Concerns of College Students Regarding Business Ethics*

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ABSTRACT. Although some attention has been devoted to assessing the attitudes and concerns of businesspeople toward ethics, relatively little attention has focused on the attitudes and concerns of tomorrow's business leaders, today's college students. In this investigation a national sample was utilized to study college students' attitudes toward business ethics, with the results being analyzed by academic classification, academic major, and sex. Results of the investigation indicate that college students are currently somewhat concerned about business ethics in general, and that female students in particular are more concerned about ethical issues than are their male counterparts.

The increasingly complex and competitive business environment has resulted in new pressures being brought to bear on the traditional values and ethics of business decision makers and managers. As institutions continue to be challenged, the issue of business ethics has

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become the subject of considerable attention (e.g., Carr, 1970; Carroll, 1975; Ruch and Newstrom, 1975; Coney and Murphy, 1976; Brenner and Molander, 1977; and Purcell, 1977). Researchers have reported a need for educators to reinforce childhood moral and ethical values, and clarify them for individuals participating in the current business environment. Simultaneously, business managers need to selectively evaluate competing value systems to develop an ethical framework guiding their decision making.

Since business ethics made the headlines in the scandals of the early 1960s, the traditional response to the challenge of developing ethical decision makers and managers has been to turn to educators. Trawick and Darden (1980) believe that, Academicians are responsible for preparing future [managers] for their positions in business... formal education makes a person more sensitive and articulate about ethical issues, but that knowledge does not necessarily assure ethical action". While some research has focused on assessing the ethical attitudes of current business decision makers and managers (e.g., Ferrell and Weaver, 1978; Dagher and Spader, 1980), relatively little attention has been directed toward the attitudes of future business decision makers and managers, today's college students, toward business ethics (e.g., Management Review, 1978).

Many of the attitudes of these future decision makers and managers regarding ethical practices in business are currently in the process of being shaped. Yet, there is relatively little empirical documentation of college students' concerns and attitudes concerning business ethics.

Although exploratory research has been con-

ducted regarding the relationship between educational environment and business ethics (Hawkins and Cocanougher, 1972; Shuptrine, 1979), the results have been based on relatively restrictive samples (e.g., small sizes and business majors from only a single educational institution) and have utilized a situational approach (e.g., asking study participants to rate twenty situations on seven point 'ethical/unethical' semantic scales) rather than a more direct approach. However, to maximize the usefulness of any findings, a sample should be generalizable to the population of interest ('college students') and be of sufficient size to permit detailed and reliable analysis. Further, to adequately assess general attitudes toward business ethics, questions used in an investigation should not be function specific (i.e., relate only to marketing, finance, etc.).

The purpose of the present investigation, therefore, was to address the current attitudes of college students toward specific business ethics issues. The approach utilized involved a national sample of college students and a direct questioning of study participants with respect to a series of general business ethics issues. That is, rather than presupposing the ethical nature of student solutions to posed problem scenarios, this investigation incorporated student-defined concerns. The combination of expanded generalizability and direct questioning versus presupposition provides a unique contribution to advance research in this area.

Methodology

Data were collected from a sample of 2,856 college students attending 28 different universities located in 23 different states. Both public (e.g., University of Washington, University of Massachusetts) and private (e.g., University of Pennsylvania, Southern Methodist University) institutions were included in the sample. At each university selected, a faculty member was requested to assume responsibility for distribution of study questionnaires to three types of individuals — students majoring in business, students majoring in liberal arts or social sciences, and

students majoring in engineering or natural sciences. Representation was sought from all undergraduate classifications (freshman through senior), and both sexes.[1]

The business ethics issues investigated were derived in the following manner. Initially, some 200 undergraduate students were requested to simply list, in unaided form, their concerns regarding business ethics. These concerns were then tabulated and content analyzed, and the ten concerns receiving the greatest number of mentions selected for further investigation. These ten concerns were posed in question form and study participants were requested to indicate, on a six-point ('extremely concerned' to 'extremely unconcerned') scale, how concerned they were with respect to the issue addressed by each question. Hence, in this instance 'attitude' was investigated in the context of 'concern'. This approach appeared to be realistic, given the insights obtained from the pilot study.

Analysis and findings

Table I presents the ten business ethics issues investigated, together with selected descriptive statistics. These descriptive statistics reflect the study participants' levels of concern on each of the ten business ethics issues. While the ten items are ranked in the table in order of relative concern, from 'high' to 'low' concern, each of the issues obtained percentage responses that, on balance, placed it on the 'concerned' half of the response continuum. That is, in general, study participants reported they were concerned with all of the ethical issues investigated, although some more so than others.

Differences in the concern ratings across academic classification (freshman, sophomore, junior, and senior), academic major (students majoring in business, students majoring in liberal arts or social science, and students majoring in engineering or natural sciences), and sex (male and female) were analyzed by means of analysis of variance. Specifically, analysis of variance was respectively applied utilizing academic classification, academic major, and sex in turn as the independent variable and concern ratings on

TABLE I

Descriptive statistics for business ethics issues

Issue	Percentage response						Mean	Standard deviation
	Extremely concerned					Extremely unconcerned		
	1	2	3	4	5	6		
Is it possible to improve ethics in business?	17.9	30.3	30.5	12.7	5.7	2.9	2.7	(1.2)
Do current ethical standards meet the needs of society?	17.9	28.1	31.7	13.5	5.9	2.9	2.7	(1.2)
How will change in business ethics affect our living standard and way of life?	17.4	28.8	30.9	14.7	5.8	2.4	2.7	(1.2)
Will business ethics get better or worse in the future?	17.4	29.1	30.1	13.5	6.7	3.2	2.7	(1.3)
Have business ethics deteriorated over the years?	17.8	28.9	28.7	14.1	6.8	3.7	2.7	(1.3)
How much importance should ethical considerations be given in designing corporate policies?	17.1	27.6	30.6	14.9	6.9	2.9	2.8	(1.3)
Are business ethics being sacrificed due to government regulation and inflation?	16.3	27.3	30.9	15.3	6.6	3.6	2.8	(1.3)
Do current ethical standards meet the needs of business?	12.6	25.4	32.2	17.3	7.4	5.1	3.0	(1.3)
Should U.S. businesses be expected to operate on a higher ethical level than businesses in other countries?	14.2	23.5	31.3	17.9	8.4	4.7	3.0	(1.3)
Are the ethics of business people worse than the ethics of individuals in government?	13.2	22.2	28.2	20.0	9.8	6.6	3.1	(1.4)

each of the ten business ethics scale items as the dependent variables. Tables II through IV contain the results of each analysis of variance conducted.

Differences in academic classification yielded statistically significant ($p < 0.05$) differences in concern ratings on only one scale item — "Are the ethics of business people worse than the ethics of individuals in government?" Study participants who were seniors stated they were relatively less concerned about this issue than were the remaining study participants.

Differences in academic major resulted in statistically significant concern mean rating differences for five of the ten issues investigated.

Study participants who were business students generally stated they were relatively more concerned with respect to the issues than were study participants indicating they were either liberal arts/social science majors or engineering/ natural science majors.

Finally, sex differences yielded significant concern rating differences for eight of the ten ethics issues. Females were consistently more concerned than males with each issue.

Even though certain of the concern mean ratings differences were statistically significant, in a practical sense (i.e., proportion of variance explained) the differences were not substantial. Indeed, a detailed analysis of the concern

responses reveals that there was nearly as much response variation within groups as across groups, and that the statistically significant differences observed were due in part to the large sample size employed.

TABLE II

Mean concern ratings for selected academic classifications

Items	Mean[a]			
	Fresh-man	Sopho-more	Junior	Senior
Is it possible to improve ethics in business?	2.8	2.7	2.7	2.6
Do current ethical standards meet the needs of society?	2.8	2.6	2.6	2.8
How will change in business ethics affect our living standard and way of life?	2.7	2.6	2.7	2.7
Will business ethics get better or worse in the future?	2.7	2.6	2.7	2.8
Have business ethics deteriorated over the years?	2.7	2.7	2.8	2.8
How much impor-tance should ethical considera-tions be given in designing corpo-rate policies?	2.9	2.7	2.8	2.7
Are business ethics being sacrificed due to govern-ment regulation and inflation?	2.8	2.8	2.8	2.8
Do current ethical standards meet the needs of businesss?	3.0	3.1	2.9	3.0
Should U.S. busi-nesses be expected to operate on a higher ethical level than businesses in other countries?	2.9	3.0	2.9	3.0

Table II (continued)

Items	Mean[a]			
	Fresh-man	Sopho-more	Junior	Senior
Are the ethics of business people worse than the ethics of indi-viduals in govern-ment? [b]	3.0	3.0	3.0	3.2

[a] 1 = extremely concerned; 6 = extremely unconcerned.
[b] $p < 0.05$.

TABLE III

Mean concern ratings for selected academic majors

Items	Mean[a]		
	Business	Liberal arts/ Social science	Engi-neering/ Natural science
Is it possible to improve ethics in business?[b]	2.6	2.8	2.8
Do current ethical standards meet the needs of society?	2.7	2.7	2.8
How will change in business ethics affect our living standard and way of life?[b]	2.7	2.6	2.8
Will business ethics get better or worse in the future?	2.7	2.7	2.8
Have business ethics deteriorated over the years?	2.7	2.8	2.8
How much impor-tance should ethical consider-ations be given in designing corpo-rate policies?[b]	2.7	2.8	2.9
Are business ethics being sacrificed due to govern-ment regulation and inflation?[b]	2.7	2.8	2.9

Table III (continued)

Items	Mean[a]		
	Business	Liberal arts/ Social science	Engi- neering/ Natural science
Do current ethical standards meet the needs of business?[b]	2.8	3.1	3.1
Should U.S. businesses be expected to operate on a higher ethical level than businesses in other countries?	3.0	2.9	3.0
Are the ethics of business people worse than the ethics of individuals in government?	3.1	3.0	3.2

[a] 1 = extremely concerned; 6 = extremely unconcerned.
[b] $p < 0.05$.

Conclusions

This study investigated the attitudes of a national sample of college students toward selected business ethics issues. The methodological approach employed operationalized attitudes in terms of concern regarding the ethical issues. Results of the study indicate that college students are currently concerned about business ethics in general. Moreover, they appear somewhat more concerned about improving business ethics ("Is it possible to improve ethics in business?") than with 'finger pointing' ("Are the ethics of business people worse than the ethics of individuals in government?").

Somewhat surprisingly, the ethical concerns of the students surveyed were not substantially different across academic classification or academic major. Although certain differences were statistically significant, this was due as much to the relatively large sample size as to the magnitude of the differences.

TABLE IV

Mean concern ratings for males and females

Items	Mean[a]	
	Male	Female
Is it possible to improve ethics in business?[b]	2.7	2.6
Do current ethical standards meet the needs of society?[b]	2.8	2.6
How will change in business ethics affect our living standard and way of life?[b]	2.8	2.6
Will business ethics get better or worse in the future?[b]	2.8	2.6
Have business ethics deteriorated over the years?[b]	2.8	2.6
How much importance should ethical considerations be given in designing corporate policies?[b]	2.8	2.7
Are business ethics being sacrificed due to government regulation and inflation?	2.8	2.8
Do current ethical standards meet the needs of business?[b]	3.0	2.9
Should U.S. businesses be expected to operate on a higher ethical level than businesses in other countries?	3.0	2.9
Are the ethics of business people worse than the ethics of individuals in government?[b]	3.2	3.0

[a] 1 = extremely concerned; 6 = extremely unconcerned.
[b] $p < 0.05$.

However, there was a consistent tendency for the females in the sample to express more concern than the males in the sample, regardless of the issue. While it is difficult to speculate on the precise implications of this finding, one interpretation is that the increasing participation of females in the workforce will have a significant impact on what are considered ethical business practices. Not only are the attitudes of future decision makers and managers regarding ethical practices currently in the process of being shaped by educators, but to an extent it is the female students' concerns which may well be

establishing a new moral force in tomorrow's business world.

Additional work in researching student concerns regarding business ethics is clearly needed. This empirical investigation has highlighted the influence of academic classification, academic major, and sex on these concerns. However, as ethical norms evolve, reflecting changing societal patterns, the need emerges to continually investigate and monitor attitudes regarding business ethics. Additional information on the concerns of today's college students regarding business ethics can serve as input for intelligent decision making among policy makers, educators, and business people alike.

Notes

[1] The sample consisted of 7 percent, freshmen, 12 percent sophomores, 35 percent juniors, and 46 percent seniors (academic classification); 50 percent business, 23 percent liberal arts/social science, and 27 percent engineering/natural science (academic major); and 57 percent male and 43 percent female (sex). Even though strict probability sampling was not employed, the resulting variance in schools suggests the sample was a fairly representative one.

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