# Employee Business Ethics: A Comparative Study on Employee Perceptions

[I]Alexandros Antonaras, [II]Melpo Iacovidou, [III]Paraskevi Dekoulou

[I,II,III]University of Nicosia

## Abstract

*This research paper investigates employee perceptions and practices regarding work-related ethics as well as the extent to which such perceptions are affected by age, gender, job position, nationality and organization's size in two countries that have been suffering because of a severe financial crisis. The purpose was to explore employee perceptions with regards to ethics at work, whether ethical perceptions can be grouped into categories and if demographic characteristics affect the employees' ethical perceptions. A cross-cultural questionnaire survey was conducted, based on a sample of 1901 employees in two European countries, which are facing similar financial problems and required financial assistance from the EC, ECB and IMF. The findings reveal that employee perceptions on work-related ethics can be grouped into seven major categories. Despite the significant volume of research work on business ethics, this paper provides a first attempt to perform factor-analysis in order to group work-related ethics perceptions.*

## Keywords

*Business Ethics, Business Management, Demographics, Greece, Cyprus, National Culture, Perceptions*

## I. Introduction

Despite the discussions worldwide concerning the convolute topic of the recent global financial crisis and attempting to explain the complexity of the toxic instruments that created the bubble in burst, the unanimous opinion for the unique cause of the crisis was the lack of ethics [7], [14]. Ethics were absent from the decision making process not only in top management level at financial institutions and business corporations, but also from many top government officials and politicians. Reference [43] indicated that business history is rich with examples of extreme forms of unethical behaviour by and within companies. When these cases are made public by traditional muckrakers like Upton Sinclair in the nineteenth century or today's NGOs, by internal whistle-blowers or official investigations, the public is often shocked. It seems to be difficult to understand how behaviours that seem to violate any moral common sense are possible.

Major scandals involving unethical practices, such as insider-trading, toxic waste dumping, discrimination in employment practices and sexual harassment, etc. have confused many people as indicators of decline in ethics. But, in fact, one could interpret the constant and frequent exposure of such activities or even voluntary confessions of unethical practices, as a consequence of a high degree of sensitivity to ethical issues [46]. The last decades witnessed a vigorous debate over the role of corporations in society [9], [21]. The increased attention to ethical issues has been reflected in the number of organisations that have adopted ethical codes and the continued development of organisational ethics training courses [33]. Clearly, these interventions are not sufficient to prevent ethical lapses.

The purpose of this study was to explore employee perceptions and practices regarding work-related ethics. The study aimed at identifying those perceptions and examining whether such perceptions could be grouped into categories. Furthermore, the present study aimed at identifying differences in those perceptions based on demographic variables.

## II. Theoretical Background & Hypotheses Development

Despite the discussions worldwide concerning the convolute topic of the recent global financial crisis and attempting to explain the complexity of the toxic instruments that created the bubble in burst, the unanimous opinion for the unique cause of the crisis was the lack of ethics [7], [15]. Ethics were absent from the decision making process not only in top management level at financial institutions and business corporations, but also from many top government officials and politicians. Reference [43] indicated that business history is rich with examples of extreme forms of unethical behaviour by and within companies. When these cases are made public by traditional muckrakers like Upton Sinclair in the nineteenth century or today's NGOs, by internal whistle-blowers or official investigations, the public is often shocked. It seems to be difficult to understand how behaviours that seem to violate any moral common sense are possible.

Reference [16] studied the characteristics of corrupt organisational culture. They found three main characteristics: the underlying assumption of "the end justifies the means", the value of "security", and the fact that employees punish deviant (i.e. non-corrupt) behaviour. In addition, they found that managers perceive a corrupt organisational culture in terms of performance values, and employees perceive it in terms rationalisation strategies. According to [25], it seems that companies that evidence ethical behaviour in terms of the triple bottom line – socially, economically and environmentally – are less likely to negatively surprise shareholders and are less likely to suffer the negative publicity and litigation that accompanies the exposure of poor governance practices. A significant number of authors has discussed the strong linkage of sustainability with ethics and ethical behaviour [39]. Literature review highlights the imperative need for the convergence between economic incentives and ethical motives for business action [14], and stresses the necessity for a deeper appreciation of business ethics in today's globalised world [31]. Corporate social responsibility is widely regarded as having a significant positive impact on company's value and profitability [12], [15], [27] as well as on stakeholder satisfaction [36], [50]. Companies are required to highly base their competitiveness on innovation and communication of their CSR activities [45]. Moreover, in order to develop and sustain ethical corporate cultures, not only do current employees have to be held accountable for ethical practices, but companies need to recruit ethical employees. Reference [47] indicates the necessity for both top-down and bottom-up approaches to business ethics.

## III. Hypotheses Development

Studying and analysing perceptions on business ethics, can be considered as rather complicated and characterized by high ambiguity. Unlike laws which are written down and quite clearly interpreted, business ethics entail norms and principles whose application and interpretation is significantly influenced by individual-level characteristics and beliefs, cultural and job-rank differences and values as well as other forces, such as sector and area of specialization [26], [32], [33]. Research has suggested that several demographic and occupational variables (e.g. gender, managerial experience, cultural background), and experiences in organisational setting (e.g. perceptions of ethical climate and ethical leadership in the workplace) influence the manner in which individuals identify, interpret and make decisions on an ethical issue [14], [29].

Reference [54] revealed that students exhibit the lowest tolerance with ethical issues relevant with selfishness and highest with issues relevant with computer ethics. In addition, significant gender differences exist in the ethical factors of computer ethics and selfishness with women being less tolerant on issues related with such eventualities.

Swanson and Fischer as summarized by [23] indicated that an increasing number of management scholars advocate that the accrediting bodies, professional organisations, business schools, and faculties who teach management courses need to rethink how business ethics can be taught to influence future business leaders but suggest that the prospects for meaningful change with regard to business ethics education appear to be unlikely.

Individuals adopt beliefs, perceptions and behaviour patterns imposed by the cultural context in which they live and develop activity. Such cultural elements inevitably do not leave unaffected the way in which ethical business values and principles are interpreted and enforced. Numerous cross-cultural beliefs highlight how cultural diversity, national culture and mentality impact staff views and attitudes towards ethical beliefs [18], [35], [41], [47]. Gender is another significant factor highly influencing employee ethical behaviour. Although a limited number of inquiries highlight the absence of statistically significant relationship between ethical behaviour and gender [13], [48], [49], the majority of researchers indicate differences in employee ethical perceptions based on gender. Men appear more willing to exhibit unethical attitude than women, although women tend to consider more often questionable acts and behaviour patterns as unethical [10], [19], [38], [51]. Reference [11] discovered that men are at least twice as likely to participate in unfair practices as are women. Reference [24] attributes the above-mentioned differences to the different values and traits brought by the two genders to their work roles. Females tend to behave more ethically and promote a more ethical organizational climate where ethical behavior is rewarded [34]. Reference [37] found that undergraduate women are more ethically than men when faced with marketing dilemmas. [20] focusing on accepting favours for special treatment showed that female managers found it more unethical to accept favours than male managers. Reference [25] took the gender dependent ethics issue further by examining whether the gender influence is situational. He found that while women managers in a large south-eastern US firm were more ethical than their male colleagues with respect to unsafe products, they were no different than men when it came to product misrepresentation. Inquiring gender differences in combination with cultural influences, [42] indicated strong differences between male and female employees concerning fraud,

influence dealing, self-interest, and deceit in the US, while in New Zealand, they found differences only concerning coercion and self-interest.

Moving on to age, some empirical data combine younger people with stricter ethical judgments [53], while some other inquiries underline that there is no significant association between age and ethical attitude. However, theoretical consensus as well as a meta-analysis of 47 individual previous studies conducted by [13], highlight a positive statistically significant correlation between ethical behaviour and age. As people age, they tend to exhibit more ethical attitudes at their workplace [17], [44], [53]. As employees become older, they appear more committed and ethical towards their organization [30]. According to [20], age was found to affect ethical attitudes, as older managers found certain types of unethical behaviour to be more objectionable than did younger managers. Contrary to age, educational level appears to be negatively correlated with ethical behaviour. Although some studies failed to find out an association between education and ethical standards, higher educational levels could help individuals be more open-minded and adopt alternative ways of thinking and behaving instead of "judging complex ethical issues in narrow absolute terms" [40]. Individuals with higher educational level, tend to make less strict ethical judgments [17].

It is obvious from the literature that differences exist in employee perceptions and practices regarding work-related ethics, with respect to age, gender, educational level, salary range, job position, nationality and company size, but new studies are always needed to validate and/or enhance previous findings.

As a result, this study will explore employee perceptions with regards to ethics at work, attempt to group those ethical perceptions into categories and explore if demographic characteristics affect the ethical perceptions of employees.  The following research hypotheses, reflecting the study's primary purpose and objectives, were thus formulated:

H1: Employee perceptions with regards to ethics at work can be identified and be grouped into categories.

H2: Demographic characteristics affect the ethical perceptions of employees

## IV. Methodology and Sample

The research was undertaken in two stages. As a first step, the attitudes and perceptions of employees towards work-related ethics were explored through a series of interviews of several individuals employed in the industry and academia. This qualitative method for collecting data was selected since it is considered more appropriate for exploration purposes.

A total of 7 employees were interviewed and in order to ensure a representative sample participants selected were of various ages and represented all levels of an organizational hierarchy, The data collected were analysed in order to identify any emerging patterns and were then  compared with other questionnaires as identified in the literature. As it was identified that the emerging patterns compared very favourable with the questionnaire used by [54]. The researchers decided to use that instrument for the purposes of this study as it had already been tested.

The second stage was the survey of the targeted group. The target population of the study included all employees of as many businesses as possible. A convenience sampling technique was used as it was not possible for the researchers to have direct access to the entire population. A letter was prepared explaining the purpose of the study, and assuring the anonymity of the

participants. The letter, along with the questionnaire in electronic form was then sent to senior officers (such as the HR Manager or the Marketing Manager) of member companies of the Cyprus Employer's & Industrials Federation, the Cyprus Chamber of Commerce & Industry and CSR Hellas with the request that they will distribute both the letter and the questionnaire to all of their employees. Following with calls it was further suggested to the businesses that agreed to participate that they provide employees with the option to complete a hard copy of the questionnaire which would be placed in an box to be then delivered to the researchers (postage paid).

A total of 1,924 responses were collected from both countries of which 1,901 were valid. Participants in the survey were 18 years of age or older, currently employed and working for an organization that employed at least two people

The collected data were analysed using the SPSS statistical package. Descriptive and inferential statistics, namely reliability analysis (Cronbach's Alpha), exploratory factor analysis, independent sample t-test, and chi-square, were utilised to analyse the collected data, test their reliability and answer the formulated research questions.

## V. Research Findings

As presented in Table 1 below, responders represent well genders and nationalities, as well as all age groups, job positions, education levels, size of companies, and salary ranges, suggesting thus that there was a good match between the sample and the population.

Table 1 : Demographic Characteristics

| Demographic Variable | Employees | Frequency | Valid % |
|---|---|---|---|
| Gender | M | 1143 | 60.1 |
| | F | 710 | 37.3 |
| | NA | 48 | 2.5 |
| | **Total** | **1901** | **100** |
| Age | 18-30 | 336 | 17.7 |
| | 31-40 | 817 | 43.0 |
| | 41-50 | 493 | 25.9 |
| | 51+ | 234 | 12.3 |
| | NA | 21 | 1.1 |
| | **Total** | **1901** | **100** |
| No of Employees | 1-50 | 880 | 46.3 |
| | 51-100 | 308 | 16.2 |
| | 101-250 | 281 | 14.8 |
| | 251-500 | 309 | 16.3 |
| | 501+ | 93 | 4.9 |
| | NA | 30 | 1.6 |
| | **Total** | **1901** | **100** |
| Job Position | BOD/Director | 181 | 9.52 |
| | Manager/Head | 342 | 18.00 |
| | Supervisor | 416 | 21.88 |
| | Employee | 910 | 47.86 |
| | NA | 52 | 2.74 |
| | **Total** | **1901** | **100** |
| Nationality | Cypriot | 872 | 45.9 |
| | Greece | 1029 | 54.1 |
| | **Total** | **1901** | **100** |

| | | | |
|---|---|---|---|
| Education Level | High School | 326 | 17.1 |
| | Bachelor's | 820 | 43.1 |
| | Master's | 605 | 31.8 |
| | Doctorate | 126 | 6.6 |
| | NA | 24 | 1.3 |
| | **Total** | **1901** | **100** |
| Salary Range | < 19,500 | 660 | 34.7 |
| | 19,501 -28,000 | 562 | 29.6 |
| | 28,001-36,300 | 526 | 27.7 |
| | >36,301 | 134 | 7.0 |
| | NA | 19 | 1.0 |
| | **Total** | **1901** | **100** |

Overall, the results suggest that people employed in the Cypriot and Greek market not only have a very clear idea of what constitutes ethical behaviour in their work environment (87.3% answered YES to this question) but Ethical actions are important to them (93.2 replied Yes). In addition, a significant percentage of them are willing to sacrifice opportunities to make money by acting ethically (73.8% replied YES).

Furthermore the results suggest that peer pressure will not influence employee ethical values (70% replied NO), and that the employer will not make employees compromise their ethical standards (66% replied NO) neither will competition for business (67.8% replied NO). The results also suggest that employers do not use bribes to get a business (70% replied NO) nor do they offer bribes in foreign countries to get a business (85.6% replied NO). As for ethical practices at a personal level, the results suggest that "ethical decision making is possible at work" (70.9% replied YES) and that employees are satisfied that at the end of the day because they behave according to their own ethical values (80.1% replied YES). Another 66.7% replied that the ethics that they practice at work are the same as those that they practice at home.

In addition, the results suggest that employees have high ethical intentions for work-related matters. For example, 70.6% replied NO to the question "I would be willing to use tactics that might injure, hurt or destroy competition", a smaller percentage (51.8 %) replied NO to the question "I would engage in price-fixing with a competitor to benefit", and 64.2% replied NO to the question "I would be willing to head-hunt someone who would give me trade secrets of my competitor".

Still, 64.2 % replied NO to the question "I would be willing to use inside information if I could gain from it" and another 80.2% replied NO to the question "I would expect my staff to chase profits even if it means going against their own values". Furthermore, 89.5% replied YES to the question "as a manager I would accept responsibility for errors in the department" and 66.4% replied YES to the question "people who blow the whistle in companies are acting morally".

In addition, the findings suggest that only two-thirds (2/3) of the employees believe that the organization they work for has high ethical standards. For example, 59.9% indicated that they are satisfied with the ethics that their company upholds, 60.7% responded that moral standards are fully understood in their company, while though 63.1% replied YES to the question "my company gives out dishonest statements about product quality, prices, etc."

Still, the findings suggest that the majority of the responders have high personal ethical values. Specifically, 66.7 % replied NO to the question "I would falsify my tax return to save on tax", 72.3% replied NO to the question "I would intentionally pay a bill late but still try to get a discount for early payment" and 82.1% replied

that they turn in honest accounts at work. Another 74.1% replied NO to the question "I admire someone's wealth regardless of how he/she obtained it".

Finally, even though 74.2% believe that it is very important for an organization to have a Code of Ethic/Conduct, which contributes positively towards a culture of ethical values and practices, only 34.1% indicated that their employer has developed a Code of Ethics/Conduct. These findings were consistent with the results of the study by [51] which indicated that perceived corporate ethics was positively related to individual ethical decision making.

Given the economic crisis that Greece and Cyprus are going through, it is a very pleasing finding to see that despite how difficult these times are both for employers and employees, ethical values at work are still of high importance.

A summary of the above findings is presented in Table 2 below.

Table 2 : Employee Ethical Perceptions

| | YES | NO | NA |
|---|---|---|---|
| Q1. I know what constitutes ethical behaviour in my organization | 87.3 | 8.4 | 4.3 |
| Q2. Ethical actions are important to me | 93.2 | 6.1 | .7 |
| Q3. I would falsify my tax returns to save on tax | 33.2 | 66.7 | .1 |
| Q4. Peer pressure causes me to alter my ethics | 24.4 | 70.0 | 5.6 |
| Q5. I would intentionally pay a bill late yet still try to get an 'early payment' discount | 27.6 | 72.3 | .1 |
| Q6. I admire someone's wealth regardless of how he/she obtained it | 25.7 | 74.1 | .2 |
| Q7. I would be prepared to sacrifice money to act ethically | 73.8 | 25.6 | .6 |
| Q8. I am satisfied with the ethics that my company upholds | 59.9 | 39.4 | .7 |
| Q9. Moral standards in my company are fully understood | 60.7 | 38.7 | .6 |
| Q10. My employer makes me compromise my ethical standards | 33.9 | 66.0 | .1 |
| Q11. My company gives out dishonest statements about product quality, comparative prices etc | 36.9 | 63.1 | .1 |
| Q12. My company uses bribes to obtain business | 29.9 | 70.1 | 0 |
| Q13. My company offers bribes to gain business in a foreign country | 14.1 | 85.6 | .1 |
| Q14. The ethics that I practice at work are the same as the ones I practice at home | 66.7 | 32.6 | .7 |
| Q15. Competition for business makes me alter my ethics | 32.2 | 67.8 | .1 |
| Q16. I turn in honest expense accounts at work | 82.1 | 16.9 | 1.0 |
| Q17. I would be willing to use inside information even if I could gain from it | 35.6 | 64.2 | .2 |
| Q18. I would harm others to achieve advancement | 10.1 | 89.8 | .1 |
| Q19. I would expect my staff to chase profits if it means going against their own values | 19.6 | 80.2 | .3 |
| Q20. As a manager, I would accept responsibility for errors in the department | 89.1 | 9.5 | 1.4 |
| Q21. I would be willing to 'head-hunt' someone who would give me trade secrets of my competitor | 35.2 | 64.2 | .6 |
| Q22. I would engage in price-fixing with a competitor to benefit my company | 48.1 | 51.8 | .2 |
| Q23. I would be willing to use tactics that might injure, hurt or destroy competition | 27.9 | 70.6 | 1.5 |
| Q24. I would be willing to cut corners in quality or service to maximize profits | 26.7 | 71.9 | 1.4 |
| Q25. At the end of the day I am satisfied that, at work, I behaved according to my values | 80.1 | 16.8 | 3.1 |
| Q26. Ethical decision-making is possible at work | 70.9 | 26.8 | 2.3 |
| Q27. People who 'blow the whistle' in companies are acting morally | 66.4 | 30.8 | 2.7 |
| Q28. My organisation developed a Code of Ethics or Code of Conduct. | 34.1 | 64.2 | 1.7 |
| Q29. It is very important for an organization to have a Code of Ethics/Conduct | 74.2 | 24.1 | 1.7 |

As presented in Table 2 above, twenty nine (29) statements were included in the questionnaire and in order to facilitate further analysis of the data collected, the researchers decided to contact factor analysis to reduce the number of variables investigated (30 items) to a smaller number of factors,. Exploratory factor analysis with the use of SPSS principal component analysis with varimax rotation (Kaiser normalisation) was used for that purpose.

The appropriateness of the factor model was indicated by both a Kaiser-Mayer-Olkin (KMO) statistic value of 0.859, which confirmed its high sampling adequacy and the significance ($\chi^2$ = 16,616.390; p=<.000) of the Barlett's test of sphericity. Both a KMO value of .6 or higher and a significant Bartlett's test of Sphericity (p < .05) suggest a good factor analysis.

Principal components with varimax rotation revealed seven factors with an eigenvalue of greater than 1.0, which is the typical value for accepting a factor according to Kaiser's criterion. This seven-factor solution satisfactory explained 57.927 % of the total variance, which is comparable to many similar studies (for example, 53.72% in Iacovidou et. al., 2009 and 52.33% in Gatfield, 2000). Factor loadings, indicating the correlation coefficients between the variable and factors, of less then 0.300 are considered low and thus one question was eliminated. All variables included in the factor analysis were tested for reliability with the utilisation of Cronbach's Alpha. The overall reliability of the items integrated in the factor analysis, is .723

Table 3 : Summary of Factor Analysis (Varimax Rotation with Kaiser Normalisation, n=1901)

| Factor | Eigen-value | Percentage of variance explained | Reliability alpha Cronbach |
|---|---|---|---|
| Ethical values | 6.292 | 21.697 | |
| Ethical Conduct at Work | 3.525 | 13.749 | |
| Personal Gains | 1.536 | 5.121 | |
| Work Pressure | 1.494 | 4.980 | |
| Organizational Practices | 1.468 | 4.894 | |
| Personal Satisfaction | 1.350 | 4.094 | |
| Code Of Ethics | 1.017 | 3.392 | |
| Total Percentage Of Explained Variance | | **57.927** | |
| Total Scale Reliability:  Alpha (29 Items) | **0.723** | | |

Note:  Kaiser-Mayer-Oklin measure of sampling adequacy = 0.859.  Extraction method: Principle component Analysis

The factor analysis, summarized in Table 3 above, suggests that the business ethics perceptions of employees can be grouped into the seven (7) categories which based on the researchers' experience and the literature review were named as follows:
1.  Ethical values
2.  Personal Gains
3.  Ethical Conduct at Work
4.  Work Pressure
5.  Organizational Practices
6.  Personal Satisfaction
7.  Code of Ethics

The exact statements that make up each category (Factor) are presented below in Table 4.

The implication of factor analysis is that the perceptions of employees concerning ethics at the work place are founded on seven pillars, namely the seven categories mentioned above, and thus one can deal with ethics at the work environment by developing policies or strategies relating to this seven categories, answering thus Research Hypothesis 1.

The second aim of this research was to examine the research hypothesis that employee business ethics perceptions are affected by demographic variables. Analysing each of the 29 statements, of the seven categories identified, based on the demographic characteristics was not practical. For that reason the researchers decided to select the top two of the emerged categories of factor analysis, those that explained at least one-third (1/3) of the variances, and analyse the statements of each of the two categories based on the demographic characteristics.

Table 4 : Factor Analysis - Statements by category

| Ethical values | Ethical conduct at work | Personal Gains | Work pressure | Organisational practices | Personal Satisfaction | Code of Ethics |
|---|---|---|---|---|---|---|
| Q6 | Q1 | Q3 | Q4 | Q12 | Q8 | Q28 |
| Q19 | Q2 | Q5 | Q10 | Q13 | Q9 | Q29 |
| Q21 | Q3 | Q17 | Q15 | Q11 | Q25 | |
| Q22 | Q14 | | Q18 | | | |
| Q23 | Q16 | | | | | |
| | Q20 | | | | | |
| | Q24 | | | | | |
| | Q26 | | | | | |
| | Q27 | | | | | |

The categories, statements and demographic variables that were further investigated to address research hypothesis 2, are presented below in Table 5.

Table 5

| | Q | Demographic Variable |
|---|---|---|
| Ethical Conduct at Work | Q7 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q14 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q16 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q24 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q26 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q2 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q1 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q20 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q27 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |

| Ethical values | Q6 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
|---|---|---|
| | Q19 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q21 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q22 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |
| | Q23 | Age, Gender, Job Position, Education Level, Salary Range,  Number of employees, Country of residence |

Categories and Statements Selected for analysis based on Demographic Variables

Pearson's Chi square analysis was used to investigate the effect of demographic variables on each of the statements belonging to the two most important categories as identified through factor analysis.

When the alpha level of significance (p value) is less than .05 there is enough evidence that there is a statistically significance difference in the employees perception based on the demographic variable used. The findings of this analysis are summarised in Figure 6 and Figure 7 and explanations follow the two figures.

The results of Pearson's chi square analysis by demographic variables for the category of Ethical Values are presented below in Table 6.

Table 6 : Effect of Demographic Variables on Ethical Values

| Ethical values | Age | Gender | Job position | Educational Level | Salary Range | No of employees | Country |
|---|---|---|---|---|---|---|---|
| | P value | P value | P value | P value | P value | P value | P value |
| Q6 | .028 | .037 | .912 | .152 | .046 | .000 | .025 |
| Q19 | .032 | .046 | .401 | .054 | .039 | .081 | .000 |
| Q21 | .034 | .012 | .368 | .208 | .002 | .030 | .001 |
| Q22 | .021 | .033 | .600 | .184 | .006 | .002 | .044 |
| Q23 | .019 | .016 | .058 | .057 | .017 | .049 | .003 |

Table 7: Effect of Demographic Variables on Ethical Conduct at Work

| Ethical Conduct at Work | Age | Gender | Job position | Educational Level | Salary Range | No. of employees | Country |
|---|---|---|---|---|---|---|---|
| | P value | P value | P value | P value | P value | P value | P value |
| Q7 | .002 | .028 | .610 | .030 | .053 | .332 | .023 |
| Q14 | .042 | .046 | .512 | .004 | .051 | .151 | .034 |
| Q16 | .039 | .000 | .034 | .001 | .059 | .050 | .032 |
| Q24 | .020 | .006 | .054 | .046 | .049 | .928 | .038 |
| Q26 | .006 | .196 | .513 | .003 | .827 | .623 | .000 |
| Q2 | .036 | .037 | .903 | .026 | .679 | .084 | .000 |
| Q1 | .403 | .656 | .819 | .007 | .676 | .487 | .291 |
| Q20 | .243 | .903 | .565 | .003 | .836 | .342 | .001 |
| Q27 | .197 | .570 | .856 | .008 | .500 | .059 | .001 |

According to the results, ethical values are influenced by the age of the employee, since in all statements there was a statistically significant difference in the responses between employees of different age groups. In more detail, the results show that people under the age of forty appear to admire someone's wealth regardless of how he/she obtained, as well as they are willing to [a] head-hunt people that could give trade secrets about competitors, [b] use tactics that might injure, hurt or destroy competition, thus appearing more willing to succeed no matter what the cost might be.

Gender appears to be another variable based on which there are statistically significant differences in ethical values. According to the findings, women tend to have stronger ethical values and are less willing to use tactics that might injure, hurt or destroy competition and to recruit someone who could give them trade secrets of their competitors.

Job position can be regarded as a demographic variable that does not impact ethical values. Results indicate that Managers and Directors as well as lower level employees appear equally willing to sacrifice their ethical principles and beliefs with the aim of improving their professional and personal well-being.

Another finding is that there was no significant differences in the ethical values of employees of different educational backgrounds. According to the results holders of a Bachelor's Degree or a Master's Degree or even of a Doctoral degree do not have significant differences in their ethical values.

The salary of employees, the size of a business and the country of residence are, according to the findings, demographics based on which there are significant differences in ethical values of employees. The results of the analysis indicate that employees in high salary ranges are more willing to compromise ethical values than those with lower salaries. The same is true for employees who work for large businesses. Furthermore, people that work in Cyprus appear to have stronger ethical values as compared to employees working in Greece, as indicated by their

Employees working in Greece appear to admire more someone's wealth regardless of how he/she obtained it, and seem to be more willing to use tactics that might injure, hurt or destroy competition. Once again, this might be due to the longer exposure of the Greek people to the devastated effects of the economic crisis.

Pearson's chi square analysis was also used to analyse the statements of the category of Ethical Conduct by demographic variables, and the results are presented below in Table 7.

According to the findings, there is a statistically significant

correlation between ethical conduct at work and the age group. Age proved to have a significant impact on ethical conduct, since the ethical conduct of employees less than 40 years differs from that of employees that were more than 40 years old. Younger people appeared to be more ethical in their conduct with regard to work-related matters. This result is in accordance with the majority of researchers highlighting a positive statistically significant correlation between ethical behaviour and age [13], [17], [43], [52].

Consistent with the literature this study also indicates differences in employee ethical perceptions based on gender. Based on the findings, females tend to behave more ethically and promote a more ethical organizational climate. These differences can be seen in the responses concerning (a) more women than men are practicing at work the same ethics that they practice at home, (b) more women are willing to turn in honest expense accounts at work, whereas (c) more men are willing to cut corners in quality to maximize profits. Finally, (d) a larger percentage of women indicated that ethical decision-making is possible at work.

Job position seems to be a demographic variable that does not affect ethical behaviour. According to the findings, there is no significant correlation between ethical behaviour and job position. As indicated in Table 7 above, there are no statistically significant differences in the ethical behaviour exhibited by employees and managers and or Directors in statements such as in their willingness to turn in honest expense accounts at work, or their perception of ethical decision-making being possible at work, etc.

The results also show that there is a significant correlation between ethical conduct at work and the educational background of employees. Employees with doctoral or master's degrees appear to be more ethical in their conduct at work as compared to employees that have a High School Leaving Certificate or a Bachelor's Degree.

Employees ethical behaviour at work does not seem to be affected by the salary range of the employee or by the size of a business. The findings indicate no statistically significant correlation between ethical behaviour and salary earnings. Ethical conduct of employees with high salaries had no significant differences than ethical conduct at work of employees with low salaries. Similarly, there was no statistically significant correlation between ethical behaviour and size businesses. The size of an organization, as measured by the number of employees does not seem to have a significant influence on ethical behaviour, since staff working at organizations that employ less or more than 50 employees, exhibit similar ethical behaviour.

Finally, there seems to be statistically significant differences in the ethical conduct of Cypriots and Greeks. Overall, Cypriot respondents appear to be more ethical in their conduct at the work place and have expressed their intention of safeguarding their ethical principles even at the expense of their personal interest. This though may be because Greek people have been experiencing the severe consequences of the economic crisis in Greece for over six years now while Cypriots have been exposed to less serious consequences and for a shorter period of time.

## VI. Conclusions

Based on the present study's findings, it can be concluded that age, gender and country of origin are factors that seem to influence employees' ethical values and ethical conduct at work. Educational level seems to influence only ethical conduct at work, while salary rage and organisation size are factors influencing employees'

ethical values. The study indicated that job position does not influence ethical values, nor ethical conduct at work.

In line with the literature [13], [17], [44], [53], [30] the results of this study show that as employees become older, they exhibit more ethical attitudes at their workplace and appear more committed and ethical towards their organization. Gender is another differentiating factor for perceptions and practices regarding work-related ethics. Again, the results of the study agree with the literature [10], [19], [38], [51] that women are more willing to behave ethically than men and have adopted more ethical values and practices. On the other hand, job position does not seem to influence ethical values or ethical conduct at work. An organization's size and the salary affect only employees' ethical conduct at work, and not their ethical values. Educational level appears to be negatively correlated with ethical behaviour but it is positively related to ethical conduct at work. Finally, nationality seems to have an influence on both ethical values and ethical conduct. Cypriot business world members portray themselves as more willing to sacrifice personal benefits with the aim of upholding their ethical beliefs and principles. Greek employees, as opposed to Cypriot, regard ethical behaviour as playing a less critical role in working life and career pursuit.

This study could provide the basis for further and more in-depth research in the future. A future study could explore ethical behaviour at the work place in other countries that are experiencing an economic crisis (e.g. Portugal) so as to investigate any similarities. In addition, since our sample was drawn from Greece and Cyprus, countries suffering from fierce financial recession in EU periphery, a subsequent similar inquiry could be carried out in more wealthy countries with the aim of investigating whether and how the level of a country's economic development could influence business world ethics. Moreover, it would really be interesting that a future study examines whether and how an organization's turnover as well as employee earnings might influence her/his ethical values and her/his willingness to exhibit ethical behaviour.

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## Authors' Profile

*Dr. Alexandros Antonaras is the Vice President of Student Services and an Assistant Professor of Management at the University of Nicosia. He holds a BSc (Hons) in Mathematics & Statistics with Management from Brunel University of West London [UK], an MSc in Quality Management and a PhD in Quality & Process Improvement from Cranfield University [UK]. Alexandros is the Chairman of the Cyprus Network for Corporate Social Responsibility (CSR Cyprus), a non-profit business network and Cyprus' National Partner Organisation of CSR Europe. He is a Certified Entrepreneurship Facilitator by the Entrepreneurship Learning Initiative (USA), an active European Excellence Assessor and Validator for the EFQM Excellence Model, a certified Project Management Professional (PMP) by the Project Management Institute (PMI). He is also a certified VET Trainer by Human Resources Development Authority (CY). His research interests include CSR, sustainability, business excellence, business ethics, entrepreneurship, and quality management.*

*Dr. Melpo Iacovidou holds a Doctorate in Quality Management from Middlesex University, UK, an M.B.A. from Adelphi University, USA (with Distinction) and a B.Sc. in Accounting from Indiana University Of Pennsylvania, USA.*
*Dr. Iacovidou is an Assistant Professor and the Director of the Academic Compliance Office of the University of Nicosia. She is also the Head of the Industry Liaison Office of UNIC, a member of the Senate, and the Associate Head of the Dept. of Accounting. She served as a member of the Internal Quality Assurance Committee, as the Internal Quality Assurance Auditor of the University of Nicosia and as the Erasmus Institutional Coordinator. She has participated in various EU funded programs, has published in international journals, and has numerous conference presentations and proceedings. She has also supervised successfully both undergraduate, graduate and doctorate thesis. Her areas of research interest include Quality Management, Service Quality, Business Ethics, and Costing.*

*Dr. Paraskevi (Evi) Dekoulou is currently employed by the Business Development Centre at the University of Nicosia, and teaches at the University's Business School modules such as creativity and innovation, strategic marketing and consumer behaviour. Moreover, she works as a part-time lecturer in marketing, media management and cultural economics at the Cyprus University of Technology and the Hellenic Open University. She holds a PhD Degree in Organizational Learning and Knowledge Management from Aristotle University of Thessaloniki [GR]. She received an MSc*

*in Media Management, a Master in Business Administration and a bachelor's degree (Hons) in Journalism and Mass Media Communication. Her research work has been presented in international conferences and published in international academic journals.*