds and Ceranic 2007).
1.1.8 Psychological dissonance and self-deception

Generally people strive to behave morally, even if they fail frequently (Aquino and Reed 2002). If their self-concept of being a moral individual is at odds with their immoral behaviour individuals may resort to self-deception in order to resolve the discrepancy (Trivers 2000) or disengage from their moral identity or their moral convictions (Bandura, Barbaranelli et al. 1996).

Self-deception is a common psychological strategy in aligning believes with reality. For example, people frequently maintain believes about themselves that are not in accordance with reality. More than 50% of people believe for instance that they are more intelligent than the average, a view that clearly violates logic (Alicke, Klotz et al. 1995). In order to align the internal self-concept with the outer reality people resort to self-deception to reduce this so-called psychological dissonance (Elliot and Devine 1994).

Self-deception has been considered an important psychological factor in the decision in favour of unethical behaviour (Messick 2001; Tenbrunsel and Messick 2004). People also apply self-deception unconsciously to convince themselves of certain motives, hiding their true intention even to themselves (Anderson, Cohen et al. 2000; Dodson 2001). In this case of real self-deception there are no cues, such as increased pupil size, lip pressing and similar, to an observer to discern the dishonesty (Morris 2004).

1.1.9 Moral disengagement and immoral behaviour

As mentioned, another strategy of dealing with is cognitive dissonance is the process of emotionally distancing oneself from ones unethical behaviour, which has been termed “moral disengagement”.

Moral disengagement means the separation of moral reactions from inhumane conduct and the disabling of mechanisms of self-condemnation (Bandura, Barbaranelli et al. 1996). It has been suggested that as a result of dishonest behaviour a person may disengage even further from moral behaviour, forgetting moral rules, and leading to a downward spiral (Shu Lisa, Gino et al. 2011).

A facet of moral disengagement is a self-justification process (Bandura, Caprara et al. 2001). The uncertainty of information may be used as the basis for the justification of dishonesty. The act of lying may then be justified by the fact that the information available is not clear cut, or reliable (Schweitzer and Hsee 2002). This act of conscious self-deception differs from the previously mentioned self-deception in that the perpetrator is aware of the betrayal, but chooses to justify (White, Bandura et al. 2009).

An example that describes it well is the moral disengagement process that prison personnel must undergo in order to be able to carry out the death penalty on prisoners (Osofsky, Bandura et al. 2005).

An interesting example of self-deception can be found in a study by Shu et al. In the study students were given a chance to cheat in an exam after they had read a code of honour. The students were tested for their moral disengagement and also for how much information from the code they remembered. Interestingly, the students that had cheated remembered less of the code than the students that decided to be honest.
authors argue that this is “strategic forgetting” that prevents dissonance (Shu Lisa, Gino et al. 2011).

Bandura defines a number of strategies for moral disengagement that are also the basis for his test of moral disengagement, which is described in more detail in the review chapter (Figure 1) (Bandura 2002).

Briefly, Bandura’s definitions of moral disengagement are (Bandura 2002):

- Moral justification: Portraying an act as socially worthy cause
- Euphemistic labelling: Sanitized language disguises immoral acts
- Advantageous comparison: Comparing immoral act against seemingly worse alternative
- Displacement of responsibility: Following the dictate of a higher authority
- Diffusion of responsibility: Division of labour as social diffusion
- Disregard of distortion of consequences: Argumentative minimisation of the actual harm caused
- Dehumanisation: Immoral acts against strangers or animals are psychological easier to carry out
- Attribution of blame: Portraying oneself as the victim of others or circumstances

Previous studies have shown that moral disengagement in boys is larger than in girls, and positively correlated with aggression, social competence, and in some cases delinquency, but unrelated with socioeconomic status or age (Bandura, Barbaranelli et al. 1996). In contrast, other studies have shown that the acceptance of moral disengagement is higher in males and increases with age (Obermann 2011).

Moral disengagement was chosen as a basis for the determination of the participating individuals’ moral thinking in this study as discussed in more detail below. The aspects age and gender in relation to ethical attitudes were subjects of investigation in order to shed more light on the discrepancies found between previous studies.
1.2 PROBLEM DISCUSSION

1.2.1 Reasons for dishonest behaviour in economic contexts

Honesty and deception are concepts of ethics and morale that are being investigated not only by moral philosophers, psychologists, psychiatrists and sociologists, but in a more applied arena in recent times by researchers from such fields as business studies (Ayres and Ghosh 1999; Chan, Fung et al. 2010).

However, already philosophers like Thomas Hobbes and economists such as Adam Smith have given the issue some thought and have argued that behaving in line with moral expectations may merely be the result of a cost-benefit analysis, weighing desires against the costs of fulfilling them, an idea very much based on the concept of *homo economicus* (Smith and Cannan 1981; Nina, Dan et al. 2010).

The basic idea for this is, that people are only honest to the extent that a planned trade-off favours honesty (Hechter 1990). In accordance to this economic model ethical behaviour is for example influenced by external incentives, the bigger the reward that can be derived from being dishonest the greater the incentive for dishonest behaviour (Lewicki 1983).

Another model concentrates on internal reward, felt due to the following of social norms (Henrich, Boyd et al. 2009). There is evidence from game theory that people act not only in terms of selfish motives but also in accordance with considerations regarding social utility and the care for others’ as outcome (Ernst and Urs 2003; Fehr and Fischbacher 2004). In fact, brain-imaging studies have shown that people who followed moral conventions felt an intense reward. The intensity of the reward-feeling equalled that of other reward triggers, such as monetary gain (de Quervain Dominique, Fischbacher et al. 2004).

Interestingly, game theory also showed that people evaluate their counterparts’ situation when deciding to be dishonest or not. It has been demonstrated that people will be more prone to dishonesty in a game for personal gain, when their counterpart is wealthier than they themselves (Gneezy 2005).

Apparently these internal reward mechanisms vary between different cultures and are shaped by the economic characteristics of the societies people live in, in other words socialization is key for altruistic behaviour (Henrich, Boyd et al. 2009). Additionally to these economic and sociological factor that influence human honesty behaviour, also personality traits, situational factors, and other individual factors contribute to the decision for or against dishonesty (Lewicki 1983).

An example for a situational factor is the certainty of information. Studies have shown that uncertainty of information can be an inducing factor for dishonesty. For example, a manager may have an incentive to underreport the true dimension of costs for renovation of a house in sales negotiations, justifying the lie with the uncertainty of this information (Schweitzer and Hsee 2002).

1.2.2 The state of research in business ethics

The need for research on ethics and morale in a business context arises from the fact that lie, betrayal and deception are at the core of such problems as accounting fraud, as
in recent cases such as the Enron scandal (Bazerman, Loewenstein et al. 2002; House, Watt et al. 2004) or the Bernard L. Madoff fraud scandal (Battalio and Loughran 2008). The Enron and WorldCom scandals alone are estimated to have cost the US economy 37-42 billion USD (Graham 2002; BBC.co.uk 2004; Rice 2010).

Some argue that these problems arise from a relentless pursuit of the idea of the homo economicus, i.e. the assumption that individuals are merely out to maximize their own gain, if needed on the expense of others, and if opportunity permits by deception (White 2004). In a similar vein, individuals in companies such as in accounting may, if presented with an opportunity to beget immoral advantage, abuse their position (Kravitz 2009).

Past research has investigated deception in business contexts by investigating the importance of internal psychological factors, such as motivation (Bazerman, Loewenstein et al. 2002), moral or religious identity (Vitell, Bing et al. 2009), measures of ethical sensitivity (Shawver and Sennetti 2009), self-concept and self-regulation (Markus and Wurf 1987) to name but a few.

Also external factors have been investigated, such as incentives for ethical behaviour (Battalio and Loughran 2008), organizational structures, including company norms and climate (Nijhof, Fisscher et al. 2000), and governmental legislation (Rockness and Rockness 2005) for example.

All these factors play a role for moral behaviour in business and our daily life (Serota Kim, Levine Timothy et al. 2010). However, it is a meticulous task to dissect which exact roles the individual factors play and to what extent they contribute to ethical behaviour. Notwithstanding, much progress has been made in understanding dishonesty and the underlying causes and psychological processes (Chan, Fung et al. 2010).

### 1.2.3 Potential remedies against unethical behaviour

In a recent development, research has moved on to the next level of the problem, i.e. how to remedy the occurrence of dishonesty with prudence (Tullberg 2009). In this context it naturally has been discussed how external factors can be altered in order to stifle the occurrence of fraught and deception (Amir, Ariely et al. 2005).

One may look at this strategy as the stick and carrot approach that tries to use incentives and penalties in an attempt to manoeuvre individuals away from committing fraught (Nina, Dan et al. 2010). At the same time, others have begun understanding how internal factors manipulate moral decisions serving the same end, i.e. improve morality (Shu Lisa, Gino et al. 2011). The question has been addressed: How can the moral attitude or the very sense of morality be altered in order to diminish unethical reflexes (Schweitzer and Hsee 2002; Reynolds and Ceranic 2007; Mazar, Amir et al. 2008)?

Methods that have been thought of are often directing attention towards raising awareness or attentiveness for moral problems arising from ethical dilemmas (Reynolds 2008). Attempts have been undertaken to do so by using lectures on ethics and by means of moral education (Kidwell 2001; Kulshreshtha 2005) or by increasing ethical attentiveness using a Code of Honour, or Business Ethical Codes of Conduct (BECC) (Kidwell 2001; Kaptein 2004).
1.3 PROBLEM FORMULATION AND PURPOSE

1.3.1 Problem formulation

Studies have shown that the effects of such codes or lectures on ethics can be efficient in rendering immoral behaviour more ethical sometimes, but may even have detrimental effects at other times, or be ineffective altogether (Kaptein and Schwartz 2008) (Pater and Van Gils 2003). The ambivalence of these findings served as basis for the idea of the investigations in this thesis.

1.3.2 Hypotheses developed from the literature review

Bandura viewed moral disengagement as a prerequisite for immoral behaviour (Bandura, Barbaranelli et al. 1996), but Shu et al. has demonstrated that immoral behaviour also has an effect on an individual’s moral engagement (Shu Lisa, Gino et al. 2011).

In the latter study it has been demonstrated, as discussed in more detail above, that cheating is positively correlated with moral disengagement, opposite to honesty (Shu Lisa, Gino et al. 2011). The same study shows that moral disengagement is positively correlated with reading and signing a BECC in an exam situation where a chance for cheating is given, a similar finding to Mazar et al. (Nina, Dan et al. 2010; Shu Lisa, Gino et al. 2011).

Bandura has demonstrated that socioeconomic status and age are not correlated with moral disengagement, while gender is. Namely, males are more morally disengaged than females. Bandura has also shown that aggression is positively correlated with moral disengagement (Bandura, Barbaranelli et al. 1996), and it has previously been established that Machiavellianism, which is a construct measuring assertiveness indirectly, is positively correlated with physical aggression, challenge to authority, and total aggression (Russell 1974).

Figure 2: Hypotheses developed for thesis summarized
Overview over hypotheses taken into account for this thesis: Attributes that are thought to have an effect on moral disengagement and the resulting behaviours or strategies of disengaging from morals. (+” positive correlation, “/” no correlation, “-” negative correlation. (Based on a body of work discussed in the background chapter above)
Hypothesis 1:
Extrapolating from the findings of Shu et al. I hypothesized that, compared to a control condition, increased moral awareness caused by the application of a BECC will lead to lower levels of moral disengagement (Shu Lisa, Gino et al. 2011). This first experiment of the study builds on these previous findings, but expands on them because direct effects of BECCs in moral disengagement have not previously been investigated.

Hypothesis 2:
Similarly to the effects observed previously, the participants were expected to exhibit greater moral disengagement after behaving unethical than after behaving ethical (Shu Lisa, Gino et al. 2011). This second experiment was designed to test the findings of Shu et al. and thereby demonstrate the validity of the tests and constructs applied.

Hypothesis 3:
A third experiment was designed to investigate the individual aspects of moral disengagement, namely moral justification, euphemistic labelling, advantageous comparison, displacement of responsibility, diffusion of responsibility, disregard of distortion of consequences, dehumanisation, and attribution of blame (Bandura 2002). The hypothesis was that these would differ for the different group conditions.

Hypothesis 4:
Another test attribute is maleness, which was expected to be positively correlated with moral disengagement as demonstrated by Bandura (Bandura, Barbaranelli et al. 1996), and in accordance to the fact that physical aggression, challenge to authority, and total aggression are correlated with the male gender (Björkqvist 1994). Hence the correlation between moral ratings and gender were expected to be significant.

Hypothesis 5:
In addition, socio-economic status and age were investigated in relation to moral ratings. No difference between groups based on socio-economic status was expected (Bandura, Barbaranelli et al. 1996), however, age was hypothesised to increase moral awareness (Deshpande 1997; Jordan 2002). Correlation between nationality and moral responses was not investigated in this thesis. The above are summarized in Figure 2.

1.3.3 Study purpose
This study purpose is investigating and evaluating the acute influence of an honour code, or BECC, on moral thinking. Furthermore, the current thesis will discuss whether BECC are applicable in real-life situations and if they can pose a useful means of reducing unethical conduct.

Interestingly, it seems not to have been tested if a short-term exposure has any effect on attitudes towards ethics when measured using a questionnaire. To the knowledge of the author, until now such measurements have only been performed following real-life scenarios, such as students that were tested in simulated exam situations (Mazar, Amir et al. 2008; Shu Lisa, Gino et al. 2011).

The purpose of this study is therefore to test if the findings of experiments based on real-life scenarios also hold true in a theoretical simulation, using an online questionnaire. Ultimately the question is if moral disengagement is increased by a BECC.
In summary:

I) The primary purpose is to investigate the potential value of BECC for application in situations that demand ethical behaviour, but do not permit for time-consuming education programs. Does a BECC acutely change moral attitudes to the better?

II) Secondly, the results are expected to contribute to the understanding of the moral concepts of individuals such as the importance of moral attentiveness in a more general way. The study aims at answering the question how fluid and flexible ethical concepts are. Can a BECC (or other interventions applied as controls in this study) alter a person’s moral perception acutely in any way?

III) Thirdly, confirm if a simple test scenario based on an online questionnaire can be used in the evaluation of ethical questions. Studies to date have mostly been based on experiments in which the experimenter met the subjects and performed the experiment in some situational simulation. Does a theoretical scenario (a vignette of ethical dilemma) change individuals’ perception of ethical problems even using an online approach without human interaction?

1.4 DE-LIMITATIONS

From the above described it would follow that one could investigate how a BECC would alter moral decisions in vignettes or moral scenarios as often applied in studies on ethics. Unfortunately though this was beyond the scope of this thesis. More on possible study designs addressing this problem can be found in the final chapter on “future aspects”.

1.5 THESIS STRUCTURE

The following chapter will discuss the literature that has been dealing with BECC. It will review what a BECC can look like, which elements are thought to matter and how BECC have been applied in previous studies as well as what the results from real-life applications were.

The subsequent method chapter will discuss the methods available for research of BECC and ethics. The methods are evaluated and rated in accordance to make it more transparent why the methods applied in this thesis were selected as most suitable. Additionally, the choice of analysis tools is described and discussed.

The results section presents all data retrieved from the online surveys and the analysis of this data. The data and results are presented using tables and figures, visualizing the large body of results retrieved and processed.

Eventually conclusions are drawn, possible applications of the results are discussed, and future prospects for further investigation into the subject are suggested.
2 LITERATURE REVIEW

2.1 TACKLING THE MAIN REASONS FOR UNETHICAL BEHAVIOUR

As discussed in the previous background chapter we can conclude that there are four general drivers of dishonesty or immoral behaviour, namely:

1) Relatively low costs for large benefits through deception,
2) A lack of social norms,
3) Lack of self-awareness and a related low moral awareness, and in addition
4) Self-deception (Nina, Dan et al. 2010).

Hence the resulting actions that are expected to lower unethical behaviour would be:

1) Increasing the probability of being caught deceiving. Interestingly, the magnitude of the punishment has been shown to be not much of a deterrent for people who plan to commit unethical acts (Nagin and Pogarsky 2003).
2) Some argue that social norms must be communicated where there is a lack thereof. Suggestions include, but are not limited to, leaflets, movie-trailers, and similar types of communications in order to raise awareness for the consequences of one’s actions on other members of society. It has also been emphasized that such measures may need to be applied early in people’s life’s (Nina, Dan et al. 2010).
3) Asking people to sign an Honour Code has been suggested as a counter-measurement for a lack of self-awareness and moral awareness (Nina, Dan et al. 2010).
4) Contrary to what one might expect, educating people about self-serving bias is not successful in de-biasing people (Babcock and Loewenstein 1997). Self-deception may be hard to tackle too, some argue, and suggest that only eliminating the reason for bias may ultimately be successful (Bazerman 2001; Bazerman 2002).

2.2 TEACHING ETHICS IN COURSES

Results from studies investigating ethical courses for students that attempt to raise awareness of moral issues are conflicting. It has been shown in some studies with high-school students, that merely learning about ethics had no positive effect on students’ ethicality. In fact, at the end of the course the students were slightly less ethically committed (Daniel 2010).

Another longitudinal study demonstrated the exact opposite effect, showing a significant increase in moral judgement scores (Geddes, Salvatori et al. 2009). It has been suggested that a lack of positive effects may be caused by a lack of performing assessments and small group teaching, which has been found to be beneficial for the impact of ethics teaching (Goldie, Schwartz et al. 2002).

There may be further reasons for these variations; one study found that of the nine ethical climate dimensions measured using a questionnaire some were correlated with unethical behaviours examined in the study, but not others (Peterson 2002). In conclusion the selection of investigation criteria have an impact on the outcome. Not all ethical dimensions may be equally suitable for the measurement of changes in ethical attitudes.
Another reason for the differences in results may be environmental and execution reasons. A study that reviewed studies on ethical training and investigated various types of ethics training arrived at the following conclusion: “People need environments that also support and encourage the practice of ethical reflection, dialog and action. Additional activities are necessary that cultivate organizational process norms to develop ethical thinking in support of personal accountability and moral development. “A greater focus on context implies that supervisors and managers need to bring forward ethical issues in staff meetings, become aware of and responsible for areas of ethical risk, and link ethical practice to organizational goals and personal performance. Finally, an emphasis on ethical competency development will help employees exercise ethics as an active ‘practice’ rather than seeing ethics as a form of forced compliance” (Sekerka Leslie 2009).

2.3 BUSINESS ETHICAL CODES OF CONDUCT (BECC)

Another approach designed to raise moral awareness are business codes. Honour Codes have hence been suggested as tool for ethics teaching (Pavela 1993). Business codes or corporate ethics programs were introduced in the 1950s. In 2000 approximately 80% of the 500 largest US companies had an ethics code in place (Donaldson 2000). The content consist of behaviour and actions discussed in the codes, enforcement procedures, and penalties (Farrell, Cobbin et al. 2002).

96% of board members of 225 US companies had knowledge of the companies’ BECC in 2006 (Board 2006). A study of the Conference board in 1991 showed that the Compliance Code was the most common code type in all regions. Over 90% responded that their company's code requires particular types of employee or company behaviour (Board 1992).

75% of the responding organizations with codes said their statement is a credo that explains the company's accountability to its key constituencies, like e.g. employees, customers and suppliers. Management philosophy declarations are the least common format – still, more than half of the companies with codes use this type of statement (Board 1992).

2.4 EFFECTS OF BECC ON CORPORATE BEHAVIOUR

The National Business Ethics Survey® (NBES) is a study that samples ethical measures on a regular basis. The most recent survey in 2009 reported, confirming previous findings, that there’s a strong association between raising awareness for ethics and a strengthening ethical culture (Verschoor 2010).

Eight reviews covering approximately 700 individual research reports, investigating the effect of BECC on financial performance, showed that a small majority of studies found a positive effect, i.e. BECC influence financial performance to the better (Bickel 2009). One study compared companies that emphasize their ethics as an aspect of corporate governance performed better financially than without any special emphasize on ethics (Verschoor 1998).

35% of 79 studies found BECC or Codes of Honour to be effective, 16% found a weak effect, 14% showed mixed results, and 33% of the studies found no effect (Kaptein and Schwartz 2008). The reason may be difference in study design, but also due to
differences in the design of the codes and the communication of, and about the codes (Kaptein 2010).

These studies have mostly investigated the effects of BECC or Codes of Honour looking at the effects of codes in companies that apply them (Kaptein 2004; Kaptein 2010). The technique used in the studies has been to ask participants about their perception, i.e. how they perceive the ethical behaviour in their work place.

A further study tested Norwegian professionals from two different companies, i.e. companies with and without BECC, using vignettes. The study concludes that the codes had no effect on people’s attitude to the presented dilemmas (Marnburg 2000).

Apparently the body of evidence pro- and contra BECC is conflicting. The non-standardization of the test applied, and various differences that are hard to control for in a real-life situation apparently complicate the investigations. An alternative to cross sectional studies employing surveys is laboratory testing under controlled conditions.

### 2.5 BUSINESS CODES IN LABORATORY EXPERIMENTS

Only very few studies have employed laboratory experiments. Cleek and Leonard found no significant effect of a BECC on ethical behaviour in a questionnaire (Cleek and Leonard 1998). However, Cleek told all participants that they were to follow a BECC, but only gave one group the content to read. Hence, the study did not measure the difference between the existences of the code versus no code, but rather the effect of the knowledge of the content of a BECC.

Mazar et al. showed that telling students that they had to follow a Code of Honour in an exam situation eradicated all attempts to cheat. The students had no knowledge of the content of the code; in fact such a code did not exist (Mazar, Amir et al. 2008). It is possible therefore that in Cleek’s study all participants had an increased ethical awareness and acted more ethical.

Hegarty and Sims on the other hand found in a simulation that handing students an alleged letter of the president of the company, emphasizing the importance of ethical behaviour, increased ethical behaviour (Sims 1979).

In a similar scenario Laczniaiak and Inderieden found that MBA students reacted more strongly to ethical scenarios describing illegal actions, following exposure to a letter or a code of ethics. The attitude towards unethical but legal scenarios on the other hand was unaltered (Inderrieden 1987).

Mathews conducted an analysis of 485 US companies and found that BECC had a small but not statistically significant positive effect on these companies in terms of frequency of civil actions, and price of shares (Mathews 1987).

Kaptein and Wempe so far have performed the only longitudinal study. They investigated the effect of a BECC by measuring several factors before and six months after introduction. The study found that the code had a positive effect on damage of corporate vehicles, which was down by 25%, and a reported improvement of the corporate culture (Kaptein and Wempe 1998).
Differences in the studies may partially be explained by differences in the way the BECC is communicated. Merely having a code does of course not guarantee that anyone reads it, hence it should repeatedly be communicated and trained. Stevens et al. found that training programs were positively related to ethical decisions (Stevens, Kevin Steensma et al. 2005).

The accessibility for the employees, the comprehensibility, and the usefulness has an influence on the efficiency of the training. Furthermore, it has been argue that the quality of the code, i.e. the number of relevant ethical issues that are addressed, is crucial for its effectiveness (Kaptein 2010).

2.6 CONTENT AND STRUCTURE OF BUSINESS CODES

In order to apply the scientific method to the investigation of codes of business ethics their inherent complexity must be made available to classification schemes (Gaumnitz and Lere 2004). The following scheme has been suggest for structuring BECC:

- Length: The number of statements included
- Focus: Such as a topic areas of the code
- Level of detail: How many statements per theme are included
- Shape: Defined as broadness of coverage versus depths of coverage
- Thematic content: General theme such as e.g. “honesty”
- Tone: For example inspirational, positive or regulatory, negative

Eighteen rules for the writing of a BECC have been suggested (Davis 2007):

1. Keep the writing of a code of ethics separate from any discussion of professional licensing (or other controversial projects)
2. Keep the drafting committee small
3. Keep preparation for the first draft simple
4. Get a draft as soon as possible but do not circulate it to any authoritative body or authoritative individual until the draft is “final”
5. Have a well-defined procedure in place for turning the first draft into a final draft
6. Make the procedure as open as possible once there is a first draft
7. Email is no substitute for in-person meetings
8. Plan on a slow process from first draft to final adoption
9. Find ways to test the code by making people use it (user testing)
10. Work for consensus (rather than simple majority)
11. Get a writer to serve as the drafter or at least to work over the draft both at an early stage and again near the end
12. Keep objectives modest
13. Do not list authors, contributors, or the like in the code itself
14. Never suppose that there are experts on what a code should say
15. Don’t rely on those highly respected in a profession (prefer outside view)
16. Start planning early for dissemination, education, and administration
17. Establish a procedure for review and revision
18. Be wary of official translations of a code
As discussed by Kaptein and Schwartz, a BECC has to cover a range of integrated components in order to be efficient (Figure 3)(Kaptein and Schwartz 2008). The components that influence the creation and efficiency of a BECC include the following:

1. Organization characteristics: Influence on efficiency of BECC (Weller 1988), e.g. company size (Murphy, Smith et al. 1992)
2. Stakeholder expectations: Pressure from stakeholders has shown an increased likelihood for financial executives to integrate a BECC into strategy (Stevens, Kevin Steensma et al. 2005)
3. Corporate objectives: Communicate core values (Paine 1994) and perception thereof (Linda Klebe Trevino 1999)
4. Development process: Creating support, raising awareness, create sense of ownership (Center 1990)
5. Personal characteristics and management style: Gender, age, nationality, educational level and religious background influence ethical decisions (Fallon and Butterfield 2005)
6. Implementation process: Distribution to employees for instance (Weaver 1999)
7. Conduct of employees and management: For example the existence of enforcement mechanisms influences behaviour (Hegarty 1979)
8. Corporate effects: As has been discussed above the actual effects of a BECC can vary, however, there are effects on the corporate climate, as well as feedback influencing stakeholders and the environment outside of the corporation.

Figure 3 Forces leading to the creation of a BECC
Overview of the forces and processes leading to the creation of a Business Ethical Code of Conduct and the resulting effects. Based on: (Kaptein and Schwartz 2008)

Generally speaking a BECC can take various shapes and forms. Importance has been given to adjusting the code to the specific requirements of the field of business. More important than the content may, as discussed above, be the frequency and type of communication of the code (Kaptein 2010).
3 METHODS

3.1 MEASURING MORALE AND ETHICS

3.1.1 Controlling for gender, social status and culture factors

A study investigating ethics education with students found that there was a small but strongly significant positive effect for the participating males in reaction to the education, but no discernible effect at all for the females (Nguyen, Basuray et al. 2008). Several studies repeatedly demonstrated that female students’ ratings of ethical judgment were consistently higher than that of male students (McCabe, Ingram et al. 2006). In addition, it has been demonstrated that males experienced their work-environment as more ethical than did females (McDaniel, Shoeps et al. 2001).

Some argue that there is no general difference in ethical attitudes between men and women (Gibson 2005), while others argue that the differences are restricted to few aspects. One example being that men describe bribery as less problematic than women (McCabe, Ingram et al. 2006). The underlying reasons may well be of genetic and social origin, but dependable data is apparently not available yet, which is the more dominant factor, if any.

Similarly, investigating ethical values one must take into consideration that cultural differences influence the effects of such measures (Palazzo 2002; Helin and Sandström 2008). Significant differences were found, for both individual managers by nationality, and for companies by nationality of parents, in the area of ‘organizational loyalty’. Also the attitude towards accepting gifts and favours in exchange for preferential treatment was found to show significant differences between national groups (Jackson and Artola 1997).

Socio-economic status has been shown not to correlate with moral disengagement ratings (Bandura, Barbaranelli et al. 1996; Deshpande 1997). Nevertheless, in this study the effect of the factors socio-economical status has been investigated. In addition, correlation of gender with ethical attitudes has been investigated.

3.1.2 Methods, tests, and scales measuring ethical values

A large number of tests have been developed in sociology and psychology alike in order to measure ethics and morale. The most commonly applied tests and concepts are being discussed here briefly, in order to give a rough overview over the advantages and disadvantages of the tests available.

An often employed method for studying business ethics are questionnaires such as the Defining Issues Test (DIT) (Rest 1979), the Moral Judgement Test (MJT) (Lind 1978), the Ethics Position Questionnaire (EPQ) (Forsyth 1980), the test of Machiavellianism (e.g. MACH IV) (Christie 1970), Mechanisms of moral disengagement (Bandura, Barbaranelli et al. 1996), and the Multidimensional Ethics Scale (MES) (Reidenbach 1990).

There are many additions to existing test and novel tests are being developed frequently, such as the Moral Reasoning Inventory test (Weber and McGivern 2010). Adaptations are made for instance to adapt test to specific cultural circumstances (Akabayashi, Slingsby et al. 2004), or address specific research requirements (Sims
Triggers of Acute Changes in Ethical Attitude – Honour Codes and Priming Effects

1999; Ng, White et al. 2009). The questionnaires usually apply a Likert-scale, i.e. a rating scale, to measure agreement with certain propositions or statements (Likert 1932).

3.1.3 MDS: Moral Disengagement Scale
As mentioned above, the attributes measured by the moral disengagement scale are moral justification, euphemistic labelling, advantageous comparison, displacement of responsibility, diffusion of responsibility, disregard of distortion of consequences, dehumanisation, and attribution of blame (Bandura 2002). These are the factors that Bandura describes as the self-regulatory mechanisms governing moral disengagement, which were used as basis for this study (Pelton, Gound et al. 2004).

3.1.4 DIT: Defining Issues Test
DIT measures cognitive moral development, and is often employed to measure the effect of ethical education programs (Shawver and Sennetti 2009). The test uses a Likert-type scale to give quantitative rankings to five moral dilemmas. The addresses three schemas of moral reasoning: the Personal Interests Schema, the Maintaining Norms Schema and the Post-conventional Schema (Rest 1979). In 1999 the test was revised under the acronym DIT-2, which intends to improve brevity, clarity and validity criteria (Rest, Narvaez et al. 1999).

An example question for a DIT-2 is:
“If you were the Credit Manager and the start-up company’s owner was a friend of yours, would you recommend extending your friend the loan?” (Richmond Pope 2005).

3.1.5 MJT: Moral Judgement Test
The MJT measures two aspects of judgment behaviour, a) moral judgment competence as defined by Kohlberg, and b) moral orientations or moral preferences as defined by Kohlberg's Stages of Moral Orientation (Kohlberg 1975). The participant is asked whether s/he would accept or reject a series of arguments presented.

The MJT is different from most other instrument for the measurement of moral psychology because it is a test moral competence, while for instance the DIT tests attitudes (Ishida 2006). The MJT presents six statements (corresponding to the stages of moral orientation) for two ethical dilemmas and a suggested pro- versus con position to the action taken in the dilemma (Ishida 2006).

3.1.6 EPQ: Ethics Position Questionnaire
The Ethics Position Questionnaire measures ethical ideology using 20 items and a nine-point response scale (Forsyth 1980). The scale has been critically investigated but maintains its position in the validation of ethical research (Davis, Andersen et al. 2001).

An example of the items is: “There are no ethical principles that are so important that they should be a part of any code of ethics” (Forsyth 1980).

3.1.7 MACH IV: Machiavellianism
Machiavellianism is a term in psychology to describe a person's tendency to deceive and manipulate other people for their personal gain (Christie 1970). It has been
demonstrated that Machiavellian attitudes are “the strongest predictor of unethical intent” (Beu, Buckley et al. 2003).

The Mach-IV measures Machiavellian attitudes using 20 statements that participants rate on a seven-point scale (see Appendix)(Richmond Pope 2005). Examples for the test can be found online (Christie 1970). People scoring above 60 out of 100 on the Mach-IV tend to endorse statements such as, "Never tell anyone the real reason you did something unless it is useful to do so," (No. 1 in the test). People scoring below 60 out of 100 on the Mach-IV are considered to agree with statements such as "There is no excuse for lying to someone else" (Richmond Pope 2005).

3.1.8 MES: The Multidimensional Ethics Scale

The Multidimensional Ethics Scale is an eight-item, three-subscale measure developed by Reidenbach and Robin and subsequently applied in several empirical studies of business ethics (Shawver and Sennetti 2009). It has been criticised for failing replication of results but also been defended by others (Hyman 1996; Loo 2004; McMahon 2005). As in for most suggested scales, subsequently suggestions for improvement have been made (Reidenbach and Robin 1993).

The MES measures constructs relevant to ethical decisions such as:
1. Deontology: One’s duty to follow ethical rules
2. Utilitarianism: Acting in a manner that will provide the greatest good for many
3. Relativism: The notion that no universal ethical rules exist
4. Egoism: Promoting an individual’s long-term self-interests
5. Justice: Based on the Aristotelian notion that equals should be treated equally

The test measures these values using vignettes such as for example:

“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 the product.” The test-subjects are then asked to rate the scenario on a scale.

3.1.9 Selection of most appropriate test for thesis

Based on the above detailed description, the table below gives a summary of the most common ethics tests including a rating of the pros and cons for their application in this thesis (literature describing the individual tests is referenced in the previous description of each test) (Table 2).

The application column lists what the individual tests were designed to measure and rates the degree to which the test is suitable for an evaluation of moral attitudes (+ well suited, - less suited). The MDS, DIT and MES were developed to measure ethical or moral attitudes while the MJT, EPQ and Mach IV were developed to measure specific aspects of morale such as competence, ideology and Machiavellianism.

The column method simplicity rates the complexity of the test. The simpler the more suitable and applicable the test was considered for the online survey design. Test
entirely based on moral dilemmas and vignettes as in the DIT and MES were considered too complex for the current design. Also, these tests tend to be rather tiresome for the participants and hence less suited for the online survey design because the participants can and often will interrupt and terminate the test if they become bored or exhausted.

<table>
<thead>
<tr>
<th>Test</th>
<th>Application</th>
<th>Method simplicity</th>
<th>Application breadth</th>
<th>Rating</th>
<th>Assumed stability</th>
</tr>
</thead>
<tbody>
<tr>
<td>MDS</td>
<td>Moral disengagement</td>
<td>+ 32 statements</td>
<td>+ 8 moral aspects</td>
<td>7 point Likert</td>
<td>Short</td>
</tr>
<tr>
<td>DIT</td>
<td>Moral attitudes</td>
<td>+ 5 moral dilemmas</td>
<td>- 3 schemas of reasoning</td>
<td>7 point Likert</td>
<td>Intermediate</td>
</tr>
<tr>
<td>MJT</td>
<td>Moral competence</td>
<td>- 6 statements</td>
<td>+ 2 competencies</td>
<td>Pro/ con</td>
<td>Long-term</td>
</tr>
<tr>
<td>EPQ</td>
<td>Ethical ideology</td>
<td>- 20 items</td>
<td>+ 1 aspect</td>
<td>9 point Likert</td>
<td>Long-term</td>
</tr>
<tr>
<td>Mach IV</td>
<td>Machiavellism</td>
<td>- 20 statements</td>
<td>+ 1 aspect</td>
<td>- 7 point Likert</td>
<td>Long-term</td>
</tr>
<tr>
<td>MES</td>
<td>Ethical attitudes</td>
<td>+ 8 vignettes 3 subcategories each</td>
<td>- 5 ethical constructs</td>
<td>Likert scale</td>
<td>Short</td>
</tr>
</tbody>
</table>

Table 2: Ethical tests compared and rated.

The column application breadth lists how many different aspects or constructs of ethics a test measures. Some test measure more than one aspect with the MDS and the MES offering the largest numbers of constructs being measured. The possibility to measure a large number of moral constructs was considered beneficial, because it allows a more in-depth analysis of possible changes in ethical attitudes due to the offered experimental manipulations.

The column rating lists the scales that tend to be applied in the literature describing these tests. A simple pro versus con measurement, as in the MJT, was considered too simplistic for this study. The more finely structure the answers can be given the easier it is considered to detect small changes in attitudes between participating groups.

Finally, the stability of the test criteria has been rated, i.e. the how difficult it was expected to alter the moral aspects or attitudes being measured. Long-term here indicates that the construct is being considered highly stable over a long period of time and hence may be altered only over long periods of time, such as weeks or even years. Only tests that allow the measurement of moral aspects that can change rapidly were suitable for this study. Hence the MDS and MES were considered favorable for this criterion.

Only the MDS rates positively for all these criteria and hence is thought to be the most useful test of the once taken into consideration for this master thesis study.

3.1.10 Validity of the measurements

The selected MDS has been applied and validated in a number of studies by various investigators (Bandura 1986; Bandura, Barbaranelli et al. 1996; Bandura, Caprara et al. 2001; Bandura 2002). In this thesis two versions of the MDS have been applied, the 32-statements version of Bandura and a shorter version described by Shu et al (Bandura, Barbaranelli et al. 1996; Shu Lisa, Gino et al. 2011). This design of the study allowed comparing these two tests in order to compare the tests and thereby examine the
validity of the tests. In addition, the 32-statements version of the MDS consists of 8 constructs that were compared in order to test the internal validity of the test.

The correlation of the two tests was investigated by comparison of the means of the four groups with each other. Thereby it could be established that the two tests independently yielded similar results (r=0.94, p<0.01). From this it can be concluded that the tests were valid in that they measure the same psychological construct, i.e. moral disengagement, as previously established (Bandura, Barbaranelli et al. 1996; Shu Lisa, Gino et al. 2011).

The internal validity of the 32-statements test was investigated by comparing the means of the four groups for the 8 constructs of this test with each other (Table 3). The results show that the 8 constructs (with 4 statements each) strongly correlate with each other for the individual groups of participants. This confirms that the constructs measure the same psychological construct, albeit different facets thereof.

### 3.1.11 Reliability of the measurements

The alpha reliability coefficient (Chronbach’s alpha) of the 32-statements test by Bandura et al has been reported to be 0.82 previously (Bandura, Barbaranelli et al. 1996), for the current study the alpha value has been computed to be >0.9. The Chronbach’s alpha for the 8-statements test has been reported to be 0.90 by Shue et al (Shu Lisa, Gino et al. 2011). In the current study the Chronbach’s alpha of the same test resulted in a coefficient of 0.80. Thus both test have been shown to have a high or even very high degree of statistical reliability in previous investigations, and have been confirmed as reliable in the current study.

### 3.2 DESIGN AND PROCEDURE

#### 3.2.1 Sampling of the participants of the experiment survey

Basis for the study was a questionnaire that is being called experiment survey (or in brief experiment) in this study, because it embeds an “experimental design in the opinion survey by randomly assigning respondents alternative versions of questionnaire items” (Gaines, Kuklinski et al. 2007).

The participants of the study who did not all complete the questionnaire were 236 individuals recruited via the Blekinge Institute of Technology (BTH), my personal weblog (Kramer 2010), and the social networks Facebook (Kramer 2011) and Linkedin (Kramer 2010). Of these participants 173 finished the part one- the 6 ethical questions- of the survey completely and hence could be used as basis for the analysis of experiment one and two. A total of 124 individuals finished all questions and were the basis for the analysis in experiment three.

<table>
<thead>
<tr>
<th></th>
<th>Gr. 1</th>
<th>Gr. 2</th>
<th>Gr. 3</th>
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<tr>
<td>Gr. 1</td>
<td>-</td>
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<td>Gr. 2</td>
<td>0.95</td>
<td>-</td>
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<tr>
<td>Gr. 3</td>
<td>0.95</td>
<td>0.85</td>
<td>-</td>
</tr>
<tr>
<td>Gr. 4</td>
<td>0.96</td>
<td>0.88</td>
<td>0.95</td>
</tr>
</tbody>
</table>

Table 3: Correlation of constructs of the 32-statements MDS (Validity)
3.2.2 Design and execution of the experiment survey

The survey has been performed using the online-based survey program SurveyMonkey (SurveyMonkey 2011). All participants were initially asked to indicate their gender, age, nationality and educational level (academic degree, field of study and profession). The study tested four different conditions or study designs; hence there were four different groups of respondents.

All groups were introduced by a very concise text that attempted avoiding any possible influence due to subliminal information or unintended priming (see appendix).

Group 1 had to read a BECC, and had to indicating their agreement with the content of the code by clicking a button. The participants then went on to answer a questionnaire testing their moral disengagement. They had to then answer three brief questions regarding the BECC, making sure that the subjects had read the BECC carefully. This was not for evaluation purposes but rather to make sure that the participants would take the time to read thoroughly.

Next they went on to answer a questionnaire testing their moral disengagement. The first part of the test consisted of 6 questions that had to be rated by agreement using a 7 point scale and was used for experiment one and two (-3 strongly disagree to +3 strongly agree, 0 for neutral). Finally they had to rate 32 claims regarding moral statements, which was the basis for experiment three.

Group 2 directly answered the 6-question test and rated the 32 questions test. The results from this experiment were used as the baseline group.

Group 3 and 4 had to read a short scenario. They were asked to imagine that they are confronted with an ethically relevant choice. The respondents were then asked how they would react in the scenario described (scenario details in appendix). The participants then went on to answer a questionnaire testing their moral disengagement.

The test consisted of 6 questions that had to be rated by agreement using a 7 point scale (-3 strongly disagree to +3 strongly agree, 0 for neutral). These groups were used as a positive control as described above in the hypothesis chapter. Depending on their answers participants were assigned to: Group 3 when they answered that they took the ethical decision, i.e. they were honest, Group 4 when they answered that they took the unethical decision, i.e. they cheated.

3.2.3 Pros and Cons of an online experiment survey

The disadvantage with the above described sampling process and the study design is that there is little to no sampling control (o'Brien 2009). In case of addressing students there is some control of the age and educational status, at the same time this obviously introduces a bias towards lower age and higher education. Utilizing weblogs or other websites may result in a more diverse sampling.

In general, the data supplied, including the demographic information provided by each individual participant, cannot be checked or validated. Hence wrongful information or deliberate deception in order to sabotage the study cannot be generally dismissed or ruled out.
Also, in the case of the current study, experiments can only be performed using theoretical constructs such as vignettes for instance. Contrary to a real-life setting in which individuals can be “handled and manipulated” using test scenarios, even without the participant realizing the purpose of the exercise (Mazar, Amir et al. 2008; Shu Lisa, Gino et al. 2011).

Online tests have to be designed carefully in order to avoid being exhausting for the participants, either by being too extensive or complicated. In real life situations on the other hand the researcher can offer encouragement or simply create a situation that creates a feeling in the participant of being obligated to finish the test.

On the positive side online surveys offer a relatively easy access to participants, low costs, large-scale data collection possibilities, the application of multimedia content, and can be executed in a relatively short time frame (o'Brien 2009). Additionally, even in the process of gathering the data certain additions and alterations can be made easily.

3.3 ANALYSIS AND STATISTICS

The data has been analyzed using Student’s t-test for comparisons of two sets of data using Microsoft excel (2008 for MAC, Version 12.1.1) and the ANOVA method for multi-group comparisons, using SOFA statistics (for MAC, v.1.0.5 by Paton-Simpson & Ass. Ltd.). Regression analysis was performed using Microsoft excel. Prior to the analysis of the statistical differences it has been controlled that the distribution of the data allowed for the applied test (normal distribution), using the SOFA statistics software (see appendix for details).

Prior to analysis the data has been checked for inconsistencies in order to exclude invalid data or outliers. In some cases respondents have given the same rating for all questions for instance “neutral”. Such values were excluded from the calculation in order to avoid skewing of the result. Values that deviated from the mean value by two standard deviations or more were excluded from the analysis as well. In total only five respondents had to be removed from the dataset.

Statistical significance was accepted for p-values of p<0.05 and with a greater relevance for values of p<0.01 and with yet more certainty for p<0.001. Ranges of between p<0.10 and p>0.05 are considered not significant but may indicate a trend that may become more evident if the experiment is repeated using a greater power, that is a larger number of participants. An apparent drawback of this design of the study was that not always sufficiently many students could be assigned to each group. Numbers of participants are therefore mentioned for each individual experiment in the result section in order to allow an estimate of the power of the data.
4 RESULTS

4.1 PARTICIPANTS’ DEMOGRAPHICS

4.1.1 Gender

Of all respondents 29% were females (60 versus 206 male).

In group one there were 82% males, group two had 56% males, in group three were 76% males and in group four were 91% males for the experiments one and two (Figure 4). Of the respondents in experiment three 20% were females (data not shown).

4.1.2 Age

72% of the respondents were between 18 and 35 years of age. Only 1% was under 18 and 3% were above 45 years old (Figure 5).

The largest group of participants was the age group of 26-30 years with 27%. The groups 18-25 and 31-35 were similar in size with 23% and 22% respectively. A total of 12% were 41-45 and 36-40 respectively.

4.1.3 Nationality

The largest group of participants was from Europe (EU plus Russia, Ukraine and Belarus), with 53% of respondents (Figure 6). The second biggest group was the Asian and pacific group with 17% (including south-Asia, south-east Asia and Australia/ New Zealand). 12% of respondents were from Africa, 8% from the Middle East, 6% from south-America and 4% from North America.

4.1.4 Education

Most respondents had a background in natural science or engineering, with 47% of participants (Figure 7). The second largest group had an education in economics or an MBA, with 34%. 5% of participants reported to have a background in sociology or psychology-related fields. 14% of participants had some other degree.
Only 7% reported to have a job training or similar, while 93% had an academic degree of some kind. 89% of participants reported to work in banking (34%), sales (26%) or accounting (29%) based professions.

4.2 EFFECT OF DEMOGRAPHICS OF THE PARTICIPANTS

4.2.1 Gender comparison

For all groups combined there is no significant difference between male and female participants (data not shown). However, in experiment three a trend is observable for values reported by males being higher for moral disengagement than for females (Figure 8) showed slightly lower values than group three for males, although not statistically significant. This correlation was not observed for the female groups.

4.2.2 Age correlation

For group three the data was analyzed in terms of a possible correlation of the reported ratings with the age of the participants. Group three was chosen because most age groups had participated in sufficient amounts for a statistical evaluation (Fig. 9).
A trend for a decrease in moral disengagement with increased age can be observed (Figure 9). Statistical significance is given for the age groups 18-25 years old as compared to the group 26-30 years old (p<0.05) and the group 26-40 years old (p<0.05), and is close to statistical significance measured against the group 31-35 (p=0.053) (Table 4).

For the other groups there is no statistically determined difference observable, however, the number of individuals in the higher age groups of above 40 years of age was too small to perform a reliable test.

The correlation of determination is R²=0.912 for the mean values for these groups (Figure 10). Apparently there is a clear negative correlation between reported moral disengagement and age.

4.2.3 Education effect

The values of the ratings (data not shown) did not correlate with the participant’s profession or education, i.e. graduate degree (e.g. master, PhD, etc.) (Figure 11 and 12).

Also the field of studies or the individuals’ profession apparently had no statistical effect (data not shown) on the ratings of the participants.
4.3 MORAL DISENGAGEMENT: 6 STATEMENTS TEST

4.3.1 Experiment 1: Effect of BECC on moral disengagement

The experiment tested the first hypothesis, i.e. that a BECC (group one) would alter individuals’ response by rendering their rating of a moral disengagement test more ethical as compared to a group (two) that had not read the honour code. Those who read the honour code reported lower levels of moral disengagement (N=38, M=-1.25, SD=0.87, SEM=0.14) than those who were in the baseline group (N=26, M=-1.01, SD=0.73, SEM=0.15), however, the 23.4% difference is a weak trend at best and not statistically significant (p=0.133) (Figure 13).

4.3.2 Experiment 2: Effect of honest versus dishonest behaviour

After reading a scenario in which a moral question was posed respondents who answered that they would choose to act dishonest to their advantage reported significantly higher levels of moral disengagement (N=38, M=-0.02, SD=1.24, SEM=0.20) than the group of individuals who answered that they would act honest (N=45, M=-0.84, SD=1.08, SEM=0.16), p<0.001 (Figure 14).

4.4 COMPARING RESULTS IN EXPERIMENT ONE AND TWO

In order to evaluate the differences between the groups of the two experiments the data was combined and compared. The BECC group (Gr.1), the baseline group (Gr.2) and the honest group (Gr.3) were all significantly lower in their reported moral disengagement than the dishonest group (Gr.4) (p<0.001) (Figure 15). The BECC group (1) however was not significantly lower than group two (p=0.267) and three (p=0.477).
4.5 MORAL DISENGAGEMENT: 32 STATEMENTS TEST (EXP. 3)

For this test 32 statements were used to evaluate what the respondents of the four groups would differ in, if any. The four groups again were BECC (Gr.1), the baseline or control group (Gr.2), the “honest” group (Gr.3) and the “dishonest” group (Gr.4).

4.5.1 Moral justification

Groups one to three responded significantly more morally engaged that group four (Gr.1: N=33, M=-0.970, SD=1.96, SEM=0.34; Gr.2: N=21, M=-0.726, SD=2.01, SEM=0.43; Gr.3: N=40, M=-0.406, SD=2.01, SEM=0.31; Gr.4: N=30, M=0.325, SD=2.05, SEM=0.37; p<0.001) (Figure 16). No statistically significant difference between group one, two and three was observed.

4.5.2 Euphemistic language

Also for this construct, group one (N=33, M=-2.121, SD=1.25, SEM=0.21, p<0.001) two (N=20, M=-2.225, SD=1.09, SEM=0.24, p<0.001) and three (N=38, M=-1.658, SD=1.59, SEM=0.26, p<0.05) responded significantly more morally engaged that group four (N=30, M=-1.142, SD=1.87, SEM=0.34). In addition Gr.1 (p<0.05) and Gr.2 (p<0.05) reported less moral disengagement and use of euphemistic language than Gr.3 (Fig. 17).

4.5.3 Advantageous comparison

Group one (BECC) reported significant lower disengagement (N=33, M=-2.164, SD=0.95, SEM=0.16, p<0.05) than group three (N=38, M=-2.072, SD=1.52, SEM=0.25) and group 4 (N=31, M=-1.605, SD=1.82, SEM=0.33, p<0.001). Also group two (N=20, M=-2.525, SD=0.94, SEM=0.21) responded with lower disengagement rankings than group 4 (p<0.05) (Figure 18).
### 4.5.4 Diffusion of responsibility

Group one (N=33, M=-1.871, SD=1.47, SEM=0.26) reported a significantly lower moral disengagement than group two (N=22, M=-2.148, SD=1.20, SEM=0.26, p<0.001) and group three (N=38, M=-0.901, SD=2.00, SEM=0.32, p<0.001).

All three groups reported lower ratings than group four (N=31, M=-0.508, SD=2.12, SEM=0.38, p<0.001) (Figure 19). Group three exhibits a slightly yet not significantly higher value than group four.

### 4.5.5 Displacement of responsibility

Group one reported lower disengagement ratings than group three (Gr.1: N=33, M=-1.697, SD=1.55, SEM=0.27, p=0.05; Gr.3: N=38, M=-1.007, SD=1.85, SEM=0.3). Group one also differs in the reported values from group two (N=22, M=-1.432, SD=1.68, SEM=0.36, p<0.01) (Figure 20).

Group two, three and four do not differ from each other in a statistical terms.

### 4.5.6 Distorting consequences

The reported difference between group one (N=33, M=-2.053, SD=1.33, SEM=0.23) and three (N=38, M=-1.572, SD=1.53, SEM=0.25) does not reach statistical significance (p=0.058), however, can be seen as a trend of group one being less morally disengaged (Figure 21).

The differences between group three and four (N=30, M=-1.050, SD=1.96, SEM=0.36) get close to significance (p=0.050). Group one and two (N=22, M=-1.953, SD=1.33, SEM=0.28) on the other hand are significantly less morally disengaged than group four (Gr.1 p<0.001; Gr.2 p<0.01). The moral disengagement of group three does not differ from that of group four.
4.5.7 Dehumanization

Group one (N=33, M=-2.182, SD=1.24, SEM=0.22; p<0.001), two (N=20, M=-2.063, SD=1.38, SEM=0.31; p<0.01) and three (N=38, M=-1.743, SD=1.56, SEM=0.25; p<0.05) have reported significantly lower ratings than group four but do not differ from each other (Figure 22). The significance of the groups is different, with group one being most significantly different from group four, followed by group two.

4.5.8 Blame

Group one (N=33, M=-1.568, SD=1.61, SEM=0.28; p<0.01) and group two (N=22, M=-1.625, SD=1.70, SEM=0.36; p<0.05) have rated lower moral dehumanization than group four (N=30, M=-0.558, SD=1.96, SEM=0.36) (Figure 23).

There is not difference between the groups one, two and three. Even though the mean values for group three are lower, the difference is not statistically significant.

4.5.9 Combined results for the 32 questions test

When combining all mean values for the eight tests the group one (N=264, M=-1.884, SD=1.51, SEM=0.09; p<0.001), group two (N=169, M=-1.827, SD=1.54, SEM=0.11; p<0.001) and group three (N=1216, M=-1.301, SD=1.76, SEM=0.14; p<0.001) are significantly lower in their reported moral disengagement ranking than group four (Figure 24). The same is the case for group one and two, which are both lower than group three (p<0.001). Group three therefore is intermediate between the groups one and two- which do not differ from each other- and group four.
5 DISCUSSION

The thesis set out to investigate the effect of short-term moral teaching or priming on an individual’s behaviour, using an honour code, or more specifically a Business Ethical Code of Conduct (BECC). Additionally, the design of the study being an online survey, another aim of the study was to compare the results of the survey with other studies that have been based on real-life scenarios in order to investigate if this design can be a suitable alternative to the real-life experimentation. A total of five hypotheses have been developed and have been tested using data from four groups with different conditions in three experiments.

5.1 HYPOTHESIS 1: ARE BECC EFFECTIVE?

Extrapolating from the findings of Shu et al., increased moral awareness caused by the application of a BECC was expected as compared to a control condition (Shu Lisa, Gino et al. 2011). This increased moral awareness caused by the application of a BECC was hypothesized to lead to lower levels of moral disengagement.

5.1.1 BECC in Experiment 1

The results of experiment one, comparing a group that read a BECC versus a group that did not receive any treatment, showed that there is indeed a small yet not statistically significant increase in moral awareness, i.e. a decrease in moral disengagement by approximately 23% (Fig. p=0.133). Interestingly, experiment three offered another opportunity to further test the hypothesis.

5.1.2 BECC in Experiment 3

In contrast to experiment one which used six statements the third experiment built on 32 questions. The results in this experiment differed from the first experiment quite significantly, and the increase was a mere 3%, which was statistically not significant. Taken together, it has to be concluded that overall there was no effect of the BECC, even though one may argue that there has been a trend for an effect in experiment one.

These experiments of the study build on previous findings, but expand on them because direct effects of BECCs in moral disengagement had not previously been investigated. The results are in keeping with the above-discussed literature on the subject. Most studies do not show dramatic and significant effects, and are frequently inconsistent even within one study (Sims 1979; Inderrieden 1987; Mathews 1987; Cleek and Leonard 1998; Kaptein and Wempe 1998; Stevens, Kevin Steensma et al. 2005; Mazar, Amir et al. 2008; Kaptein 2010).

5.2 HYPOTHESIS 2: HONESTY VERSUS DISHONESTY

Hypothesis 2 states that the participants will exhibit greater moral disengagement after behaving unethical than after behaving ethical (Shu Lisa, Gino et al. 2011). This second experiment was designed to test the findings of Shu et al. and thereby demonstrate the validity of the tests and constructs applied.
5.2.1 Experiment 2

Group four, the group of participants that decided to choose the dishonest behaviour in the presented scenario (see appendix) rated 45% higher, which is significantly higher than group three that decided to behave honest (p<0.05). Group four hence has a greater moral disengagement after deciding to behave immoral. This result demonstrates that the test applied works in the direction expected. This emphasizes the validity of the finding, that BECCs had no direct and significant effect on moral thinking.

5.2.2 Combining results from Experiment 1 and 2

Due to the fact that the measurements in the first two experiments were based on the same tools, i.e. the six-statement test, the data could be combined and compared. The results show no difference between the groups one to three. However, all three groups are significantly lower in their disengagement ratings than group four, i.e. the group that chose dishonesty.

Interestingly, although not significant (p=0.129) the baseline group (Gr. 2) and the “honest group” (Gr. 3) show a small difference, with group three showing lower ratings. This is relevant because, as further discussed below the result of the 32-statement test confirms this trend.

5.3 HYPOTHESIS 3: DISENGAGEMENT EXAMINED IN MORE DETAIL

This hypothesis stated that the investigation of the individual aspects of moral disengagement, namely moral justification, euphemistic labelling, advantageous comparison, displacement of responsibility, diffusion of responsibility, disregard of distortion of consequences, dehumanisation, and attribution of blame would reveal lower ratings for the BECC (Gr. 1) than for the baseline group (Gr. 2), and lower ratings for the dishonest group than in the other groups (Gr. 4) (Bandura 2002).

5.3.1 Experiment 3

Experiment three was designed in order to test many aspects of disengagement in more detail. In keeping with the results in the first two experiments there is no difference for any construct between groups one and two. In contrast, as expected, the dishonest group (Gr. 4) rated lower moral values than the other three groups for the constructs moral justification, euphemistic language, distorting consequences, and dehumanization. As compared to group three the scores for the other constructs were not significantly different.

Group one and two rated higher moral disengagement than group four in all aspects except the construct “displacement of responsibility”, in which only group one, the BECC group, scored significantly lower than group four.

Group one and two also rated lower than group three in two constructs (euphemistic language and diffusion of responsibility). Interestingly, in addition for “displacement of responsibility” and “advantageous comparison” group one rated lower than group three. For “distorting consequences” the ratings almost reach the level of significance (p=0.058).
These individual results appear to support the trend for the BECC group observed in experiment one, where the group rated somewhat lower than group two, although not statistically significant. However, when taking all constructs’ results together, the mean values of group one and two do not differ, while both groups have rated significantly lower than group three and four. Expectedly, also group three scored lower than group four.

However, the fact that group three is intermediate between the groups one and two and the group four is startling, because unexpected. That being said, an effect is known to psychology known as “mere exposure effect”, an effect that some argue is a type of priming-effect (Butler and Berry 2004), that can explain this counter-intuitive result. The mere exposure effect describes the fact that the “exposure to a psychological dilemma or stimulus object can have an enhancing effect on a subject’s attitude towards the object and alter the reaction that mere repeated exposure of the individual to a stimulus object enhances” (Zajonc 1968).

It has previously been shown that this effect can be observed after presentation of ethical dilemmas in studies testing ethical constructs (Weeks, Longenecker et al. 2005). In a study presented by Weeks and colleagues the subjects were more tolerant towards ethically questionable behaviour post-exposure to dilemmas (using so-called vignettes, i.e. short descriptions of a situation in psychological studies).

This effect may well explain why group three reacts with lower moral ratings despite the fact that they had reported to behave honest. The mere-exposure to the dilemma had apparently altered their tolerance to the issue of ethics.

5.4 HYPOTHESIS 4: GENDER EFFECTS

Note that for practical reasons here I use the social construct “gender” as identical with the biological concept of the “sex” of an individual, which arguably is identical in the vast majority of cases, hence being negligible in terms of effects on this investigation.

An established determinant of moral thinking is maleness, which is positively correlated with moral disengagement as demonstrated by Bandura and many others (Bandura, Barbaranelli et al. 1996; Jordan 2002). Some explain this fact in accordance to the fact that physical aggression, challenge to authority, and total aggression are correlated with the male gender, which in turn has been shown to be a determinant for moral behaviour and rating in test on ethics (Björkqvist 1994).

5.4.1 Mere exposure effect and gender

The above discussed mere-exposure effect showed a differential result for male and females. Females reported similar high ratings in the honest group (Gr. 3) as the females in groups one and two. Men on the other hand reported significantly lower values for group three than for group one and as a tendency even for group two.

There has apparently not been very much investigation into the topic of ethics and gender. Despite the fact that several studies have reported gender-effects the majority of studies has ignored the aspect altogether. The study by Weeks et al used more than 80% males in the determination of the mere-exposure effect and unfortunately did not
report any individual data for the genders, though it is mentioned that an adjustment for gender-effects was performed (Weeks, Longenecker et al. 2005).

However, some publications from an unrelated field have investigated the question of the mere-exposure effect. In one example for mere-exposure effects on colour preference male subjects adjust their preference post-exposure while female subjects do not (Chloë Taylor 2011). Previous studies on the olfactory reaction of infants on the other hand showed females to be more prone to the mere-exposure effect for this stimulus (Balogh and Porter 1986). A study on priming with words for self-objectification showed a mere-exposure effect on females but not on males (Roberts and Gettman 2004).

In short, differences between male and female response for the mere-exposure effect are apparent from the literature. This is supporting the finding of this thesis that females did not react to exposure to an ethical dilemma while male respondents did respond with desensitization for ethical constructs.

5.5  HYPOTHESIS 5: AGE AND SOCIO-ECONOMICAL EFFECTS

5.5.1  Effect of age on moral ratings

Age showed a clear correlation with ratings of moral disengagement. However, the effect was not significant for the age groups 41-45 and above 45 due to the small sample size. Nevertheless, a statistical significance or near significance has been observed for the age group 18-25 years of age versus the groups 26-30 and 36-40 (p<0.05) and the group 31-35 years of age (p=0.053).

5.5.2  Effect of socio-economics on ethical ratings

Socio-economic status was not expected to correlate with moral disengagement ratings while age was expected to correlate (Bandura, Barbaranelli et al. 1996; Deshpande 1997).

Most studies could not find solid differences for ethical thinking, with the exception of very few constructs (Deshpande 1997). Similarly, the data of the current thesis does not support the assumption that socio-economic status influences moral ratings. Both, profession (studied subject) and education (highest degree) had no influence on the ratings of the subjects in any of the experiments performed.
6 CONCLUSIONS, IMPLICATIONS, FUTURE ASPECTS

6.1 SUMMARY AND CONCLUSIONS

6.1.1 Hypothesis 1

The results of this thesis work indicate that BECC are no miracle weapon for the stimulation of ethical responses, at least acutely. In fact, in terms of acute priming they may at best have negligibly small effects. However, in this study any potential effect was not strong and consistent enough to reach any statistical significance. Hence hypothesis one, i.e. that BECC would decrease moral disengagement has been disproven for the experimental setting of this study, i.e. a purely theoretical context.

Real life applications may result in diverging findings. However, as seen from the literature review, even here the picture is a rather mixed one. One could argue that the statistical power was too little for a significant observation. However, the fact remains that even if a larger statistical power would yield a statistically different result, the effect itself would be small as compared to a control group.

6.1.2 Hypothesis 2

Hypothesis two has been confirmed, i.e. dishonesty is correlated with higher moral disengagement. In addition, the unexpected finding that moral ratings were altered in individuals that merely read an ethical dilemma argues for the hypothesis that certain moral ideas and concepts can be altered short term.

Interestingly, many of the statements of the moral disengagement test are expressed in seemingly absolute terms. It appears unusual that a person would report differently on them depending on the situational context. Stranger yet is that merely reading about such a situation can alter a person’s response, probably by a priming effect. Apparently, these aspects of moral thinking are fluid and adaptable to changing social demands, contrary what Bandura and others have assumed (Bandura 2002).

6.1.3 Hypothesis 3

Hypothesis three has partially been confirmed: It is true that dishonest behaviour is associated with moral disengagement, even though, the BECC group showed no significant improvement compared to the control group. This supports the rejection of hypothesis one. The coincidental findings for the honest group, and the increase in moral disengagement due to mere-exposure on the other hand have established or confirmed the concept of moral disengagement as a tool to measure short-term alterations in the moral attitude of test subjects. Additionally, online surveys offer a rather quick and easy to use tool for investigations of such ethical research topics.

6.1.4 Hypothesis 4

Hypothesis four said that gender would play a role in the response to the statements for moral disengagement. While this could not be shown universally, there were clear trends for gender effects in a number of correlations. Hence, findings of gender differences reported in previously published studies receive support by the findings in this thesis. However, there were too few female participants in order to make statistically sound statements for certain group comparisons.
6.1.5 Hypothesis 5

Literature is ambivalent regarding the effects of age and socio-economic on moral disengagement. However, there is more evidence for age playing a possible role. Hence the fifth hypothesis expressed the idea that age would correlate with higher morale, in contrast to social status, which was not assumed to play a role. This very finding could be confirmed, though the number of participants for the two highest age groups was too small to be of statistical value for the testing of this hypothesis. Figure 25 summarizes the above discussion.

![Figure 25: Results and conclusions summarized](image)

The study has shown that the BECC (honor code) had no effect (/) on moral disengagement, while age correlated negatively (-) with moral disengagement. Profession and education had no effect (/) while the effect for gender was negative for some groups but not consistently. Most interestingly, both cheating and to a smaller extend also honesty lead to an increase (+) of moral disengagement.

6.1.6 Revisiting study purpose

In summary, the three points that have been formulated in the introduction as purpose of this thesis, and can be answered as follows:

I) First: BECC do not appear to have an acute effect on an individual’s response to moral statements. Interestingly, studies performed in real life have shown otherwise (Mazar, Amir et al. 2008; Shu Lisa, Gino et al. 2011). However, these studies have put the participants in a test-situation before evaluating their responses. They did not report, if the BECC had an effect on the subjects’ moral ratings without the test-situation.

II) Secondly, the fact that the response of the participants was a clear reduction in moral ratings in the group that used a vignette as basis can be seen as an indication that certain aspects of moral concepts are situational and can be altered, even short term, by some kind of priming effect.

III) And thirdly, it has been confirmed that an online questionnaire can be used in the evaluation of ethical questions generally speaking, and that a personal contact of the experimenter with the test-participants is not necessary under certain conditions and for certain study-aims (general Pros and Cons are being discussed in the methods chapter).
6.2 IMPLICATIONS

The fact that the findings of this study do not support the idea that BECC are an efficient tool for the stimulation of ethical decision-making is in line with a number of previous studies, showing no or only weak effects for BECC applications. Interestingly, the precise way the BECC is communicated and applied may be more important than content itself, and the mere existence alone apparently is not sufficient to provoke a positive response, at least in moral disengagement ratings.

That being said, the studies by Mazar and Shu show that in real-life BECC may have their applications (Mazar, Amir et al. 2008; Shu Lisa, Gino et al. 2011). Fascinatingly, having students read a BECC before an exam lowered the number of students using an opportunity to cheat in the test significantly. One could speculate that such a real-life experience triggers a more thorough and intense reflection on the BECC previously read, or with the potentially immoral action the experiment exposes the subjects to, than merely reading a BECC and answering general moral questions.

Based on the findings in this study, it is not possible to conclude that a BECC can alter behaviour at all. However, since it did in previous studies, the data in the current study would suggest that the change in behaviour was not reflected in an acute change of moral disengagement. One could hypothesize, that the reading of a BECC in combination with an ethical dilemma could be a sufficient trigger for ethical attitude changes, and ultimately behavioural changes. This hypothesis offers opportunities for future research.

6.3 SUGGESTIONS FOR FUTURE RESEARCH

I) It was originally planned to have a fifth and sixth group of individuals read the BECC and then read the ethical dilemma. It would have been interesting to see how often individuals’ would report that they choose the honest reaction to the presented dilemma versus a dishonest reaction, and to compare the responses of the two to the other four groups. Would the BECC influence the choice for or against ethical behaviour?

II) In hindsight it would have also been an interesting approach to combine experiment one and two in an additional experiment, in order to determine what the mere-exposure effect is based upon. It would be crucial to answer the question if the effect would be reduced or even disappear if the BECC had been presented beforehand. Hence, the additional experiment in which the participants would be asked to read the BECC before reading the ethical dilemma vignette could yield interesting additional information also in this respect. Would the mere-exposure effect have disappeared in the honest individuals, had they read the BECC previously?

The current study only studied the BECC under a “non-critical” situation, contrary to the above-mentioned studies by Mazar and Shu (Mazar, Amir et al. 2008; Shu Lisa, Gino et al. 2011). However, in the scope of this master thesis the challenges in the recruitment of individuals participating in the study unfortunately set a natural limitation to what was feasible in order to guarantee the numbers of participants for sufficient statistical power. Additionally, comparing and analysing six groups in four experiments would have been too time consuming for this thesis. Nevertheless, future investigations could build on the idea and attempt to answer the question this study raises.
REFERENCES


Chloe Taylor, A. C., Anna Frankli (2011). Mere exposure influences male colour preference, yet female colour preference is resistant to change. Presentation: Color and light: Memory, language and synesthesia. Surrey, University of Surrey.


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APPENDIX

Introduction text to the experiment

1. Mission statement
YOU MAY ASK:

Who are you?
I am a student at BTH in the MBA course.

What is the survey about?
The survey is used for my Master Thesis work that deals with Ethics and Morale. Hence it will ask you simple questions regarding this field.

How long will it take?
The questionnaire may take about 20 minutes to complete. There is a brief introduction and there are in total less than 40 brief questions.

Is it private and confidential?
Of course your data will be dealt with confidentially and in accordance to the strict academic principles of BTH university.

What is it good for?
You participate in an academic endeavour, help the science of economics, contribute to a fellow student being able to finish his thesis and may have a look at the final results once they are processed in the master thesis.

And else?
I thank you in advance and I promise to help you, if I can, with your thesis! :)

Test scenarios of the experiment: Honest/ Dishonest
From “Dishonest Deed, Clear Conscience: Self-Preservation through Moral” (Shu Lisa, Gino et al. 2011)

The following text has been used to test moral disengagement
Imagine that... You and another classmate missed the mid-term exam during the semester due to excused absences. You have the opportunity to make up the mid-term exam. The exam format is both multiple choice and essay. One section of students has already received the exam back with graded answer keys and essay scoring. You have never missed any exams in this class before, but other students have, and they confirm that make-up exams are the same as the original exams. The instructor does not rewrite make-up exams.

For the cheating condition, the scenario offered:
You ask another classmate about the multiple choice and essay parts of the exam, and receive information about the exact questions and answers the graders are looking for. When you take the make-up exam, you are fully prepared and familiar with every multiple choice and essay question, and get full points for the exam with little effort.
For the honest condition, the scenario offered:
You have (your classmate has) the opportunity to ask another classmate about the
multiple choice and essay parts of the exam, but do not (does not) seek this information
about the exact question and answers the graders are looking for. When you take (your
classmate takes) the make-up exam, you (they) take it with no more knowledge of the
exam content than those who took the exam on the original date.

Mechanisms of Moral Disengagement (32 Statements)
From “Mechanisms of moral disengagement in the exercise of moral agency” (Bandura, Barbaranelli et
al. 1996)

1. It is alright to fight to protect your friends.
2. Slapping and shoving someone is just a way of joking.
3. Damaging some property is no big deal when you consider that others are beating
people up.
4. A kid in a gang should not be blamed for the trouble the gang causes.
5. If kids are living under bad conditions they cannot be blamed for behaving
aggressively.
6. It is okay to tell small lies because they don't really do any harm.
7. Some people deserve to be treated like animals.
8. If kids fight and misbehave in school it is their teacher's fault.
9. It is alright to beat someone who bad mouths your family.
10. To hit obnoxious classmates is just giving them "a lesson."
11. Stealing some money is not too serious compared to those who steal a lot of money.
12. A kid who only suggests breaking rules should not be blamed if other kids go ahead
and do it.
13. If kids are not disciplined they should not be blamed for misbehaving.
14. Children do not mind being teased because it shows interest in them.
15. It is okay to treat badly somebody who behaved like a "worm."
16. If people are careless where they leave their things it is their own fault if they get
stolen.
17. It is alright to fight when your group's honour is threatened.
18. Taking someone's bicycle without their permission is just "borrowing it."
19. It is okay to insult a classmate because beating him/her is worse.
20. If a group decides together to do something harmful it is unfair to blame any kid in
the group for it.
21. Kids cannot be blamed for using bad words when all their friends do it.
22. Teasing someone does not really hurt them.
23. Someone who is obnoxious does not deserve to be treated like a human being.
24. Kids who get mistreated usually do things that deserve it.
25. It is alright to lie to keep your friends out of trouble.
26. It is not a bad thing to "get high" once in a while.
27. Compared to the illegal things people do, taking some things from a store without
paying for them is not very serious.
28. It is unfair to blame a child who had only a small part in the harm caused by a
group.
29. Kids cannot be blamed for misbehaving if their friends pressured them to do it.
30. Insults among children do not hurt anyone.
31. Some people have to be treated roughly because they lack feelings that can be hurt.
32. Children are not at fault for misbehaving if their parents force them too much.
Note:

Mechanisms of Moral Disengagement (6 Statements)
Moral disengagement scale used in “Dishonest Deed, Clear Conscience: Self-Preservation through Moral” (Shu Lisa, Gino et al. 2011):

1. Sometimes getting ahead of the curve is more important than adhering to rules.
2. Rules should be flexible enough to be adapted to different situations.
3. Cheating is appropriate behavior because no one gets hurt.
4. If others engage in cheating behavior, then the behavior is morally permissible.
5. It is appropriate to seek short-cuts as long as it is not at someone else’s expense.
6. End results are more important than the means by which one pursues those results.

Both, the six and 32 statements test asked respondents to rate:

Please indicate the extent to which you agree with the following statements (-3 = Strongly Disagree, +3 = Strongly Agree):

Honor Code
From “Dishonest Deed, Clear Conscience: Self-Preservation through Moral”, with minor modifications (Shu Lisa, Gino et al. 2011)

This Ethical Code of Honor has been presented to participants of the study in order to raise moral attentiveness:

Section 1. Statement of Purpose
The members of the University Community believe that the fundamental objective of the Institution is to provide the students with a high quality education while developing in them a sense of ethics and social responsibility.
We believe that any instance of dishonesty hurts the entire community. It is with this in mind that we have set forth a Student Honor Code at the University.

Section 2. Objectives
· An Honor Code at the University aims to cultivate a community based on trust, academic integrity and honor. It specifically aims to accomplish the following:
· Ensure that students, faculty and administrators understand that the responsibility for upholding academic honesty at the University lies with them;
· Prevent any students from gaining an unfair advantage over other students through academic misconduct;
· Ensure that students understand that academic dishonesty is a violation of the profound trust of the entire academic community;

Section 3. Student Responsibilities
The immediate objective of an Honor Code is to prevent any students from gaining an unfair advantage over other students through academic misconduct
Academic misconduct is any act that does or could improperly distort student grades or other student academic records. Such acts include but need not be limited to the following:

- Possessing, using or exchanging improperly acquired written or verbal information in the preparation of any essay, laboratory report, examination, or other assignment included in an academic course;
- Substitution for, or unauthorized collaboration with, a student in the commission of academic requirements;
- Submission of material that is wholly or substantially identical to that created or published by another person or persons, without adequate credit notations indicating authorship (plagiarism);
- False claims of performance or work that has been submitted by the claimant;

While these acts constitute assured instances of academic misconduct, other acts of academic misconduct may be defined by the professor.

Students must sign the Honor Agreement affirming their commitment to uphold the Honor Code before becoming a part of the University community.

The Honor Agreement may reappear on exams and other assignments to remind students of their responsibilities under the Academic Honor Code.

Section 4. Faculty Responsibilities

Faculty members are expected to create an environment where honesty flourishes. In creating this environment, faculty members are expected to do the following:

- Make known to their class as specifically as possible what constitutes appropriate academic conduct as well as what comprises academic misconduct. This includes but is not limited to the use of previously submitted work, collaborative work on homework, etc.
- Provide copies of old exams to the University library for students to review;
- Avoid the re-use of exams;
- Include a paragraph containing information about the University Academic Honor Code on the syllabus for each class they teach;

In addition to the expectations listed above, faculty have the authority to superimpose their own interpretations on some aspects of academic conduct including, but not limited to, the following:

- Old exams for use during open-book exams;
- Collaboration on out of class assignments;
- Use of previously submitted out of class assignments.

Questions about academic honour code used

These questions were asked in order to control if respondents had read the code above:

1) Who is hurt by an instance of academic dishonesty?
2) Who is responsible for upholding academic honesty at the University?
3) Which of the following constitutes academic misconduct, as described in the Honor Code: (check all that apply)
   ___ exchanging verbal information about preparation of an essay
   ___ completing out-of-class assignments with a group of classmates
   ___ possessing another student’s laboratory report

**Statistical analysis of the data distribution**
The analysis of the data distribution confirmed the applicability of the above-mentioned methods. Indicators such as standard deviation (spread of values), kurtosis (flatness of curve), and skew (lopsidedness) of the data were obtained and analysed. The data for all groups, which has been examined in regards to its statistical significance, has undergone data-distribution check-up in order to guarantee the relevance of the results.

\[ \text{Figure 26: Examples of analysis of data distribution obtained using Sofa-statistics software} \]