

A COMPARISON OF THE ETHICAL BEHAVIOR OF GRADUATE BUSINESS STUDENTS VERSUS UNDERGRADUATE BUSINESS STUDENTS

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Abstract

Several ethical violations in the accounting profession over the past couple of decades have the profession asking what can be done to deter recurrences of such events. One approach under discussion is an increased emphasis upon ethics in the college curricula. In response, this research looks at the choices made by graduate and undergraduate business students when placed in a position that requires an ethical decision and finds that most students do not make ethical decisions. However, ethical behavior varies between graduate and undergraduate students. While female undergraduate students are more likely to make ethical choices than female graduate students, male graduate students are slightly more likely to make ethical choices than male undergraduate students. In addition, undergraduate students with high GPAs are significantly more likely to make ethical choices than graduate students, but graduate students with low GPAs are more likely to make ethical choices than undergraduate students.

BACKGROUND

In an effort to better understand the business students' ethical decision-making process to improve their ethical conduct and the ethical climate of business, educators have examined the ethical behavior of business students compared to non-business students, male to female students, and traditional students to non-traditional students. Prior research has also examined cultural demographics, integrity culture, and personality variables in the belief that the more we understand about our students the more able we will be to shape their future ethical conduct.

There has been some disagreement in prior studies that have compared the ethical behavior of business students with non-business students. While some studies have concluded that business students tend to be less ethical than non-business students (Comer and Vega, 2008, Lopez, et al, 2005, O'Clock and Okleshen, 1993) others have concluded that there is no significant difference in the ethical behavior of business students as compared to non-business students (Ford and Richardson, 1994; Beltramini, et al, 1984). Borowski and Ugras (1998) came to the conclusion that any causal relationship between a student's major and his ethical perceptions was difficult to make.

Age and gender have been two variables that have been consistently determined to predict ethical behavior (Comer & Vega, 2008; Ruckinski & Bauch, 2006; Peterson et al, 2001; Ruegger and King, 1992; Trevino, 1986). Borowski and Ugras (1998) found that females tend to be more ethical than males. They also concluded that as people aged, their attitudes and behaviors became more ethical.

Prior studies that have attempted to compare the ethical behavior of students across business disciplines have also yielded mixed results. Cohen et al. (1998) found that accounting majors have a greater ethical awareness as compared with other business

majors. Borowski & Ugras (1998), however, found no correlation between business major and ethical perceptions.

The impact of situational variables on ethical behavior was examined by Becker, et al, (2009). They investigated the influence of students' Ethic of Care (EOC) theory on their attitudes toward cheating. A student, who perceived that he was correcting an unjust grade or was helping a friend, was more likely to cheat. Their results indicated that the EOC was a significant factor in student beliefs about cheating, and that its impact existed separately from gender effects.

Prior studies have also examined consumer behavior in a situation where they were given too much change at the checkout counter (Steenhaut & Kenhove, 2005; Vitell, 2003; Muncy and Vitell, 1992). The studies concluded that a significant number of consumers admitted to saying nothing, and keeping the extra money. One may hypothesize that if consumers were asked whether they would return excess change, the majority would report that they would return it; but a study would show that most would not. Their stated conduct would not predict their actual conduct.

Our study examines whether students actually behave consistent with how they state they will behave when placed in an ethical dilemma. We also examine whether there is a significant difference in the behavior of graduate versus undergraduate business students across gender, GPA, and the magnitude of the ethical dilemma.

The remainder of this paper is organized as follows: the next section presents the hypotheses to be tested in this study and discusses the data collection and methodology used to test the hypotheses; the following section reports the descriptive statistics and the results; the final section provides a summary and indicates the limitations of the current research and provides possible direction for future research.

DATA COLLECTION, METHODOLOGY, AND HYPOTHESIS DEVELOPMENT

Data was obtained for this research from two surveys administered to students, the second of which involved temporarily changing students' grades. Therefore, approval was obtained from the Valdosta State University Institutional Review Board prior to obtaining data for this research.

Data for this research was collected over several semesters: Fall 2007, Spring 2008, Fall 2008, Fall 2009, and Spring 2010. Students were surveyed from both undergraduate classes [ACCT 2101 Principles of Financial Accounting, Acct 2102 Principles of Managerial Accounting, and ACCT 3400 Cost Accounting] and graduate classes [MBA 7660 Advanced Quantitative Methods, WMBA 6040 Advanced Quantitative Methods, WMBA 6010 Managerial Accounting, and WMBA 6100 Operations Management].

The first survey was administered during the first few weeks of the semester. It consisted of a Business Ethics Quiz designed to capture students' reactions to four dilemmas which require decisions regarding their own expected ethical behavior. Each of the dilemmas placed the students in a professional business setting and asked for the students' expected reaction, such as if the student would return money that they had received in error. The expected reaction indicated by the student is the "Stated Behavior" in this research.

The second survey was administered during the last couple of weeks of the semester to a random sample of the students who had been administered the first survey. A random sample of students' grades was temporarily changed on an important assignment although these students had been informed of the correct grades at an earlier date. The random sample consisted of two sets of students, one set whose grades had been inflated and

one set whose grades had been deflated. For the undergraduate students, each set consisted of 20% of the students who had taken the first survey. For the graduate students, each set consisted of 30% of the students who had taken the first survey. Since the graduate classes had fewer students, a larger percentage of their students were included in the sample. The grades for half of the students in each group were temporarily changed by a material percentage (i.e., were inflated or deflated by 16% for undergraduates or by 20% for graduate students) while the grades for the second half of each group were temporarily changed by an immaterial percentage (i.e., were inflated or deflated by 8% for undergraduates or by 10% for graduate students). The reaction by the student to this temporary grade change is the "Observed Behavior" in this research.

The reaction being measured is whether the students reported the erroneous grade to the professor during the week after being informed of the erroneous grades. This research attempts to discover whether the "Observed Behavior" of the students match their "Stated Behavior." That is, did the students react to an ethical dilemma in the manner that they stated that they would?

TABLE 1: Method of Inflation/Deflation		
Error type	Sample size	Type of Error
Inflation	30% for graduate classes	1/2 inflated by 16% or 20%
	20% for undergraduate classes	1/2 inflated by 8% or 10%
Deflation	30% for graduate classes	1/2 deflated by 16% or 20%
	20% for undergraduate classes	1/2 deflated by 8% or 10%

TABLE 2: Descriptive Statistics

Respond	Grade Change (I=Inflate; D=Deflate)	Degree Program	Gender	Mean Age	Mean CGPA	N
N	D	Graduate	F	33.50	3.38	4
			M	33.23	3.36	13
		Undergraduate	F	20.11	3.15	9
			M	20.71	2.90	14
	I	Graduate	F	30.39	3.39	18
			M	34.12	3.51	17
		Undergraduate	F	22.32	3.01	25
			M	22.61	2.90	38
Y	D	Graduate	F	28.63	3.52	8
			M	33.94	3.51	18
		Undergraduate	F	23.64	3.20	22
			M	22.39	3.10	28
	I	Graduate	F	42.50	2.90	2
			M	40.00	3.13	2
		Undergraduate	F	21.20	3.21	5
			M	20.60	3.39	5
Total				26.06	3.18	228

DEVELOPMENT OF HYPOTHESES

The analysis of this data is conducted by testing the hypotheses listed below. All the hypotheses are stated in their alternative form, with the exception of the H1 hypotheses, which are stated in the null.

- H1a: Graduate business students' stated behavior will have no correlation to their observed behavior.
- H1b: Undergraduate business students' stated behavior will have no correlation to their observed behavior.
- H2a: Graduate business students whose grades are deflated will be more likely to report the error than undergraduate business students whose grades are deflated.
- H2b: Graduate business students whose grades are inflated will be more likely to report the error than undergraduate business students whose grades are inflated.
- H2c: When the level of grade deflation is material, graduate business students are more likely to report the error than undergraduate business students.
- H2d: When the level of grade inflation is material, graduate business students are more likely to report the error than undergraduate business students.
- H3a: Female graduate business students will be more likely to behave ethically than female undergraduate business students.
- H3b: Male graduate business students will be more likely to behave ethically than male undergraduate business students.
- H4a: Graduate business students with relatively high cumulative GPAs and whose grades are inflated will be more likely to behave ethically than undergraduate business students with relatively high cumulative GPAs and whose grades are inflated.
- H4b: Graduate business students with relatively low cumulative GPAs and whose grades are inflated will be more likely to behave ethically than undergraduate business students with relatively low cumulative GPAs and whose grades are inflated.

- H4c: Graduate business students with relatively high cumulative GPAs and whose grades are deflated will be more likely to behave ethically than undergraduate business students with relatively high cumulative GPAs and whose grades are deflated.
- H4d: Graduate business students with relatively low cumulative GPAs and whose grades are deflated will be more likely to behave ethically than undergraduate business students with relatively low cumulative GPAs and whose grades are deflated.

This research centers around the student's response to the third scenario on the first survey, the Business Ethics Quiz. In this situation, the student has been overpaid by his employer. The question posed is whether the student would return the overpayment. *Stated Behavior* in this research is the student's response to this question. The Stated Behavior was considered to be ethical if the student's response was 'c', indicating that the overpayment would be returned. The Stated Behavior was considered to be unethical if the student's response was either 'a' or 'b', indicating that the overpayment would not be returned.

Actual Behavior was observed in a scenario where the student's grade was temporarily inflated or deflated. If the student reported the grade change to the professor, the Actual Behavior was considered to be ethical. If the student did not report the grade change to the professor, Actual Behavior was considered to be unethical. It should be mentioned, though, that a student would obviously have more incentive to report a grade deflation than grade inflation. However, this research still regards a report of either a grade deflation or grade inflation as ethical behavior. As such, ethical behavior is tested for reporting both grade deflation and grade inflation changes.

It should be noted that a few students indicated that they would not return money that they had been overpaid. If these students did not report the grade deflation or inflation, then their Observed Behavior matched their Stated Behavior. On the other hand, most students indicated that they would return money that they had been overpaid. If these students reported the grade deflation or inflation, then their Observed Behavior matched their Stated Behavior.

RESULTS

TABLE 3: Graduate Students: Stated Behavior versus Actual Behavior			
Stated Behavior	Respond		Total
Frequency Percent Row Pct Col Pct	N	Y	
Ethical	48 58.54 63.16 92.31	28 34.15 36.84 93.33	76 92.68
Unethical	4 4.88 66.67 7.69	2 2.44 33.33 6.67	6 7.32
Total	52 63.41	30 36.59	82 100.00
Fisher's Exact Test		Table Probability (P)	0.3363
		Two-sided Pr <= P	1.0000

H1a: Graduate business students' stated behavior will have no correlation to their observed behavior.

As reported in Table 3 above, the results do support this null hypothesis (Fisher's Exact Test = 0.3363, '*p*'value = 1.0000).

This indicates that graduate students by and large did not react ethically to the grade inflation and grade deflation even though most had stated that they would react ethically when presented with a similar situation. Eighty-two graduate students' grades were temporarily inflated or deflated. Of the 76 students who stated that they would react ethically only 28 (37%) reported the error to the instructor. Of the 6 students who stated that they would react unethically, 2 (33%) reported the error to the instructor.

TABLE 4:			
Undergraduate Students: Stated Behavior versus Actual Behavior			
Stated Behavior	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Ethical	65 44.52 57.52 75.58	48 32.88 42.48 80.00	113 77.40
Unethical	21 14.38 63.64 24.42	12 8.22 36.36 20.00	33 22.60
Total	86 58.90	60 41.10	146 100.00
Fisher's Exact Test		Table Probability (P)	0.1327
		Two-sided Pr <= P	0.5541

H1b: Undergraduate business students' stated behavior will have no correlation to their observed behavior.

As reported in Table 4 above, the results also support this null hypothesis (Fisher's Exact Test = 0.1327, 'p' value = 0.5541). This indicates that undergraduate students by and large also did not

react ethically to the grade inflation and grade deflation even though most had stated that they would react ethically when presented with a similar situation. One hundred and forty-six undergraduate students' grades were temporarily changed. Of the 113 students who stated that they would react ethically, 48 (43%) reported the error to the instructor. Of the 33 students who stated that they would react unethically, 12 (36%) reported the error to the instructor.

TABLE 5: Deflated Grades: Graduate versus Undergraduate			
Change	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	17 14.66 39.53 42.50	26 22.41 60.47 34.21	43 37.07
Undergraduate	23 19.83 31.51 57.50	50 43.10 68.49 65.79	73 62.93
Total	40 34.48	76 65.52	116 100.00
Fisher's Exact Test		Table Probability (P)	0.1086
		Two-sided Pr <= P	0.4221

H2a: Graduate business students whose grades are deflated will be more likely to report the error than undergraduate business students whose grades are deflated.

As reported in Table 5 above, the results do not support this hypothesis (Fisher's Exact Test = 0.1086, 'p' value = 0.4221). This indicates that undergraduate students in general reacted more

ethically to the grade deflation than did the graduate students. Of the 43 graduate students whose grades were deflated, 26 (61%) reported the error to the instructor. Of the 73 undergraduate students whose grades were deflated, 50 (69%) reported the error to the instructor.

TABLE 6: Inflated Grades: Graduate versus Undergraduate			
Change	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	35 31.25 89.74 35.71	4 3.57 10.26 28.57	39 34.82
Undergraduate	63 56.25 86.30 64.29	10 8.93 13.70 71.43	73 65.18
Total	98 87.50	14 12.50	112 100.00
Fisher's Exact Test		Table Probability (P)	0.2127
		Two-sided Pr <= P	0.7674

H2b: Graduate business students whose grades are inflated will be more likely to report the error than undergraduate business students whose grades are inflated.

Table 6 above reports the results of this analysis, which do not support this hypothesis (Fisher's Exact Test = 0.2127, '*p*'value = 0.7674). This indicates that undergraduate students reacted slightly more ethically to the grade inflation than did the graduate students. Of the 39 graduate students whose grades were inflated,

4 (10%) reported the error to the instructor. Of the 73 undergraduate students whose grades were inflated, 10 (14%) reported the error to the instructor.

TABLE 7: Material Grade Deflation: Graduate versus Undergraduate			
Amount of Grade Deflation (Immaterial= 8% or 10%, Material= 16% or 20%)	Respond		Total
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	7 13.21 35.00 43.75	13 24.53 65.00 35.14	20 37.74
Undergraduate	9 16.98 27.27 56.25	24 45.28 72.73 64.86	33 62.26
Total	16 30.19	37 69.81	53 100.00
Fisher's Exact Test		Table Probability (P)	0.2014
		Two-sided Pr <= P	0.5562

H2c: When the level of grade deflation is material, graduate business students are more likely to report the error than undergraduate business students.

This analysis looks at only the responses from students whose grades were materially deflated. As reported in Table 7 above, the results do not support this hypothesis (Fisher's Exact Test = 0.2014, '*p*'value = 0.5562). This indicates that undergraduate students also reacted slightly more ethically to

material grade deflation than did the graduate students. Of the 20 graduate students who stated that they would react ethically, 13 (65%) reported the error to the instructor. Of the 33 undergraduate students who stated that they would react ethically, 24 (73%) reported the error to the instructor.

TABLE 8: Material Grade Inflation: Graduate versus Undergraduate			
Amount of Grade Inflation (Immaterial= 8% or 10%, Material= 16% or 20%)	Respond		Total
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	17 30.36 85.00 36.96	3 5.36 15.00 30.00	20 35.71
Undergraduate	29 51.79 80.56 63.04	7 12.50 19.44 70.00	36 64.29
Total	46 82.14	10 17.86	56 100.00
Fisher's Exact Test		Table Probability (P)	0.2673
		Two-sided Pr <= P	1.0000

H2d: When the level of grade inflation is material, graduate business students are more likely to report the error than undergraduate business students.

This analysis looks at only the responses from students whose grades were materially inflated. Table 8 above reveals the results of this analysis, which do not support this hypothesis (Fisher's Exact Test = 0.2673, ' p 'value = 1.0000). This indicates that undergraduate students whose grades were materially inflated reacted more ethically than did the graduate students whose grades were materially inflated. Of the 20 graduate students whose grades were materially inflated, 3 (15%) reported the error to the instructor. Of the 36 undergraduate students whose grades were materially inflated, 7 (19%) reported the error to the instructor.

TABLE 9: Female Students: Graduate versus Undergraduate			
Gender	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	22 23.66 68.75 39.29	10 10.75 31.25 27.03	32 34.41
Undergraduate	34 36.56 55.74 60.71	27 29.03 44.26 72.97	61 65.59
Total	56 60.22	37 39.78	93 100.00
Fisher's Exact Test		Table Probability (P)	0.0862
		Two-sided Pr <= P	0.2687

H3a: Female graduate business students will be more likely to behave ethically than female undergraduate business students.

As reported in Table 9 above, the results do not support this hypothesis (Fisher's Exact Test = 0.0862, 'p' value = 0.2687). This indicates that female undergraduate students reacted more ethically to the temporary grade change, both inflation and deflation, than did the graduate students. Of the 32 female graduate students, 10 (31%) reported the error to the instructor. Of the 61 female undergraduate students, 27 (44%) reported the error to the instructor.

TABLE 10: Male Students: Graduate versus Undergraduate			
Gender	Respond		Total
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	30 22.22 60.00 36.59	20 14.81 40.00 37.74	50 37.04
Undergraduate	52 38.52 61.18 63.41	33 24.44 38.82 62.26	85 62.96
Total	82 60.74	53 39.26	135 100.00
Fisher's Exact Test		Table Probability (P)	0.1432
		Two-sided Pr <= P	1.0000

H3b: Male graduate business students will be more likely to behave ethically than male undergraduate business students.

As reported in Table 10 above, the results do not support this hypothesis with significance (Fisher's Exact Test = 0.1432, '*p*'value = 1.0000). However, in this situation, male graduate students reacted very slightly more ethically than did the male undergraduate students. Of the 50 male graduate students, 20 (40%) reported the error to the instructor. Of the 85 male undergraduate students, 33 (39%) reported the error to the instructor.

TABLE 11: Inflated Grades and High Cumulative GPA: Graduate versus Undergraduate			
CGPA H= if >2.99; L= if <=2.99	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	30 44.12 93.75 51.72	2 2.94 6.25 20.00	32 47.06
Undergraduate	28 41.18 77.78 48.28	8 11.76 22.22 80.00	36 52.94
Total	58 85.29	10 14.71	68 100.00
Fisher's Exact Test		Table Probability (P)	0.0516
		Two-sided Pr <= P	0.0893

H4a: Graduate business students with relatively high cumulative GPAs and whose grades are inflated will be more likely to behave ethically than undergraduate business students with relatively high cumulative GPAs and whose grades are inflated.

As reported in Table 11 above, the results at first glance appear to support this hypothesis (Fisher's Exact Test = 0.0516, 'p' value = 0.0893). However, the results actually reflect that the undergraduate students with high GPAs and whose grades were inflated reacted significantly more ethically to the grade inflation than did the graduate students. Of the 32 graduate students with

high GPAs and whose grades were inflated, 2 (6%) reported the error to the instructor. Of the 36 undergraduate students with high GPAs and whose grades were inflated, 8 (22%) reported the error to the instructor.

TABLE 12: Inflated Grades and Low Cumulative GPA: Graduate versus Undergraduate			
CGPA H= if >2.99; L= if <=2.99	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	5 11.36 71.43 12.50	2 4.55 28.57 50.00	7 15.91
Undergraduate	35 79.55 94.59 87.50	2 4.55 5.41 50.00	37 84.09
Total	40 90.91	4 9.09	44 100.00
Fisher's Exact Test		Table Probability (P)	0.1030
		Two-sided Pr <= P	0.1128

H4b: Graduate business students with relatively low cumulative GPAs and whose grades are inflated will be more likely to behave ethically than undergraduate business students with relatively low cumulative GPAs and whose grades are inflated.

As reported in Table 12 above, the results support this hypothesis with marginal significance (Fisher's Exact Test = 0.1030, 'p' value = 0.1128). This indicates that graduate students with low GPAs and whose grades were inflated reacted more ethically to the grade inflation than did the undergraduate students with low GPAs and whose grades were inflated. Of the 7 graduate students with low GPAs and whose grades were inflated, 2 (29%) reported the error to the instructor. Of the 37 undergraduate students with low GPAs and whose grades were inflated, 2 (5%) reported the error to the instructor. It should be noted that the fact that there were only a total of 7 graduate students with low GPAs (less than or equal to 2.99) could have swayed these results.

TABLE 13: Deflated Grades and High Cumulative GPA: Graduate versus Undergraduate			
CGPA H= if >2.99; L= if <=2.99	Respond		Total
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	15 18.52 41.67 57.69	21 25.93 58.33 38.18	36 44.44
Undergraduate	11 13.58 24.44 42.31	34 41.98 75.56 61.82	45 55.56
Total	26 32.10	55 67.90	81 100.00
Fisher's Exact Test		Table Probability (P)	0.0499
		Two-sided Pr <= P	0.1502

H4c: Graduate business students with relatively high cumulative GPAs and whose grades are deflated will be more likely to behave ethically than undergraduate business students with relatively high cumulative GPAs and whose grades are deflated.

As reported in Table 13 above, the results do not support this hypothesis (Fisher's Exact Test = 0.0499, '*p*'value = 0.1502). This indicates that undergraduate students with high GPAs and whose grades were deflated reacted more ethically to the grade deflation than did the graduate students. Of the 36 graduate students with high GPAs and whose grades were deflated, 21 (58%) reported the error to the instructor. Of the 45 undergraduate students with high GPAs and whose grades were deflated, 34 (76%) reported the error to the instructor.

TABLE 14: Deflated Grades and Low Cumulative GPA: Graduate versus Undergraduate			
CGPA H= if >2.99; L= if <=2.99	Respond		
Frequency Percent Row Pct Col Pct	N	Y	
Graduate	2 5.71 28.57 14.29	5 14.29 71.43 23.81	7 20.00
Undergraduate	12 34.29 42.86 85.71	16 45.71 57.14 76.19	28 80.00
Total	14 40.00	21 60.00	35 100.00
Fisher's Exact Test		Table Probability (P)	0.2754
		Two-sided Pr <= P	0.6760

H4d: Graduate business students with relatively low cumulative GPAs and whose grades are deflated will be more likely to behave ethically than undergraduate business students with relatively low cumulative GPAs and whose grades are deflated.

As reported in Table 14 above, the results do not support this hypothesis with significance (Fisher's Exact Test = 0.2754, 'p' value = 0.6760). However, graduate students with low GPAs and whose grades were inflated reacted more ethically to the grade

inflation than did the undergraduate students with low GPAs and whose grades were inflated. Of the 7 graduate students with low GPAs and whose grades were deflated, 5 (71%) reported the error to the instructor. Of the 28 undergraduate students with low GPAs and whose grades were inflated, 16 (57%) reported the error to the instructor.

SUMMARY AND CONCLUSIONS

There has been a continuing debate for the past two decades or more about the lack of ethical behavior prevalent across the accounting profession. Several violations of ethical guidelines in the accounting profession have prompted a discussion about what, if anything, can be done to reduce or eliminate the frequency of such events in future. While some practitioners believe that having more severe penalties could be a deterrent, others believe that there needs to be an increased ethics component in the college curricula.

This research attempts to throw some light on this debate by (1) examining the ethical choices business students, both graduate and undergraduate, make when faced with an ethical dilemma in a controlled environment, (2) examining whether business students, both graduate and undergraduate, make the choices they stated they would make when actually placed in a similar ethical dilemma, (3) determining whether there is a difference in the ethical choices made between graduate and undergraduate students when placed in an ethical dilemma, and (4) determining gender, GPA, and magnitude of the ethical dilemma drive the ethical choices made by the graduate and undergraduate business students.

Results of this research indicate that a majority of both graduate and undergraduate business students do not behave in an ethical manner when faced with an ethical dilemma. Additional findings indicate that female undergraduate business students are

more likely to behave ethically than female graduate business students. However, results also indicated that male graduate business students were marginally more likely to behave ethically than male undergraduate business students. Also, results show that the undergraduate business students with high GPAs reacted significantly more ethically than did the graduate business students. However, results also indicated that graduate business students with low GPAs reacted more ethically than did the undergraduate business students.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

One limitation of this study is that student responses to the ethics quiz and their response to the inflation or deflation of grades may have been influenced by the absence of known consequences. An argument could be made that behavior may tend to be more ethical if there are negative consequences attached to unethical behavior. However, in this study, the students did not know whether or not there would be consequences for failing to report an inflated grade.

Another limitation is that we did not control for the extent of ethics coverage by the instructors of the courses where the data were collected, or by ethics instruction in prior courses taken by these students. To do so would have required evaluating the kind, extent and quality of ethics instruction across the college, a daunting, perhaps impossible task. It is theoretically possible that the results of the study may have been affected by ethics instruction, either contemporaneous or prior to the current study. Whether student ethical behavior is influenced by the extent of exposure to ethical training is an important avenue of future research, and may provide some insight into the question of whether there should be an increased focus on ethics coverage in the business curriculum, and if so, what form it should take. In

addition, if ethical training does result in more ethical conduct, corporations recruiting business students can more actively express a preference for students who have been trained in ethics and corporate responsibility. Future research could examine whether there are differences in students' ethical behavior depending on the extent in a controlled environment.

Another limitation of this study is that it would be most helpful for researchers to distinguish between chronological "age" and "maturity" or "judgment." It is possible that some age-related factor other than chronological age is at work in ethical decision-making.

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