Gender Differences In Responses To Hypothetical Business Ethical Dilemmas By Business Undergraduates

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ABSTRACT

Business leaders are often failing to display ethical behavior in business decisions. This paper examines the gender differences found in undergraduate business students when faced with ethical decision making dilemmas.

Keywords: gender, ethics, undergraduates, business

INTRODUCTION

Researchers in ethics, moral reasoning, and moral dilemmas have studied everything from cultural and ethnic differences (e.g. Singh 1994; Gump & Baker 2000) to anglers (e.g. Schroeder, Fulton, Currie, & Goeman 2006) to genital herpes (Conley, Jadack, & Hyde 1997) to nursing (Stokes 2007) to neuroscience (Knabb, Welsh, Ziebell, & Reimer 2009) and forestry (Klenk 2009). Obviously, these topics are of interest and importance, but what does the extant literature say about business undergraduates and business applications? Surprisingly little.

Although numerous studies have been presented and published on the topics of ethics and moral reasoning, the basis for ethical decisions, comparatively few have examined ethical vs. unethical business decisions made by business undergraduates. An even smaller subset has looked at gender differences. While several studies have focused on ethics and gender differences in undergraduate cheating behavior (e.g. McInerney & Mader 2001; Whitley, Jr. 2001; Whitley, Jr. & Nelson 1999) and academic achievement (e.g. Chee, Pino, & Smith 2005), these are academic issues as opposed to business practice issues. With business scandal after scandal in the press and the economy in trouble, in part due to unethical business decisions, it seems logical that further research examining ethical vs. unethical decisions by our future business leaders is in order.

The purpose of this exploratory study was to examine further ethical decision-making among business undergraduates. The specific focus was gender differences in decisions regarding business ethical dilemmas.

LITERATURE – NO SIGNIFICANT GENDER DIFFERENCES

In a care reasoning study measuring levels of care reasoning in adolescents at age 16 years and again at age 20 years, Pratt, Skoe, and Arnold (2004) found a significant increase in scores over time, but no significant gender differences. Raaijmakers, Engels, and Van Hoof (2005) found that moral reasoning scores increased with age both cross-sectionally and longitudinally over a six-year period in a sample of 846 Dutch adolescents and young adults (ages 15-23 years), but no significant gender differences were identified. No significant gender differences in moral reasoning were found, as well, in a single survey sample of 189 undergraduates at a university in Kuwait (Al-Ansari 2002) nor in a study of Kuwaiti adolescents (Al-Rumaithi 2008). Likewise, a study of 166 African American undergraduates at an historically black university showed no evidence of gender differences in moral orientation (Knox, Fagley, & Miller 2004). The results did show, however, that when measuring care vs. justice moral orientation, the majority of participants had a justice focus.
Myyry and Helkama (2002) measured sensitivity to moral issues and moral situation interpretation abilities using pre- and post-tests among social psychology students in a semester-long professional ethics course. Although no significant gender differences were found in the total moral sensitivity scores, the genders tended to focus on different issues while interpreting the situation. The authors also reported that nearly half of the 50 students progressed on their sensitivity scores between the two tests. As with other studies demonstrating a positive change in moral reasoning with age and work experience, exposure to the ethics course content had a positive impact.

Jaffee and Hyde (2000) engaged in a formidable research project by conducting a meta-analysis of research on gender differences in moral orientation. The authors reported that the meta-analysis did not indicate strong gender differences between the care and justice orientations of moral orientation. Although several studies included in their research indicated that significant gender differences emerged when the test scenarios were either real-life or hypothetical dilemmas or when the scenarios were designed to elicit care reasoning or justice reasoning specifically, the overall analysis indicated small but non-significant gender differences.

In a study of family judges in Buenos Aires, Argentina (Kohen 2008), no significant gender differences were found regarding adherence to either a justice or care ethical reasoning. However, distinct gender differences were noted in the way judges approached decision-making. In a two-part study of moral reasoning by Ryan, David, and Reynolds (2004), the authors found that moral reasoning was determined more by the respondents’ views of the self-other relationship rather than gender. However, traditional gender differences in moral reasoning resulted when gender was made salient.

LITERATURE – SIGNIFICANT GENDER DIFFERENCES

Significant gender differences were observed in fourth and fifth graders by Murray-Close, Crick, and Galotti (2006) in a study examining moral reasoning and perceptions of physical and relational aggression. Girls rated both physical and relational aggression as more wrong than did their male counterparts. Girls also perceived relational aggression as more harmful than did boys.

In compelling research by Stimpson, Jensen, and Neff (1992) pointing to biological differences as a cause of moral orientation differences, significant gender differences were found in participants from Korea, China, Thailand, and the United States. The authors constructed a questionnaire using traits from the Bem Sex Role Inventory (Bem 1974) and statistical analysis from a related study by Pedhazur and Tetenbaum (1979). The results obtained from a sample of 268 men and 267 women supported their hypothesis that gender differences in moral orientation exist across cultures. Specifically, female participants were more caring than were the male participants. While the results did not negate the assertion that socialization may differ for males and females across cultures, it added strength to the argument for biological differences.

Gender differences were found, also, between male and female participants from Kuwait in a study regarding consumer ethical/unethical behavior in consumer-retailer interactions (Rao & Al-Wugayan 2005). Limited support for gender differences were reported for the U.S. sample in the same study.

Two studies using business students in the sample are worth special attention. Reese (1998) examined data from more than 20,000 male and female respondents from 66 samples, including business undergraduates and employees of all ages. She found marked gender differences among students, but differences diminished with increasing levels of work experience. She concluded that “with work experience comes a better understanding of what is appropriate and inappropriate behavior.” Schneider’s (2002) findings, though, were more disturbing. Reporting on information provided by the Aspen Institute’s Initiative for Social Innovation through Business, she found that of 1,978 graduating MBAs, more stated that top company priorities should be maximizing value for shareholder (75%) and satisfying customers (71%) than producing high-quality products (33%), creating value for the local communities (25%), or improving the environment (5%). In a gender-related finding, more women (14%) than men (7%) stated they judge a company by its ethical standards when considering a job offer, whereas more men (79%) than women (67%) stated financial returns are a company’s primary goal.
Significant gender differences or not, undergraduate ethics education is critical to prepare the business leaders of tomorrow. Schmidt, McAdams, and Foster (2009), for example, found that the Deliberate Psychological Education (DPE) model was effective in promoting ethical development in business education. The authors found significant positive results in developing greater cognitive reasoning. This train of thought and research into the development of other techniques and delivery methods should continue.

**METHODOLOGY**

**Sample.** Since the purpose of this exploratory study was to examine further ethical decision-making among business undergraduates, and to specifically identify gender differences, a business undergraduate sample was used. A total of 199 management and marketing students completed the ethical dilemmas, with over half female (57%) and less than half male (43%).

**Ethical Dilemma Scenarios.** Two ethical dilemma scenarios were used for the study. One scenario dealt with a retailing situation in which the store manager has to decide whether or not to allow a customer with a sick child to purchase a toy, knowing there is an extremely limited quantity and all of the expected shipment has been promised to customers who have placed a deposit on the item. The second scenario involved a personal selling dilemma in which the salesperson is contemplating using the corporate psychologist to help prepare to negotiate a multi-million dollar sale of financial benefit products with a prospect known to be under treatment for stress.

**Procedure.** Participants were asked to state their decision and also to discuss the rationale for their decision. All students completed each of the two business decision scenarios in their respective classes. Classes were distributed across days of the week and included morning, afternoon, and evening sections.

**Analysis.** Only descriptive analysis has been used for the present presentation. Upon collection of additional data and the addition of one or more scales of ethics, higher order statistics will be used to analyze the data.

**RESULTS**

Data analysis is not yet complete; however preliminary results of decisions indicate gender differences for both scenarios. While the majority of participants stated they would not engage in the unethical behavior (79%), approximately 21% said they would. In addition, more females than males stated “no” they would not engage in the behavior because they believed it was wrong. This difference appears to be significant, although only actual analysis will determine whether this is supported. Another interesting finding is that more males than females stated “maybe” they would act unethically under certain circumstances. For example, in the toy scenario, some male respondents stated they would sell the toy to the mother with the sick child if they could find another one online for the other customer. The rationales have yet to be analyzed, but content analysis will be utilized.

**DISCUSSION**

Preliminary results of this exploratory study indicate that while most undergraduate business students would not engage in the unethical behavior proposed by the scenarios, a sizable percentage would. In addition, more males than females stated they would engage in the unethical behavior. These results are consistent with the studies cited earlier using undergraduate business students.

Ferguson (1996) stated that ethical decisions by women are not inferior to those of men as Kohlberg’s theory would lead one to believe. Rather, “Women make ethical decisions as they make other decisions, on criteria that stem from their own experiences, which often differ from those of men.” Ferguson cited an earlier study by Mennuti and Creamer (1991) in which they interviewed 32 community college presidents. The authors found that reasoning by the majority of female participants focused on responsibility and care of others as they related to principles of fairness. On the other hand, the reasoning by the majority of male participants focused on self as it combined with the application of principles of fairness to opposing claims. In recent years, Barletta (2006) has stated in her published work and her consulting practice that female consumers are different than male consumers. She says, in part, that biological, social, and cultural differences lead women to focus more on an “ensemble” set of
behaviors; whereas men tend to focus on a “solo” set of behaviors. She cites examples ranging from gender-different approaches to communication to childhood and adult games to time management and purchase behaviors. The data and examples are compelling. If men and women are different consumers, then the logical extension is that men and women are different decision-makers in both personal and professional domains.

The present research adds support to those authors who state that ethical educational intervention is necessary to prepare undergraduates for the actual ethical dilemmas they will face in their careers. If the current sample were retested in several years (increasing education and work experience), one would hope results would show increased moral reasoning and fewer reports of plans to act unethically in the scenario situations. Longitudinal research or not, it is clear that colleges and schools of business must expose business undergraduates to the various “what ifs” in ethical business decision-making. Additional research is necessary to determine the most appropriate techniques and the most appropriate delivery methods to achieve the greatest positive impact. Perhaps our one-size-fits-all method of ethics education is inappropriate given that gender differences appear to exist.

AUTHOR INFORMATION

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REFERENCES
