The impact of industrial training on ethical awareness and ethical judgement

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Abstract

Malaysian higher education institutions are now providing students with the opportunity to attain a stimulating experience during industrial training where they are exposed to a variety of ethical situations. Using a pre and post survey, this study determines the ethical awareness and ethical judgement of students who have undertaken their industrial training. A total of 1274 completed the pre test survey but only 503 usable surveys were collected in the post test. Survey consist of 15 business related and workplace ethical situations where student have to rate their accepted from 1 (Not acceptable) to 7 (Acceptable). Findings indicate that industrial training did not make a good impact on students’ ethical awareness but improved their ethical judgement. Students appear to make judgement at pre conventional level where they are more concerned with

Key words: ethical awareness, ethical judgement, industrial training, business ethics, workplace ethics

1. Introduction

A declining Corruption Perception Index of Malaysia from year 2008 to 2011 somehow indicates that the public perceive business ethics in Malaysia as not up their expectation. Malaysia has less than a decade to work on its aims to be an ethical society by the year 2020 as one of its Vision 2020 challenges (Vision 2020). Thus every Malaysian should strive on improving the ethical climate and achieve the aim. Students in higher education who are future workforce and future leaders will be at the forefront to accomplish the target (in year 2020) and therefore it is crucial to assess how they perceive on ethical issues (ethical awareness) and how they would be able to make ethical judgement. Ethics education has recently gained more attention in many courses and programmes and ethical knowledge is perceived as important to be instilled in students before they enter the working world. Malaysian higher education institutions are now providing students with the opportunity to attain a stimulating experience during industrial training. One of the outcomes is, for example, to expose students to the work environment, common practices, employment opportunities and work ethics in the relevant field (Guidelines on Industrial Training Practices 2009). It is unavoidable that students observe and face various ethical situations in the workplace. The questions are, are they able to identify ethical issues and deal with ethical situations during the training? Will their ethical awareness improve due to exposure and interactions during industrial training?

The purpose of this study is twofold; first, using pre and post survey this study determines the development of ethical awareness after students have undertaken industrial training. Secondly, this study examines the ethical
judgement of students. The society is the main interest in this study in that the findings will indicate whether the training provided by the industry and the university will motivate and develop one’s level of ethicality. The society at large is counting on the higher education institutions and its stakeholders (industries) to ensure that business and matters involving them are run within a just and ethical environment. In addition, the findings of this study make an important contribution to the learning outcome of the training and the literature. Firstly, it provides insights into the benefits offered by attending training, which is vitally important given that this is an area that is still under-researched. Secondly, it examines students’ ethicality in a country which has committed itself to improving the ethicality of the entire nation (Vision 2020 The Way Forward). The findings of this study will also alert the industry on their responsibility of ethical role modelling.

2. Literature review

This study adopts Kohlberg’s theory of moral development and rest model of moral processes. Kohlberg’s theory posits that individuals go through a cognitive process in moral decision making and the choices an individual makes are based on the level of moral development the individual has attained (Kohlberg 1976). His theory of moral development proposes three levels of moral development with each level subdivided into two stages. Each subsequent stage is higher than previous stages and it is based on principles of justice.

Table 1: Kohlberg’s Six Stages of Moral Development

<table>
<thead>
<tr>
<th>Level</th>
<th>Morality defined</th>
<th>Stage</th>
<th>Moral motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-conventional</td>
<td>Self-centred ethics</td>
<td>1, 2</td>
<td>Obedience, avoidance of punishment, Self-interest, gain rewards</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conventional</td>
<td>Social group</td>
<td>3, 4</td>
<td>Good interpersonal relationships, should live up to the expectations, Adherence to legal and moral codes/maintaining social order</td>
</tr>
<tr>
<td>Post-conventional</td>
<td>Universal ethical principles</td>
<td>5, 6</td>
<td>Social contract and individual’s right, Self-chosen ethical principles</td>
</tr>
</tbody>
</table>

Source: (Kohlberg 1984; Porco 2003; Dellaportas 2006)

The first level, the Pre-conventional level, refers to the self-centred ethics of convenience. At Stage 1 of this level, the individual obeys the rules to avoid harm and punishment or to become involved in any physical damage to property and persons. Stage 2 concerns self-interest, where right behaviour is chosen to gain personal rewards from others or choices are made amongst alternatives that result in a benefit to oneself.

The second level is the Conventional ethics of conformity, where individuals are concerned about society and society’s perceptions of them. An individual exhibits group loyalty as a ‘nice’ person at Stage 3 when he or she is concerned with fulfilling the expectation of others and maintaining positive, interpersonal long term relationships. From this relationship comes a sense of fairness where there is mutual loyalty and dedication between the parties, moving an individual into Stage 4. This stage is where an individual follows national law and order as it is seen as a duty to behave in an appropriate manner in a given situation.

The Post-conventional level is the highest level in Kohlberg’s model. This level is where an individual adopts an inner conscience, “beyond the limitations of the law and societal norms” (Woodbine 2002: 54) and the rights of individuals are theorized to exist separately from the rights of the society. In Stage 5, the acceptable behaviour is a combination of individuals’ rights and principles agreed upon by society. It is where an individual follows a principled-based ethics of Social Contract, Natural Law and Utilitarianism which Kohlberg (1981a) also termed as a principle of tolerance. In Stage 6, the acceptable behaviour means acting according to an individual’s own advanced ethical principles, including unwritten global deontological ethical principles of justice, duty and equal human rights. Kohlberg (1981a) asserts that individuals at this level believe in justice, fairness and universal human rights.

Although ethical values and moral attitudes may start with parents and cultural influences, what an individual learns during childhood will diminish if not reinforced over time due to various influences (Kohlberg 1984). One method of reinforcement may be through formal ethics education and exposure to the society. Similar to Piaget, Kohlberg stresses the importance of knowledge and social cooperation to encourage moral development (Porco
In other words, knowledge acquisition and social experiences may influence the speed at which one progresses from one stage to another. Kohlberg (1981b) also claims that moral reasoning develops in sequence following the order shown in Table 1. Kohlberg (1984: 2) also asserts that “the effective reinforcers are matters of observation and no one can dispute them”. Observation can be a strong influence on moral development. In the context of this study, during industrial training, students observe how their colleagues, supervisors, partners and clients do business.

Although moral judgement is an important component in guiding how one behaves, it is the only component discussed in Kohlberg’s theory (Rest et al. 1999). Hence, based on Kohlberg’s theory, James Rest developed a revision of the developmental process of moral judgement into a model of four processes; moral awareness, moral judgement, moral intention and moral behaviour.

(a) Moral awareness

In this process, an individual generally has the ability to recognize that there is a moral issue in a situation or recognises the ethical content of a decision-situation, which serves as a kind of triggering mechanism that begins the ethical decision making process (Sparks and Merenski 2000). However, it does not imply ethicality or infer the outcome of the decision process. A person is said to be able to identify the party(s) involved in a particular situation, is aware of how various actions would affect the parties concerned and can imagine the cause-effect chains of events (Rest 1984). It is an immediate response to a particular situation which involves constructing different possible scenarios for a situation and imagining how different actions might impact the participants in the particular situation (Myr 2003).

This process involves an individual undertaking role taking, but it is necessary that the person realizes that violating some moral norm, or allowing unethical situations to occur, can “affect the needs, interest, welfare and expectation of others” (Rest 1984: 21). However, Rest (1984) asserts that not everyone has the ability to interpret situations or be sensitive to unethical situations. Thus, disparity exists in how sensitive an individual is to a particular moral situation. In other words, a person highly sensitive in one situation might be relatively insensitive in another (Myr 2003). Sparks and Merenski (2000) also argue that ethical awareness is content specific, an individual who demonstrates great ethical awareness in one situation may be quite ethically insensitive in another. This is because individuals exercise role-taking when confronted with ethical dilemmas or ethical situations. Hoffman (2000) proposed three types of role-taking, self-focused, other-focused and the combination of the two. Self-focused role-taking is when people imagine how they themselves would feel in the situation while other-focused role-taking is when they imagine how another person is feeling. The combination of both roles is when people shift back and forth between self-focused and other-focused role-taking.

Most importantly, extending Kohlberg’s emotional content, Rest stresses that recognizing ethical issues does not only involve cognition but also affection. According to Rest (1984), this process involves “trying to understand our gut feeling on the matter” (Rest 1984: 21) as empathy, anger or anxiety may be present prior to reflecting or contemplating on a social situation. Although affection helps in interpreting questionable situations, it may not be a useful guide for making moral judgement. Therefore affection must interact with cognition when identifying the moral course of action to take and the consequences a situation can have on all parties.

(b) Moral judgement

After recognizing a moral issue exists, visualizing the course of action and the possible consequences, an individual tries to reason out why a particular action is taken in a moral sense-purportedly. Rest (1984) claims that during this process a person develops cognitively using an advanced “understanding of the purpose, function and nature of social cooperation” (Rest 1984: 22). Some social experiences have a permanent impact on one’s judgement and the general concept of justice is used as rationalization. Thus, to rationalize a moral course of action, a person would use the concepts of cooperation and justice to assist in their consideration. Describing Kohlberg’s six stages of moral reasoning, Rest (1984: 22) emphasises that from simple levels of cooperation at a lower stage involving children, an individual becomes aware and progresses to “more complicated schemes of cooperation involving long-term, society networks and institutionalized role systems….called stages of moral reasoning”...

Although the justice concept is generally used in ethical judgement, Rest (1984) claims that social or cultural norms, political ideology and religious belief may take superior roles than the concept of justice. As one of the issues in this study, it is hypothesized that religious teaching and religious domain may influence one’s ethical judgement ability.
(c) Moral intention

When moral justification and judgement have been recognised, the next step in the process is deciding or imagining a desired outcome (Rest 1984). In other words, this process refers to the moral intention or orientation of the individual. It is either a conscious or unconscious reconsideration of principles (Woodbine 2002) in relation to the degree of commitment in taking a particular course of action, choosing one moral value over another, and taking personal responsibility for the outcomes of their actions (Rest 1986). The level of commitment is a function of one’s circumstances and position. According to Rest (1984) cognition and affection are interconnected. For example, a person in a good mood or who has just experienced a rewarding moment is inclined to act in a socially acceptable manner.

(d) Moral behaviour

In this process, one performs what one believes to be a moral action. The person will persist with the task, having courage, overcoming fatigue, avoiding temptations, and implementing subroutines to support a moral choice. This highlights that in addition to the generally extensive judgment process required in a moral conflict, emotions will also influence a particular moral action (Woodbine 2002).

Myyry (2003) highlights that Rest’s model is situation-specific in a way that different situations promote different kinds of interpretations and moral judgements, heighten the importance of some values compared to others, and encourage an individual to implement a moral act or discourage action. Since this study is in a Malaysian setting where the nation is collective in nature, actions may be taken after considering the social perspective.

Among research investigating the impact of industrial training include Saat (2010) who found that students’ ethical awareness did not improve after undergoing a six months period of industrial training. In another research, Saat et al (2011) who adopted Defining Issues Test in assessing students’ ethical judgment have concluded that students’ judgement improved after attending training.

3. Research method

The population of final year students in a higher education institution was studied. A pre and post test (before and after industrial training) were conducted to evaluate the influence of industrial training in the development of ethical awareness. A total of 1274 completed the pre test and 503 usable surveys were collected in the post test. Both the pre and post test surveys consists of 15 business related and workplace ethical situations where students had to rate their acceptance on these situations from Not acceptable (1) to Most acceptable (7). Mean scores were used to determine their level of awareness in both pre and post tests. Paired t-test was used to determine the changes in their awareness. In investigating students’ ethical judgement, they were presented with two moral dilemma stories. Students had to decide whether to report an escaped prisoner who has turned a new leaf and serves the society. They also had to decide whether to terminate a guilty employee who receive kickbacks or ‘coffee money’ from the supplier for many years. Students then were asked to reason out why the decision was made in an open ended question.

4. Findings

   Ethical awareness

In assessing students’ ethical awareness, paired test was run on 503 students who responded to 15 ethical situations in both pre and post test surveys and reported in Table 2.

Results show that students improved in their ethical awareness in seven situations, in other words, they are inclined not to accept the situations. These situations involve padding expense account, whistle blowing, stealing of information, gifts giving, misuse of medical certificate, punching in for a friend and keeping incorrect change. There appear to be no changes in their awareness regarding copyright issues. Industrial training seems to give a negative impact on students as their awareness declines after training. Students have more acceptance on ethical issues involving misuse of office supplies, gender discrimination, tax evasion, marketing scam, misuse of office hour, cronyism and product design flaw. Do students’ observations during industrial training make them perceive these actions to be acceptable?
Table 2: Means of ethical situations in pre and post survey

<table>
<thead>
<tr>
<th>Situation</th>
<th>Mean Pre</th>
<th>Std. Dev. Pre</th>
<th>Mean Post</th>
<th>Std. Dev. Post</th>
<th>Mean diff.</th>
<th>t</th>
<th>Sig. (2 tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Padding expense account</td>
<td>2.50</td>
<td>1.623</td>
<td>2.48</td>
<td>1.428</td>
<td>.018</td>
<td>.167</td>
<td>.867</td>
</tr>
<tr>
<td>Misuse office supplies</td>
<td>2.10</td>
<td>1.437</td>
<td>2.31</td>
<td>1.418</td>
<td>.210</td>
<td>-2.168</td>
<td>.031*</td>
</tr>
<tr>
<td>Gender discrimination</td>
<td>2.57</td>
<td>1.583</td>
<td>2.67</td>
<td>1.464</td>
<td>.105</td>
<td>-9.61</td>
<td>.337</td>
</tr>
<tr>
<td>Tax evasion</td>
<td>2.56</td>
<td>1.568</td>
<td>2.69</td>
<td>1.505</td>
<td>.126</td>
<td>-1.226</td>
<td>.221</td>
</tr>
<tr>
<td>Not whistle blow cheating exam</td>
<td>3.42</td>
<td>1.573</td>
<td>3.38</td>
<td>1.391</td>
<td>.045</td>
<td>.424</td>
<td>.672</td>
</tr>
<tr>
<td>Steal info</td>
<td>3.53</td>
<td>1.681</td>
<td>3.45</td>
<td>1.586</td>
<td>.085</td>
<td>.740</td>
<td>.460</td>
</tr>
<tr>
<td>Marketing scam</td>
<td>3.14</td>
<td>1.795</td>
<td>3.28</td>
<td>1.601</td>
<td>.141</td>
<td>-1.147</td>
<td>.252</td>
</tr>
<tr>
<td>Gifts giving</td>
<td>3.13</td>
<td>1.575</td>
<td>3.04</td>
<td>1.307</td>
<td>.087</td>
<td>.851</td>
<td>.396</td>
</tr>
<tr>
<td>Misuse office hour</td>
<td>3.66</td>
<td>1.701</td>
<td>3.70</td>
<td>1.579</td>
<td>.039</td>
<td>-.316</td>
<td>.752</td>
</tr>
<tr>
<td>Cronyism</td>
<td>2.41</td>
<td>1.507</td>
<td>2.69</td>
<td>1.557</td>
<td>.281</td>
<td>-2.467</td>
<td>.014*</td>
</tr>
<tr>
<td>Product design flaw</td>
<td>2.11</td>
<td>1.470</td>
<td>2.23</td>
<td>1.413</td>
<td>.123</td>
<td>-1.180</td>
<td>.239</td>
</tr>
<tr>
<td>Copyright</td>
<td>3.34</td>
<td>1.690</td>
<td>3.33</td>
<td>1.590</td>
<td>.009</td>
<td>.075</td>
<td>.940</td>
</tr>
<tr>
<td>Misuse medical cert</td>
<td>4.25</td>
<td>1.768</td>
<td>3.98</td>
<td>1.692</td>
<td>.266</td>
<td>2.195</td>
<td>.029*</td>
</tr>
<tr>
<td>Punch in for a friend</td>
<td>3.29</td>
<td>1.644</td>
<td>3.12</td>
<td>1.573</td>
<td>.171</td>
<td>1.474</td>
<td>.141</td>
</tr>
<tr>
<td>Keep incorrect change</td>
<td>2.21</td>
<td>1.507</td>
<td>2.19</td>
<td>1.356</td>
<td>.027</td>
<td>.255</td>
<td>.799</td>
</tr>
</tbody>
</table>

* Sig p>0.05

Ethical judgement

In assessing the ethical judgement, two stories were given. Students had to decide whether to report or not to report the escaped prisoner in the first story and whether to terminate or not terminate the employee who received ‘coffee money’ in the second story. Only 867 answered the open ended question (in the pre survey) asking the reason(s) of taking the decision. Table 3 reports the decision made on the stories.

Table 3: Responses in ethical judgement stories

<table>
<thead>
<tr>
<th>Story 1</th>
<th>Story 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, report</td>
<td>Yes, terminate</td>
</tr>
<tr>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>39.6%</td>
<td>58%</td>
</tr>
<tr>
<td>60.4%</td>
<td>42%</td>
</tr>
</tbody>
</table>
In the first story, it appears that more students are inclined not to report Karim, the escaped prisoner, to the police. Those who did not want to report him reasoned that Karim has changed and he should be given the chance to serve the society. Respondents also believe that Karim has changed to be a good society member and since he has contributed to the society, he should be given the chance to be free and continue serving the people. Analysis shows that most students’ reasoning or judgement focus on individuals; the reason of not reporting centered to Karim, who has done good deeds and considered to have changed to a new leaf. Among responses are, “He has worked diligently and do not make any trouble during the 8 years period. I think he already become a better person and I do want to involve with police” “The most important thing (is) he has regretted and improved from his mistakes. He helps people and work hard to be a better person .”.

Students who opted to report Karim to the police either to report based on the principle responsibility or because adhering to law. They have given reasons such as “(it is) my responsibility as a citizen (to report)”, “(it is) my responsibility as a Malaysian and he should take (get) his penalty for his sins”. In the latter, students did not report because of reasons such as students who opted to report Karim to the police made the judgement based on the principle of responsibility. Respondents who opted to report have given reasons such as “(it is) my responsibility as a citizen (to report)”, “(it is) my responsibility as a Malaysian and he should take (get) his penalty for his sins”. Very few responses or reasoning focus on the interest of society, for example, should report because of the rights or the safety of the society. Students also did not reason that they should not report because reporting will affect the welfare of Karim’s employees. This has shown that there are also students’ reasoning at the Pre Conventional level of Kohlberg’s model of moral reasoning which focuses on self interest. Some can reason at Conventional level where reference to the law and rules are made.

On the other hand, students did not report because of reasons as follows:

(i) Repent
Students argued that Karim should be given a chance as he has repented and changed. Most importantly, “ ..he did not make any trouble during his escape...the most important thing he has regretted and improves from his mistake. He helps people and work hard to be a better person. The real punishment is the guiltiness he is feeling, prison the only physical punishment.”. “ I think he already become a better person and I do not want to (get) involve with police”.

(ii) Contribution to society
Students believe that Karim should be free and serve the society rather in prison.

The above responses show that students who opted not to whistle blow have a high sense of empathy.

In Story 2, students were also given a short story on a decision whether to terminate a senior employee who received ‘coffee money’. A total of 384 students responded to the open ended question giving reason(s) based on their decision. A total of 58% (of 384 responses) indicated that they would terminate the employee while the remaining 42% chose to give him a chance. Using content analysis, the researcher has categorized their responses. It is found that students who wanted to terminate the employee argued that the decision should be taken because of the following:

(i) Expected action
A total of 9% of students who wanted the employee to be terminated responded that the action is rather expected especially by other employees. Students argued that they do not want the issue to be a precedent in that other employee may do similar crime knowing that they would be given a chance. In other words, other employees will be cautious by the actions they make or take involving money if punishment (terminating) will be the result.

(ii) The wrong action itself
Almost half (48%) of those who agreed on the termination option stated that the action is obviously wrong and thus the employee is guilty of committing a wrongdoing. Students also describe the situation as ‘cheating’, ‘corrupt’, and ‘irresponsible’. Due to this, according to the students, the employee should be terminated.

(iii) Rules/ethics
About 20% who wanted to terminate the employee reasoned that the action should be taken to abide rules and the code of conduct. Three students highlighted the wrongdoing in the Islamic perspective and added that
regardless of the background (age) or condition (has children to support). In Islam, a Muslim has to make sure that they provide food and shelter for their family using halal sources (or money from non-corrupted activity). It is also interesting to find a student who make this statement “A good and experience worker are not difficult to find rather (than) an honest worker” indicating that she or he has exercise good judgement in deriving a decision.

(iv) Impact

The remaining 23% of students who chose to terminate the employee stated that the action is taken as the wrongdoing has made a negative impact to the company. Students believe that the unethical action made by the senior employee is untrustworthy, has created a bad image to the company and may damage the reputation. Students also assert that the unethical action gives bad example to other employees and the termination would be a good lesson to other employees.

On the other hand, students who wanted the employee to stay (do not terminate) reason out based on humanities and provide the following reasons:

(i) Employee should be given second chance and he needs to be advised

Almost one third of the students who would not terminate the employee assert that he should be given a second chance after considering that he has long served the company. However, students added that the employee should be given advice and warnings, and that he would not repeat the wrongdoing.

(ii) Sympathy

Almost half of the students who would not terminate him do so due to sympathy as the employee is old and has children to support.

(iii) Punishing the employee by sending him to risk-free department and made him pay back

About one third of students in this category indicate that although the employee is not terminated, he should be punished by sending him to other departments which not expose to the risk of receiving coffee money. Students also want him to pay back to the company or cut from his wages

(iv) “Isn’t it normal or common in Malaysia”?

Two students gave alarming statements on why they would not terminate the employee. A student asserts “isn’t it normal to accept coffee money, you accept when people give you (money)” and another student states “this a common practice in Malaysia”.

5. Discussion and conclusion

Although the level of ethical awareness among students is fairly good, industrial training has minimal impact in improving or developing students’ ethical awareness. The impact is such because students who undergone industrial training may have observed certain behaviour that they thought are acceptable in a workplace. Therefore, the inclination to accept misuse of office supplies after students attended industrial training may be a result from their observation. It is important that students are taught that ‘what is wrong is wrong even if everyone is doing it’ and this concept should be exposed to them before they embark on the training. The university should clearly set the objectives of undertaking the industrial training and made the host organization understand what the students should be able to achieve during training. The University should communicate that the host organization is expected give exposure on good values and ethics and this is not only the role of the supervisor but also the other members of the organization. Future studies is recommended to investigate on the type(s) of organization that may have impair students’ ethical stands.

With regards to ethical judgement, it can also be concluded that, in general, most respondents in this study made ethical judgement at the Conventional level (Kohlberg 1984). The majority of students reasoned that they would report Karim to the police because this is what the society would expect them to do. However, respondents did not focus on the interest of society; for example, respondents should reason that they report because of the rights or the safety of the society. Some students who reason at Conventional level have made reference to the law and rules. In other words, they make an ethical decision (to report) to adhere to the law and rules. Only a small number of students consider the impact of action taken on stakeholders which can be the employee. In addition, many students’ reasoning or judgement also focuses on individuals; the reason of reporting or not reporting centered on Karim. This has shown that a number of students’ reasoning is at the Pre conventional level of Kohlberg’s model of moral reasoning which focuses on self interest. No response shows an ethical judgement of Post Conventional level.
Similar case is evident in the story related to terminating the guilty employee. Students generally made judgement at Conventional level where the employee should be terminated considering the impact it has on the society and because of adhering to rules.

Based on the findings, it is concluded that students in the Malaysian higher education have some kind of ethical exposure during their studies and while attending industrial training. This is because students have a fairly good level of ethical awareness before and after they attend training. The curriculum also has some influence in shaping their level of ethical judgement where they generally make judgement at Conventional level. This is fair as it indicates that most students make judgement and act in a certain way by adhering to law and rules. The real challenge is to prepare them with sound ethical knowledge and strong ethical values to ensure they know how to respond to ethical situations and make ethical decision in the future. Among recommendations is that ethics education should adopt problem based type of learning and students centered learning. The use of ethics diary, role play, debate and discussions on case studies is recommended as an effective way of inculcating ethical values in students.

Reference


