

# **Ethical belief and ethical intention: Comparing South African and Polish commerce students' perceptions**

## **Abstract**

The purpose of this study was to address the differences between the ethical intentions and beliefs of students in business studies in South Africa and Poland. The target population was all full-time students, registered for a commerce degree at selected higher education (tertiary) institutions in South Africa and Poland. The measuring instrument was a self-administered questionnaire which presented seven ethical scenarios to respondents to which they provided a yes/no response to each part of the question. Probability sampling was used, and the convenient sampling technique applied to select the sample. Chi-squared analysis was performed on the data to test the stated null hypotheses at a 95% confidence level. The imminent conclusion that flows from the study is that differences do exist between the ethical beliefs and ethical intentions of business students in South Africa and Poland, but these differences seem to be fairly similar across both countries.

**Keywords:** ethical intention, ethical belief, South Africa, Poland

## **INTRODUCTION**

Ethical conduct in and of business has generated much interest in recent times in both academic and applied circles (Ruis-Palomino & Martinez-Canas, 2011). This interest seems to stem from a sense to prevent negative consequences for the organisation and for society in general, as errors in ethical conduct frequently occur, despite organisations' best intentions (Clark, 2006). In some instances, these ethical questionable behaviours reach scandalous levels and receive much media attention (Groves, Vance & Paik, 2008). Coupled with the rise of ethical consumerism from the cultural fringes to the mainstream (Carrington, Neville & Whitwell, 2010), and in the wake of the 2008 global economic crisis, the interest in business ethics and ethical decision-making has reached an all-time high (Nguyen & Biderman, 2008).

Seminal views on ethical decision-making state that ethical judgment, ethical intent and ethical behaviour are crucial steps in the process of ethical decision-making (Jones, 1991; Rest, 1986). In the process of ethical decision-making, individuals move from a cognitive evaluation of the moral acceptability of different alternatives, to a ranking of the moral acceptability of these alternatives, and finally to a decision to implement the most desirable alternative (Nguyen & Biderman, 2008;

Trevino, 1992; Jones, 1991). In this process, it does seem as though ethical judgment, ethical intention and ethical behaviour follow on from each other. However, views on ethical decision-making caution that moderating factors surface between one step and the next, leading to discrepancies between ethical judgment, ethical intent and ethical behaviour (Trevino, 1986; Farrell & Gresham, 1985). In terms of business ethics, one can conclude that although organisations aspire to be fair and honest, these factors often cause the organisations' behaviour to be questionable at the end of the day.

There is an alarmingly large body of knowledge, which is continually expanding, focusing on corporate scandals and questionable business ethics (Nguyen & Biderman, 2008; 2004; Armstrong, Ketz & Owsen, 2003). Such literature seriously taints the image of businesspeople, portraying them as selfish, acting in their own interests, or using the business case as justification for unjust behaviour. The 2008 financial crisis has intensified the discourse around business ethics and has affirmed the importance of rigorous ethics training in the field of management (Armstrong et al, 2003), and this intensified discourse will find its way down to the managers of the future. It is this train of thought that has served as impetus for this research, namely to explore the extent to which ethical intent coincides with ethical behaviour amongst a sample of commerce students in South Africa and in Poland.

## **LITERATURE REVIEW**

The literature review explores the importance of ethical decision-making with considerations of the application of this proceeding the global economic crisis. Concepts of cultural influence as well as the dynamic value systems of Africa and Europe are interrogated in the context of ethical decision-making in business.

### **The importance of ethical decision-making**

Ethics as a domain has enjoyed great academic attention as a focal area for studies of personal development and understanding as well as that of the organisation. The importance of ethical decision-making has however become somewhat of a universal phenomenon where it is assumed to be accepted with little regard to the detail of why it is important. Ethical decision making, in the context of this paper, refers to an intuitive or conscious decision based on a presumed understanding of the moral outcome of the decision made (Drumwright, Prentice and Biasucci, 2015). The ethical domain of academic literature has been dominated by models and frameworks

of how individuals apply and experience ethical decision-making with a speculative approach to answering why the application of ethics has such entrenched importance.

The varying theoretical works surrounding the kinds of ethical ideology adopted by society may elucidate the importance of ethical decision-making. The complexity of human nature and ethics as an intrinsically human trait, consequently creates an environment in which ethics as a discipline exhibits little unanimity and therefore exponential possibility regarding why it has gained and continues to retain importance (Newton, 2013; Stark, 1993). The element of perception in individuals is a possible contributing factor to the lack of consensus regarding ethics. Perception is based upon the unique frame of reference of the individual, which encompasses internal and external factors acting as determinants of their behaviour and which can be changed by peer pressure (Drumwright, Prentice and Biasucci, 2015; Otara, 2011).

It then becomes imperative to examine some of the schools of thought surrounding the motivations for ethical decision-making in order to deduce where the importance thereof lies. The importance of ethical decision-making will be expounded upon with regard to importance at an individual level, and importance at an organisational level.

### **Theoretical perspectives on ethical decision-making**

The dominant theoretical perspectives surrounding ethical decision-making enable derivations to be made surrounding its importance.

*The Theory of Moral Development* – This seminal work was presented by Kohlberg in the 1980s in which the emphasis of ethical decision-making lay upon the moral reasoning or justification of the decision which is said to occur through a process of rationality (Woiceshyn, 2011; Sonenshein, 2007; Hunt & Vitell, 2006). Importance within this context therefore lies not in the ethical act itself, but in the moral justification arising from the reasoning process of the individual or the organisation.

*Rest's Four-Component Model* – Rest's 1986 model encompasses four major components. *Moral Sensitivity* as the first component comprises of the ability to identify and apply empathy to possible scenarios of ethical predicament. *Moral Judgement* includes a differentiating ability to classify action as positive or negative (good versus bad). *Moral Motivation* speaks to an inclination towards executing the positive moral action as well as a readiness to take on the encumbrance, if

any, resulting from the outcome of this action. *Moral Character* refers to the actual execution of the moral action or the moral behaviour exhibited by the individual (Keifer Keifer, 2015; Morales-Sanchez & Cabello-Medina, 2013; Woiceshyn, 2011; Jones, 1991). Importance in this context lies with the individual's ability to classify positive from negative as well as the extent of willingness to engage in ethical action and actually executing such behaviour not merely thinking of it (Morales-Sanchez & Cabello-Medina, 2013). The *Moral Character* of an organisation may be the culmination of the moral characters of the individuals within the organization, where the importance of ethical decision-making is determined by the aggregate *Moral Character* of those individuals. Therefore, if a person becomes aware of behaviour in the organization he/she works for that is not ethical, such a person is obliged to report on it to the relevant authority (Bazerman and Sezer, 2016).

*Moral Intensity* – Jones (1991) refers to the concept of *Moral Intensity* as a multidimensional construct housing elements of magnitude of consequences, social consensus, probability of effect, temporal immediacy, proximity, and concentration of effect (Morales-Sanchez & Cabello-Medina, 2013; Woiceshyn, 2011; Sonenshein, 2007; Jones, 1991). Importance in this light can be linked to the concept of the consequence of the moral issue with little relation to the nature of the individual and a strong relation to the moral issue itself (Jones, 1991).

*Philosophical Theories of Ethical Decision-making* – A multitude of philosophical theories are available in literature surrounding ethics, however this discussion will focus on *Egoism, Utilitarianism and Deontology*. Ethical *Egoism* has foundations in the concept of the maximisation of the individual's interest as the determining factor for the ethicality of that person's moral behaviour. Importance in this instance would emanate from self-interest regarding an ethical decision with the belief that all people should act in their own best interest, therefore self-interest becomes ethical behaviour (Lehnert, Park and Singh, 2015; Casali, 2011; Woiceshyn, 2011; Hunt & Vitell, 2006). An organisational perspective may place importance on economic or reputational outcomes under ethical egoism or self-interest. In this way, an individual may identify their organisation as an element of themselves, with the belief that their own self-interest is that of the organisation or organisational interests become their self-interest (Casali, 2011). *Utilitarianism* relates largely to consequence and the consideration of the best possible alternative for the greatest number of people. Importance in this context would have a direct link to the impacts of possible decisions and the number of people each alternative would positively impact, where the greater number paired with the most beneficial outcome would be classified with high importance. An organisation may place importance on the ethical decision that would yield the greatest

opportunity cost for all stakeholders if they were to forgo that possible alternative (Hunt & Vitell, 2006). Ethical *Deontology* looks not at the ethical decision itself, but at the law, rule or universal principle that governs the moral action (Casali, 2011; Hunt & Vitell, 2006). Importance is therefore placed on the precedent to a greater extent than the act.

Varying theoretical perspectives evidentially exist. The adopted ideology of the individual may indicate where their association of importance to ethical decision-making lies. The importance of ethical decision-making may therefore be regarded as a fluid or perceptual concept determined largely by an individual's inclinations. The evident lack of unanimity in ethics may force a pluralist approach. Pluralism echoes sentiments that supports the acceptability of all schools of thought as opposed to the rightness of one versus the other in the endeavour of moral validity (Casali, 2011).

### **Ethical decision-making in business**

The motivations or associations of the importance of ethical decision-making for the individual feed into ethical decision-making in business where organisations are largely defined by the individuals they employ (Otara, 2011). The complexity of ethical decision-making in business has been marked by infamous scandals such as the well-publicised case of Enron, an organisation whose employees ironically paid lip-service to their 62-page code of ethics with unscrupulous accounting practices (The Smoking Gun, 2015; Casali, 2011; Selart & Johansen, 2011). The 2008 Global Economic Crisis represents a pivotal breaking point for public trust in organisations to act ethically (Elm & Radin, 2012). A culmination of ethical scandals and a global crisis have magnified the consequences of poor ethical decision-making, as well as ambiguity surrounding the application of ethics in real-world business situations where ethical theory does not homogenise with practicality (Selart & Johansen, 2011). This ambiguity in business ethics is often to the detriment of the unknowing public and the lack of transparency in business practice (Venla Mäntysalo, 2015; Selart & Johansen, 2011). Newton (2013) distinguishes two factions of ethics in business that often conflict and in some instances merge, yet not to the benefit of ethical endeavours. *Professional Ethics* and *Market Ethics* are two distinct ethical concepts within business.

*Professional Ethics* adopts the stance that a professional, confirmed to have expert tacit knowledge in a particular occupation, has the moral obligation to apply decision-making with the interest and welfare of the client at the centre of ethical encounters. This moral obligation arises from the

classification of the professional and the client, where the professional exists to provide a service for which the client cannot perform themselves, and where the client has little to no means or knowledge to verify the moral behaviour of the professional (Pohling, Bzdok, Eigenstetter, Stumpf and Strobel, 2016; Newton, 2013).

*Market Ethics* provides a contrary approach in which the concept of Adam Smith's *free market* is the foundation upon which this ethic is constructed. *Market Ethics* expresses sentiments of ethical egoism where the duty of both the merchant (professional) and the customer lies in the pursuit of their own interests and advantages, thereby advancing the common good (Newton, 2013).

The convergence of these two ethical factions comes into play where you have employed professionals working according to a corporate agenda (Newton, 2013). It is often found in a business context, that short-term organisational self-interest is frequently prioritised. This leaves little autonomy for the professional to place client or public interest first and entrenches the market ethic (Newton, 2013; Argandona, 2012). There is also a separation of ethics and economics where legitimate economic rationality is utilised to capitalise on favourable or advantageous situations without the consideration of ethics through classifying the decision-making process as technical, without the need for moral evaluation (Martin, Bagdasarov and Connelly, 2015; Argandona, 2012). Between the professional and market ethics as distinguished above, business is also subject to the social dimension of ethical decision-making where legislation often becomes the enforcer for the protection of the public, applying concepts of utilitarian deontology, relevance instead of absence. However, if legislation had the ability to unequivocally ensure ethical practices for business, the process of ethical decision-making in business would undergo rapid obsolescence (Vig and Dumičić, 2016; Argandona, 2012; Casali, 2011; Hunt & Vitell, 2006).

Considering the information provided above, it can therefore be argued that the divergence that exists in the importance of ethical decision-making also appears in ethical decision-making in business, where business constitutes a grouping of individuals with their own inclinations and cultural affiliations. Ethical decision-making in business has the added complexity of the purpose for organisations (value, profit, community). Apart from the individual influence of an employee, the reason for the existence of the organisation will largely determine how ethicality is defined from an organisational perspective (Louw & Venter, 2013; Argandona, 2012).

## **Ethical decision-making across cultures**

A host of intervening variables or influential factors impact ethical decision-making at individual and organisational levels, and one such factor adding to the complexity of ethics is that of culture. When assessing ethical decision-making across cultures, it is not the culture itself but the impact of the culture on ethical decision-making that becomes focal. Culture is referred to collectively as a system of written or unwritten rules, shared values, norms and institutions passed on through social transmission, regulating the social life of groups (Hofstede, 2015). The regulation of social life creates the potential for culture to shape ethics and the moral reasoning of ethical decision-making from the influence of the characteristics of culture (Yeganeh, 2014).

The acculturation of an individual is said to occur before the person has even been born. This refers to the concept of deep culture, in which shared values have been acquired from infancy and by the point of adulthood become unconscious. Superficial culture refers to cultures acquired in adulthood of a more malleable nature. The notion of deep culture has significant implications for ethical decision-making at an organisational level. As most organisations acquire human resources in the stage of adulthood, the only influence that the organisation has over the culture of the individual is at the level of superficiality. This means that an organisation cannot create a deep culture of shared value, but can create shared identity through a status affiliation of an individual to an organisation (Hofstede, 2015). In the context of ethical decision-making, deep culture becomes a determining factor in the ideological beliefs and approaches to decision-making, where an organisational “culture” may not easily elicit a behaviour or decision that has not already been unconsciously acquired from the point of infancy of the individual (Hofstede, 2015).

There are two dominant frameworks which document the potential dimensions of culture. The *Trompenaars & Hampden-Turner* framework offers seven cultural dimensions and the *Hofstede* framework offers five cultural dimensions. These frameworks are discussed and referenced below.

*Trompenaars & Hampden-Turner* - This framework has seven dimensions with each dimension having a spectrum of two opposing concepts. *Universalism versus Particularism; Individualism versus Communitarianism; Neutral versus Emotional; Specific versus Diffuse; Achievement versus Ascription; Sequential time versus Synchronous time; Internal Direction versus Outer Direction* (Balan & Vreja, 2013; Trompenaars & Hampden-Turner, 1997).

*Hofstede* - His framework has five dimensions, three of which have a spectrum of two opposing concepts. *Power Distance* is the state of equality or lack thereof between people. *Individualism versus Collectivism* refers to the extent to which people identify themselves as individuals or as part of a group. *Masculinity versus Femininity* relates to the goals and conduct of a person in terms of the traditional affiliations of male and female. *Uncertainty Avoidance* relates to the degree of discomfort of the unknown or unforeseen. *Long-term versus Short-term Avoidance* relates to the importance attached to future thinking as opposed to shorter-term thinking (Yehganeh, 2014; Balan & Vreja, 2013).

The spectra above do not however mention the degree to which an individual or group associates with one spectral dimension over the other. The significance of this for ethical decision-making is that within a dimension, there are certain shared values or traits which acculturated individuals may exhibit with the potential to influence their moral reasoning and behaviour (Balan & Vreja, 2013; Morales-Sanchez & Cabello-Medina, 2013). The “versus” element of the dimensional categories imply a situation of one or the other, where two elements in a dimension are in opposition, therefore an individual may not exhibit elements of each simultaneously (Balan & Vreja, 2013).

### **Changing value systems in Africa and Europe**

Value systems are seen to be elements of culture concerning the beliefs surrounding that which is considered to be right and wrong (Idang, 2015). The morality of a society or group is said to be defined by the values which influence or aid the navigation of the lives of the people within such a group or society (Kwame, 2011). Although the deep culture of a person may be unconscious and entrenched, the superficial culture and therefore value system of a person, is subject to change upon various influences and cultural absorption (Hofstede, 2015; Idang, 2015). A commonly referred to driving force for change in value systems worldwide is that of globalisation; an increased codependence of nations and organisations as well as the merge of cultures in which value systems are housed that have created a convergence of ideology and a catalyst of change (Idang, 2015; Udokang, 2014).

African value systems have historically conformed to a communalist ideology in which social ethical value systems are present, as opposed to a European or western tendency toward individualistic morality (Kwame, 2011). A further disparity in African and European value systems consists of the concepts of the ethics of duty and the ethics of rights; African value systems



are concerned primarily with human welfare and have a cognisance of needs, where duty and obligation are emphasised to fulfil these needs. European value systems alternatively place emphasis on the notion of the rights of the individual as a determining factor in the morality of values (Kwame, 2011). The controversial history of Africa and Europe accompanied by a global trend towards westernisation, is said to have created a forced acculturation of African peoples, changing or influencing their value systems not only from the past atrocities of colonisation, but in the current surge of globalisation, away from value systems established as traditionally African (Idang, 2015; Udokang, 2014; Kwame, 2011).

A theory for consideration is that of generational cohorts which is applicable not only to Africa, but generalisable to greater global populations such as Europe. Generational cohort theory is classified as that of social history, documenting a time-change relationship of generational and public attitudes (Van der Walt, Jonck & Sobayeni, 2016). A generational cohort is a grouping of individuals from the same generation who have been shaped by the events that characterise the period in which they have developed, as well as exposure to the same external environmental elements. Generations are said to experience a combination of circumstances and environmental forces that occur during the formative stages in individuals, resulting in behavioural patterns that distinguish these individuals from those in other generations (Van der Walt *et al*, 2016). Different countries have differing time periods in which cohorts or generations have been formed; each exhibits behaviours arising out of the unique events and environments of their geography. The advent of globalisation may however see a convergence or similarity in time periods going forward. The significance of generational cohorts for value systems and ethical decision-making lies in the concept that across all cohorts in the non-formative years of the individual, value-change will occur at a superficial level. Deep change is only possible in the transition of one generation to the next, and directly dependent not only on the social environment of the individual, but also on the greater external environment in which uncontrollable global events such as a global financial crisis, a world war or the fourth industrial revolution (i.e. the introduction of artificial intelligence) have a major influence on the values and further ethics of an entire group of people apart from their own cultural influences (Van der Walt *et al*, 2016; Hofstede, 2015).

### **A summative perspective on the theoretical argument**

Theoretical perspectives provide the basis upon which ethical decision-making and ideological inclinations can be explored. Theory, however, does not always translate into the practical realities of ethics in business which incurs a multitude of intervening variables, calling to question the

purpose of professionals, business and professionals in business. Cultural dynamics explore the power of cultural shaping on ethical decision-making and the general juxtaposition of opposing elements within dimensions of culture. Value systems as elements of culture experience change through globalisation as well as through passing time, and can be classified according to generational cohorts. The complexity of ethical decision-making is evident in its philosophical foundations for importance through to the shaping factors of shared identity in organisations and culture in society. These elements paired with the transformative nature of time create a lack of unanimity or decisiveness regarding the exact nature of ethical decision-making.

## **JUSTIFICATION AND METHODOLOGY EMPLOYED**

The modern era of globalisation has resulted in an amalgamation of thoughts, ideas, behaviours and ethical value systems that transcend geopolitical and cultural boundaries. Furthermore, it is apparent from literature that ethical decision-making in business is under the spotlight, especially in the wake of the 2008 global economic crisis. This crisis and numerous corporate scandals, are associated with questionable business dealings, especially as far as the morality of business is concerned. In terms of ethical decision-making processes, inconsistencies exist between ethical judgment (or belief), ethical intention and ethical behaviour. Issues high in moral intensity are also expected to have a greater impact on the ethical decision-making process, than are issues low in moral intensity. In the midst of morally questionable business dealings, global scholarship in the realm of business ethics needs to dissect how students view (or define) ethical practices, especially as these students represent the business leadership of tomorrow.

Considering the problem highlighted above, the aim of this paper is:

**To analyse the differences that exist between ethical beliefs and ethical intentions of commerce students in South Africa and Poland.**

From the stated aim, the following research question is posed:

**Are there discrepancies between the ethical beliefs and ethical intentions amongst commerce students in South Africa and Poland?**

To answer this question the following null-hypotheses have been formulated:

- Ho1: The intent (would) to report a cheating incident will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.

- Ho2: The intent (would) to report giving out free food at a restaurant will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.
- Ho3: The intent (would) to report a R200 theft from an employer will not differ from the belief (should) that the theft should be reported amongst South African and Polish commerce students.
- Ho4: The intent (would) to report an erroneous R1500 credit to the student's account will not differ from the belief (should) that the error should be reported amongst South African and Polish commerce students.
- Ho5: The intent (would) to report a mark increase error to one's own final marks will not differ from the belief (should) that the error should be reported amongst South African and Polish commerce students.
- Ho6: The intent (would) to report a company that is illegally dumping hazardous materials will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.
- Ho7: The intent (would) to report a company that is hiring undocumented workers will not differ from the belief (should) that the hiring practice should be reported amongst South African and Polish commerce students.

The empirical investigation was quantitative in nature and employed a cross-sectional survey design. The population for this study included all the full-time undergraduate and post-graduate students in commerce at a public university in South Africa and Poland. In South Africa, this equated to a population of 15 000 students of whom 500 participated in the study. The Polish population consisted of 23 000 students of whom 150 students participated in the study. Non-probability sampling, in the form of convenience sampling, was used in South Africa and Poland to select respondents. To ensure a measure of representivity, only commerce students were targeted for this study as the study was interested in surveying business practitioners of the future. Questionnaires were distributed in lecture halls during the lecture time of a major subject in commerce students' degree programme. The measuring instrument used was an adaptation of a structured questionnaire which was developed and validated by Kiser, Rauschhuber and Parker (2011), which presented seven ethical scenarios to respondents.

Data was collected through the use of questions measuring nominal data pertaining to each scenario. The data obtained from the questionnaires was coded, captured and edited by the Statistical Consultation Service of the University of Johannesburg (STATCON). The Statistical

Package for Social Sciences (SPSS) was used to analyse the results. Chi-Squared analysis was performed on the data to test the stated null-hypotheses at a 95% confidence level.

## FINDINGS AND RESULTANT DISCUSSION

In South Africa, of the 500 questionnaires distributed, 471 were returned, all of which were usable. This represents a 94.2% response rate. In Poland, of the 150 questionnaires distributed, 128 usable questionnaires were realised. The scenarios presented in the questionnaire will now be analysed in turn according to gender and ethnicity. The scenarios will not be analysed against level of study, as it is felt that this demographic variable will have no bearing on the outcome of the findings.

### *Scenario 1: You discover that one of your fellow students cheated on a test.*

In terms of scenario 1, a total of 42.6% of South African respondents and 3.9% of Polish respondents indicated that they **would** report the incident, while 57.4% of South African respondents and 96.1% of Polish respondents would not report the incident, indicative of people's ethical intent on the issue between South Africa and Poland. The results of the Pearson Chi-square Test ( $\chi^2$ ), conducted to determine whether a significant association exists between the variables, indicates that a statistically significant association does exist between students from South African and Poland as to whether they would or would not report the above-mentioned incident, as  $p=0.000$ , thus  $p<0.05$ . A phi of 0.334 indicates that the practically significant association is only slight. Furthermore, 85.7% of South African respondents and 51.6% of Polish respondents indicated that one **should** report the incident (indicative of ethical belief), while 14.3% of South African respondents and 48.4% of Polish respondents indicated that one should not report the incident.  $\chi^2$  indicates that a statistically significant association exists between students from South Africa and Poland regarding whether or not the incident should be reported, with  $p=0.000$ , thus  $p<0.05$ ). A phi of 0.341 indicates that a weak practically significant association exists.

**Table 1: Scenario one - Chi-squared analysis**

Association between	$\chi^2$	df	p value	Phi
Country differences and ethical belief ("should")	69.478	1	0.000	0.341
Country differences and ethical intent ("would")	66.695	1	0.000	0.334

**Scenario 2: You work at a fast-food restaurant and regularly observe one of your fellow employees giving out free food to friends.**

Regarding scenario 2, it was found that 56.0% of the South African respondents and 32.0% of the Polish respondents **would** report the incident, while 44.0% of the South African respondents and 68.0% of Polish respondents would not report the incident.  $\chi^2$  indicates that a statistically significant association does exist between students from South Africa and Poland regarding whether they would or would not report the above-mentioned incident, as  $p=0.000$ , thus  $p<0.05$ . A phi of 0.196 indicates that the practically significant association between the variables is, however, weak. Furthermore, 86.0% of South African respondents and 82.8% of Polish respondents indicated that one **should** report the incident (indicative of ethical belief), while 14.0% of South African respondents and 17.2% of Polish respondents indicated the one should not report the incident.  $\chi^2$  indicates that a statistically significant association does not exist between students from South Africa and Poland with regard to whether or not an incident should be reported, as  $p=0.373$ , thus  $p>0.05$ .

**Table 2: Scenario two - Chi-squared analysis**

Association between	$\chi^2$	Df	p value	Phi
Country differences and ethical belief (“should”)	0.793	1	0.373	0.036
Country differences and ethical intent (“would”)	23.043	1	0.000	0.196

**Scenario 3: You find out that someone you know has stolen [money] from his/her employer.**

For scenario three, 60.7% of South African respondents and 74.2% of Polish respondents indicated that they **would** report the incident, while 39.3% of South African respondents and 25.8% of Polish respondents would not report the incident (indicative of ethical intent).  $\chi^2$  indicates that a statistically significant association exists between students from South Africa and Poland with regard to the reporting of the abovementioned incident, as  $p=0.005$ , thus  $p<0.05$ . A phi of  $-0.115$  indicates that the practically significant association between the variables is, however, weak. 89.4% of South African respondents and 94.5% of Polish respondents indicated that one **should** report the incident while, 10.6% of South African respondents and 5.5% of Polish respondents indicated the one should not report the incident. The  $\chi^2$  indicates that no statistically significant association exists between students from South African and Poland on whether one should or should not report the incident, as  $p=0.080$ , thus  $p>0.05$ .

**Table 3: Scenario three - Chi-squared analysis**

Association between	$\chi^2$	df	p value	(Phi)
Country differences and ethical belief (“should”)	3.058	1	0.080	-0.072
Country differences and ethical intent (“would”)	7.920	1	0.005	-0.115

**Scenario 4: You realise that your university has mistakenly credited your account.**

Scenario 4 reflects that 51.6 % of South African respondents and 78.9% of Polish respondents indicated that they **would** report the incident, while 48.4% of South African respondents and 21.1% of Polish respondents would not report the incident.  $\chi^2$  indicates that a statistically significant association exists between South African and Polish students on whether or not they would report the above-mentioned incident, with  $p=0.000$ , thus  $p<0.05$ . A phi of  $-0.226$  indicates that the practically significant association between the variables is weak. Furthermore, 81.6% of South African respondents and 91.4% of Polish respondents indicated that one **should** report the incident (indicative of ethical belief), while 18.4% of South African respondents and 8.6% of Polish respondents indicated the one should not report the incident.  $\chi^2$  indicates a statistically significant association between students from South African and Poland relating to the reporting of an incident or not, with  $p=0.008$ ; thus  $p<0.05$ . A phi of  $-0.109$  is indicative of a slight practically significant association.

**Table 4: Scenario four - Chi-squared analysis**

Association between	$\chi^2$	Df	p value	(Phi)
Country differences and ethical belief (“should”)	7.103	1	0.008	-0.109
Country differences and ethical intent (“would”)	30.713	1	0.000	-0.226

**Scenario 5: At the end of the semester, you study your marks online and notice that the module for which you know you should have received a mark of 65% is allocated a mark of 80%.**

Scenario 5 found that 38.6% of South African respondents and 39.1% of Polish respondents indicated that they **would** report the incident, while 61.4% of South African respondents and 60.9% of Polish respondents would not report the incident.  $\chi^2$  indicates no statistically significant association between students from South African and Poland on whether they would or would not report the incident, as  $p=0.931$ , thus  $p>0.05$  (indicative of ethical intent). Furthermore, 72.6% of South African respondents and 73.4% of Polish respondents indicated that one **should** report the incident (indicative of ethical belief), while 27.4% of South African respondents and 26.6% of Polish respondents indicated that one should not report the incident. The  $\chi^2$  indicates that a statistically significant association does not exist between students from South Africa and Poland on whether one should or should not report the incident, with  $p=0.842$ , thus  $p>0.05$ .

**Table 5: Scenario five - Chi-squared analysis**

Association between	$\chi^2$	df	p value	(Phi)
Country differences and ethical belief (“should”)	0.040	1	0.842	-0.008
Country differences and ethical intent (“would”)	0.008	1	0.931	-0.004

**Scenario 6: You discover that the organisation at which you are employed is dumping hazardous material in public trash bins.**

Scenario 6 reflects that 72.8% of South African respondents and 64.8% of Polish respondents indicated that they **would** report the incident, while 27.2% of South African respondents and 35.2% of Polish respondents would not report the incident.  $\chi^2$  indicates no statistically significant association between country of origin and whether they would or would not report the above-mentioned incident, as  $p=0.077$ , thus  $p>0.05$ . Furthermore, 91.9% of South African respondents and 85.9% of Polish respondents indicated that one **should** report the incident (indicating ethical belief), while 8.1% of South African respondents and 14.1% of Polish respondents indicated the one should not report the incident.  $\chi^2$  indicates a statistically significant association between country of origin and whether one should or should not report the incident, as  $p=0.041$ , thus  $p<0.05$ . A phi of 0.084 is indicative of a very slight practically significant association.

**Table 6: Scenario six - Chi-squared analysis**

Association between	$\chi^2$	df	p value	(Phi)
Country differences and ethical belief (“should”)	4.170	1	0.041	0.084
Country differences and ethical intent (“would”)	3.120	1	0.077	0.072

**Scenario 7: You discover that the organisation you work for is hiring illegal immigrant workers.**

In terms of scenario 7, 56.9 % of South African respondents and 25.8% of Polish respondents indicated that they **would** report the incident, while 43.1% of South African respondents and 74.2% of Polish respondents would not report the incident (indicative of ethical intent). The  $\chi^2$  indicates a statistically significant association between students from South Africa and Australia regarding whether they would or would not report the above-mentioned incident, with  $p=0.000$ , thus  $p<0.05$ . A phi of 0.256 indicates that the practically significant association between the variables is weak. Furthermore, 84.9% of South African respondents and 78.9% of Polish respondents indicated that one **should** report the incident (indicating ethical belief), while 15.1% of South African respondents and 21.1% of Polish respondents indicated the one should not report

the incident.  $\chi^2$  indicates that a statistically significant association does not exist between students from South Africa and Poland on whether one should or should not report the incident, as  $p=0.107$ , thus  $p>0.05$ .

**Table 7: Scenario seven - Chi-squared analysis**

Association between	$\chi^2$	df	p value	(Phi)
Country differences and ethical belief (“should”)	2.599	1	0.107	0.066
Country differences and ethical intent (“would”)	39.026	1	0.000	0.256

## CONCLUSIONS

Based on the findings presented above, conclusions drawn regarding the stated hypotheses will now be presented:

- ***Ho1: The intent (would) to report a cheating incident will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.***
  - There was a statistically significant association between both country of origin and ethical belief, and between country of origin and ethical intent to report the incident.
  - $\chi^2 >$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with Polish students, with a 47.7% difference between belief and intent, as opposed to a 43.1% difference amongst South African respondents.
  - Thus the null-hypothesis Ho1 is rejected.
  
- ***Ho2: The intent (would) to report giving out free food at a restaurant will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.***
  - There was no statistically significant association between both country of origin and ethical belief, and between country of origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with Polish students, with a 50.8% difference between belief and intent, as opposed to a 30% difference amongst South African respondents.
  - Thus the null-hypothesis Ho2 is not rejected.



- ***Ho3: The intent (would) to report a [money] theft from an employer will not differ from the belief (should) that the theft should be reported amongst South African and Polish commerce students.***
  - There was a statistically significant association between country of origin and ethical belief, but there was no significant association between country of origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with South African students, with a 28.7% difference between belief and intent, as opposed to a 20.3% difference amongst Polish respondents.
  - Thus the null-hypothesis Ho3 is not rejected.
- ***Ho4: The intent (would) to report an erroneous credit to the student's account will not differ from the belief (should) that the error should be reported amongst South African and Polish commerce students.***
  - There was a statistically significant association between both country of origin and ethical belief, and between country of origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with South African students, with a 30.0% difference between belief and intent, as opposed to a 12.5% difference amongst Polish respondents.
  - Thus the null-hypothesis Ho4 is not rejected.
- ***Ho5: The intent (would) to report a mark increase error to one's own final marks will not differ from the belief (should) that the error should be reported amongst South African and Polish commerce students.***
  - There was a no statistically significant association between both country of origin and ethical belief, and between country or origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with Polish students, with a 34.4% difference between belief and intent, as opposed to a 34.0% difference amongst South African respondents.
  - Thus the null-hypothesis Ho5 is not rejected.

- ***Ho6: The intent (would) to report a company that is illegally dumping hazardous materials will not differ from the belief (should) that the incident should be reported amongst South African and Polish commerce students.***
  - There was no statistically significant association between country of origin and ethical belief, but a statistically significant association does exist between country or origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with Polish students, with a 21.1% difference between belief and intent, as opposed to a 19.1% difference amongst South African respondents.
  - Thus the null-hypothesis Ho6 is not rejected.
  
- ***Ho7: The intent (would) to report a company that is hiring undocumented workers will not differ from the belief (should) that the hiring practice should be reported amongst South African and Polish commerce students.***
  - There was a statistically significant association between country of origin and ethical belief, but a statistically significant association does not exist between country or origin and ethical intent to report the incident.
  - $\chi^2 <$  critical value for both associations.
  - The difference between ethical belief and ethical intent is greater with Polish students, with a 53.1% difference between belief and intent, as opposed to a 38.0% difference amongst South African respondents.
  - Thus the null-hypothesis Ho6 is not rejected.

As is evident, only the first-stated null-hypotheses (Ho1) can be rejected. Thus, as a whole, it would seem that the evidence forthcoming from this study contradicts (at least, on a statistical level) literature in terms of observing a discrepancy between ethical judgment (or belief), ethical intent and ethical behaviour (Jones, 1991; Rest, 1986). However, in all instances, the descriptive statistics purport that respondents from both countries indicated a higher likelihood that one should report these incidents (thus, the ethical belief that it should be reported), as opposed to whether one would report these incidents (the ethical intent to report the incident). In fact, closer scrutiny reveals that the difference between “should report” and “would report” is lower for South Africa with a range between 19% and 43%. The range for Poland is larger, ranging between 13% and 53%. In terms of all scenarios, Poles exhibited a broadly similar propensity for being ethical to their South African counterparts, both in terms of belief and in terms of intent. The notable

exception is Ho4, where Poles exhibited a smaller difference between belief and intent to report an erroneous mark on their student record (12,5%, as opposed to 30% amongst South Africans).

The research question of this study sought to ascertain whether differences existed between South African and Polish students regarding both ethical belief and ethical intent. Based on the evidence presented, differences (at least in principle) do not exist between ethical belief and ethical intent of South African students and the ethical belief and ethical intent of Polish students.

## **IMPLICATIONS**

The perception of an individual with regard to an ethical problem is a critical factor that will influence the manner in which such an individual will make a decision based on the proposed circumstances (Singhapakdi, 1999). Seeing that the respondents in the study are the potential business leaders of the future, it is positive to note that there is a small discrepancy between ethical belief and ethical intent in both South Africa and Poland. This implies that there is a growing understanding amongst respondents in both these countries of the importance of ethical decision-making and its relevance to the broader business community and social society in general. Through a growing awareness of the need for ethical decision-making, there is a growing awareness amongst future decisions makers in both South Africa and Poland to become less swayed in their ethical approach to decision-making, and understand the ethical value of the decisions that they make. Therefore, business students in both these countries are developing a growing understanding of the need to secure decisions that are in support of their ethical beliefs and values, and that are in the interest of the business and community constituencies that they represent. From a South African perspective, this provides a ray of hope in post-apartheid South Africa where a culture of unethical behaviour in decision-making secured a dismal prospect for the country. However, despite the positive signs of a changing perspective on ethical behaviour and decision-making amongst the new generation of business leaders in South Africa, it remains critical to secure standards of ethical integrity. Such standards should be secured through continuous training, development and the practising of such standards in the working environment, the lecture room, and the training facility where educational and skills development is delivered. This will enable business students, as the business leaders of tomorrow, to grow an increased understanding of ethical behaviour in South Africa.

This study established that Polish and South African students illustrate a similar tendency for being ethical, both in terms of belief and in terms of intent. In both South Africa and Poland respondents are of the opinion that the reporting of unethical behaviour should be unconditionally supported.

This secures hope for the future leadership of both South Africa and Poland. In South Africa there is a growing understanding of the need for ethical leadership, ethical values and ethical behaviour, which could eventually secure more focused ethical decision-making. However, the argument is not proposed that the existence of unethical behaviour in both South Africa and Poland is ignored in terms of both opportunity to exist, or as an impeding option awaiting execution. However, the growing awareness of the importance of ethical behaviour amongst both South African and Polish students to be both ethically more aware in terms of their belief and intent, offers optimism for the leadership of business and their decision-making initiatives over the next decade in these two countries. The business leaders of the new millennium are developed in the halls of higher learning. It is therefore important to understand that the lecture room plays a critical role in the development of the ethical value perception of future business leaders, and that academics are central to the development of such values amongst students. Higher learning institutions can therefore provide the foundation for the modelling of ethical thought and discussion by developing and offering academic programmes on ethical principles, ethical values and corporate codes of ethics and conduct.

#### **LIMITATIONS AND AVENUES FOR FUTURE RESEARCH**

A limitation of this study was the use of students from only one public university in South Africa and a private university from Poland. Students were furthermore also not requested to motivate their beliefs and intentions. This information would assist university lecturers in creating and implementing a stronger ethics programme. A future study could extrapolate the reasoning information so that the intended issues are addressed within the university classrooms. Future research should also include comparisons of business ethics views between business students from different South African universities. Lastly, future research should also include a measurement of the aspect of moral intensity and the effect this has on ethical belief, ethical intent and ethical behaviour.

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