

## **Test an Equilibrium Model of Business Ethics**

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### **Abstract**

A test of an interpretation of Hill's (1997) model of business ethics was performed using employed, non-traditional evening students in an accelerated business degree program in the south central U. S. The primary hypothesis tested was that the independent variables of submissive love, holy love, and justice love would together predict organizational outcomes. The reasoning for this hypothesis was the premise that the ethically balanced employee contributes most to organizational outcomes. Results did not support this hypothesis. Instead, submissive love was the strongest predictor of organizational outcomes. The findings suggest support for the biblical principle (Heb. 13:17) that employees should submit fully to their supervisors not only to honor God but to make the organization effective. The study had some significant weaknesses that preclude the drawing of any firm conclusions, however, about the model. Future research should include improvement of the survey instrument as well as the study design.

### **Introduction**

Literature in the area of business ethics is clouded both empirically and conceptually. Conceptually, there is no agreement about what constitutes business ethics. For example, Lewis (1985) examined textbooks, articles, and production and professional workers to try and find a common definition of business ethics. Results showed there to be no less than 38 notions of the concept. The most frequently cited definition (15.6%) defined business ethics as a rule-book style of ethical codes. The next most frequent definition was found to be personal moral principles (8.11%). The remaining 36 definitions were many are varied. Empirically, reviews by Ford and Richardson (1994) and Low, Ferrill, and Mansfield (2000) conclude that findings are "mixed."

Michael Maccoby's (1976) notable book *The Gamesman* is a report of an investigation of executive behavior and ethics (Chapter 7). The question was posed: Which perspective is used more by businessmen, the head or the heart, in making ethical decisions, or is there a balance between the two? Implied in his metaphorical scheme is the premise that a balance of the two is best. However, his research did not confirm this implied hypothesis. Instead, Maccoby found a bias toward making head-based ethical decisions among executive ranks to the detriment of heart-based decisions. One might speculate that a bias toward intellectually-based decisions represents an imbalanced decision making process which is less effective than balanced. Following this line of reasoning, Kochunny, Rogers, and Ogbuehi (1996/97) used Maccoby's survey instrument to study the ethical balance or imbalance among marketing managers. Consistent with the original work by Maccoby, they found a preference for head-based intellectual decision making to the detriment of heart-based decision making. Fernandes, Plank, and Landeros (1995) in a study of purchasing agents found the bias toward head-based decisions, but concluded Maccoby's scale was ineffective in predicting the outcomes of specific "ethical scenarios" (p. 91).

More recently, Alexander Hill (1997) has moved ahead conceptually (or further muddied the water, perhaps, depending upon one's view) by developing a trichotomous, prescriptive model of business ethics suggesting that the ethical and effective businessman exhibits a balance between love, justice, and holiness ethics. With this work, Hill's most important contribution is to have moved the field closer to the spiritual realm of ethics. By spiritual is meant the realm of prescriptive, absolute ethics, or those that are eternal. This direction contrasts sharply with the conclusion of Low, Ferrell and Mansfield (2000) that the field should move away from prescriptive models to descriptive models. Low (et. al., 2000) essentially say that we should move from absolute assumptions to relative assumptions in the study of business ethics because relative

assumptions are more consistent with empiricism; we should not look at how the world *ought* to be, but how it actually *is*. The present study follows Hill's lead by an examination of a prescriptive model of ethics.

This study is important because it examines an interpretation of Hill's trichotomous, equilibrium model which has, to the author's knowledge, not been tested before. Before this, the closest research has been the examination of dichotomous models. It is also significant since it reports on the ethical status of students who are also organizational employees, not full-time undergraduate students. In line with Low's (et. al., 2000) call, this sample will hopefully provide some insight for applied practitioners and interested others.

The study reported here was first inspired by Hill's (1997) work, the present author having used his textbook between 1997 and 2002 in a required senior level business ethics course. Love is defined in the present study as akin to Hill's notion of "love without holiness". That is, submissive love. In the context of work relationships, an employee who exhibited this kind of love is one who does whatever the boss tells him to do. Holiness is defined as an employee's uncompromising ethic. In the context of work relationships, an employee who exhibits this kind of love is one who absolutely will not compromise even if the boss demands. According to Hill, this would indicate an "absence of justice", however. Justice is defined as what Hill describes as "fairness without purity." It amounts to a combination of rights and responsibilities. An employee exhibiting this love has a right to refuse to follow a supervisor's order, but he also has the responsibility to work cooperatively even if he doesn't always agree. Thus, the employee may not agree with a directive, but he will usually comply out of the ethic of responsible justice.

It should be mentioned before going any further that Bennis and Thomas (2002) have recently identified what they call an "integrity tripod" (pp. 145-150) which also postulates a balanced trichotomy, but a secular one including "ambition", "competence", and a "moral compass" that must be kept in balance if the employee is to be truly ethical. This model is very similar to Hill's in its underlying premise and structure, but it differs significantly from Hill's model by having different legs. Their legs consist of the secular concepts of ambition (i.e., drive), competence (i.e., skill level), and a moral compass (i.e., direction) which breaks with Hill's spiritual model. Bennis and Thomas take Hill's stool out from the spiritual-moral world and place it into the secular world. The present study is more consistent with Hill's approach.

## Hypotheses

According to Hill, an individual in an unethical state would exhibit an imbalance in one or two of the 3 dimensions or "legs" of a foot stool. Metaphorically, a 3-legged stool cannot hold anyone safely if any of its legs is too short, too long, or missing all together. If this metaphor is applied to an employee, it could be assumed that this ethically imbalanced individual would have a negative impact on organizational outcomes (effectiveness). However, if all three legs are in balance, the individual is considered to be in an ethical state of equilibrium which would contribute positively to organizational outcomes. This is the underlying premise of Hill's notion and the present study.

A survey instrument was constructed to assess the model. (See Appendix). The following predictions are made: (1) The holy love subscale (HLS) will be positively associated with and predict moral beliefs (MB), but not organizational outcomes (OO). This means that employees who think they are "holier than thou" will have strong opinions/beliefs, but they will not be the ones who make the company more successful because they refuse to "get their hands dirty". (2) The submissive love subscale (SLS) will be positively associated with and predict OO, but not MB. This means that the employees who believe it is ethical to do whatever the boss says will contribute most to the company's bottom line, but they will also be the ones who do not necessarily hold the strongest moral beliefs in general. (3) The justice love subscale (JLS) will be positively associated with and predict *both* OO and MB. This is because these employees are the

ones who have ethical standards but who see it necessary to compromise in the interest of productive teamwork. (4) The submissive love, holy love, justice love (SHJ) overall scale will be a better predictor of OO and MB than either subscale alone. This is because the ethically balanced employee makes a better contribution to the organization. An area of secondary interest was identified as moral beliefs. A moral belief subscale was included to try and extend the primary model beyond what it directly implies. A significant correlation of the model with this subscale would extend understanding of the ethical model, therefore, (5) it was expected that MB would be associated with the SHJ Scale.

### Method

A naturally occurring design was used where the ethics survey was administered to successive student cohorts in a business school night program during the Spring, Summer, and early Fall, 2001 semesters. (See Table 1). These were not strictly consecutive administrations because there were other topical modules besides business interspersed, but each business course was surveyed as it began during the data collection phase. There were no control groups and no assignment of subjects meaning there was little experimental control beyond the structure of the educational program itself, and there was no randomization and so the results of this study should certainly not be considered conclusive in any sense. At best, the results of the present study should be considered a start, a pilot study or preliminary sketch to learn from for future research. Subjects were naïve, however, since none of the subjects tested had any familiarity with the ethical model.

The 3 ethical subscales are further explained here. Conceptually, all ethical subscales are versions of the love ethic. The subscales have been designated holy love, submissive love, and justice love. As suggested earlier in this paper, holy love is a kind of ethic that is a pious ethic where the employee would never consider doing anything questionable. He is absolutely above reproach. For example, if a task was not specifically stated in a contract, an employee living out the holy love ethic would certainly not do the task. Some might conclude this is an extreme ethic. Another ethic is submissive love. This ethic is the opposite of the holy love ethic. The submissive love ethic cannot say no. For example, if a supervisor asked the employee to stay late, or do more than his share of the work, he would do so without complaint. This submissiveness might extend even into areas many others would find questionable. The last ethic tested is justice love. For example, an employee may not have to work with unpleasant colleagues or a harsh supervisor, but he will continue to show good will and a cooperative attitude because it is his moral responsibility to do so. Of course, all 3 subscales combined, describe a well-rounded employee. A well rounded employee will not be “stuck” in any one of the 3 ethics. He will refuse to perform a task if it violates his conscience too much (holy love), but he may eventually see that there is a higher purpose and submit (submissive love) anyway because it is his responsibility to be as much of a team player as ethically possible (justice love). Together, the 3 ethics function dynamically to make the employee a more effective influence on the organization.

Data were collected and analyzed to determine if the ethics of holy love, justice love, and submissive love as defined in this paper functioned as an interdependent whole implying an ethical balance or equilibrium in the prediction of organizational outcomes, or if any of the three ethics impacted outcomes independently. A finding that the three ethics predict outcomes together would support Hill’s primary premise that ethically balanced employees make significant contributions to organizational effectiveness. Any finding that the three ethics predict outcomes independently or do not predict at all, could raise a question, or suggest that the present test was too flawed in its test of the model, or both.

In addition to the ethics scales, a typical set of demographic questions was included as well as an organizational outcomes scale. The overriding premise of the present research is that ethically balanced employees are associated with effective organizations and so the outcomes

scale was necessary to assess whether ethically balanced employees were more effective in contributing to various outcomes.

**Table 1**  
**Ethics Survey Administration Summary**

<b>Course Name</b>	<b>Cohort Number</b>	<b>Date Administered</b>	<b><u>N</u></b>	
<b><i>Graduate (6 weeks)</i></b>				
Bus. In Global Enviro.	MBA 688	713	1-29-01	8
Prin. Exec. Mgmt.	MBA 682 *	709	3-29-01	15
Ethical Pblms. In Bus.	MBA 624	712	7-10-01	13
Prin. Exec. Mgmt.	MBA 682 *	710	8-7-01	11
Ethical Pblms. In Bus.	MBA 624	713	9-13-01	6
<b>Subtotal</b>				
<b>53</b>				
<b><i>Undergraduate (5 weeks)</i></b>				
Intro. Mgmt. D/M	BSM 325	801	1-18-01	19
Funda. of Mgmt.	BBA 301	052	3-5-01	15
Ethics in Wkplace.	BBA 425	036	3-14-01	16
Ethics in Wkplace	BBA 425	035	3-15-01	6
Ethics in Wkplace.	BBA 425	037	5-16-01	10
Ethics in Wkplace.	BBA 425	038	8-21-01	11
Ethics in Wkplace.	BBA 425	039	9-5-01	14
Ethics in Wkplace.	BBA 425	040	9-17-01	9
<b>Subtotal</b>				
<b>100</b>				
<b>Grand Total</b>				
<b><u>153</u></b>				

\* = 8 week capstone course.

### **Procedure**

During the Fall (Dec.), 2000, a preliminary study was conducted to examine Hill's (1997) "Agency Model" of business ethics. A definition of each of the three parts of the model was given to business students who were asked to identify them among the survey items. The three parts of the model were identified with three descriptive, written definitions and subjects were asked to identify which of 17 statements went with each of the three parts of the model; submissive love, justice love, and holy love. This was performed first with 10 traditional business students currently taking a required business ethics course which taught the model, and during the same semester, with a second group of 13 students in a required international business course (53% of these students had already taken the ethics course in a previous semester while 47% had not). Of the business ethics students 84% of the items were correctly identified. Of the international business students, 74% of the items were correctly identified. These two groups totaling 23 subjects showed an average recognition of 79%. These results suggested that subjects could identify and understand the three parts of the model.

The statements were then revised by reclassifying some items and adding an additional item. It was then administered to 17 business night students in an undergraduate decision-making course. These non-traditional (adult) students had no training in the ethics model unlike

previous samples, and were enrolled in an accelerated module-type business school program. Of these, 70% were able to correctly identify the items descriptive of each part of the model. Together, these results suggested that the survey had a measure of discriminate validity since three samples of subjects who were familiar, unfamiliar, or somewhat familiar, could correctly identify the model reasonably well. As familiarity with the model decreased, model identification also decreased shrinking 10% when subjects were somewhat familiar and shrinking an additional 4% when subjects were totally unfamiliar with the model. These results represented a training effect, but also provided a pattern of responding suggesting that the 3 parts of the model could be identified by subjects.

The completed survey was then administered to every MBA or BBA/BSM cohort class in an accelerated night program beginning early Spring, 2001 (See Table 1). At the beginning of a new cohort class, the experimenter came in, introduced himself and asked if students would complete a survey on business ethics. Subjects were told that they did not have to participate but that their participation would be appreciated. It usually took about 7 minutes for subjects to complete this survey. The experimenter then collected the surveys, told them thank-you, and left.

## Results

The data were coded and entered into the SAS Institute's "Statview" program package on a microcomputer. The raw data were then printed and checked before analysis could begin. To find a measure of reliability, the data were loaded into JMP, a more complete statistical package also published by the SAS Institute. The reliability (Cronbach's Alpha) of the SHJ instrument which consisted of the 3 subscales was found to be low at .37. Descriptive statistics were then obtained. From the demographic categories it was found that the mean age was the category of 23-30 years (2.94 on a 9-point scale or 48.3% of the sample was in this category). That means that close to half of the sample were in their 20s. The mean educational level was found to be a "4-year college student" (3.76 on a 7-point scale or 31.3%). The greatest number of employees in the companies these subjects work for was between the intervals of "501-1,000 (2.67 on a 5-point scale, or 44.2%). The next largest employee grouping was "over 3,000" (30.8%). Out of 151 subjects disclosing their sex category, 38.4% were male and 61.5% were female. Fifty-nine percent were married while 40.1% were single. The industries most frequently cited were retail (17 times), financial (18), and manufacturing (14 times). Industry frequency in the "other" category consisted of health/medical (16), communications (12), government (11), and insurance (10). The remaining ones were considered miscellaneous because they were varied. The demographic results showed that most subjects were young, married female adults in college working on a 4-year college degree while at the same time working for either a relatively small to medium size firm or a larger firm in the southern U.S. Interestingly, there was no significant difference between males and females in their overall mean ethical score [2.59 (male) vs. 2.63 (female);  $d.f.=147$ ,  $t=-.845$ ,  $p < .399$ ]. This finding contradicts hints in the reviews of Low, Ferrell, and Mansfield (2000) that females might be more "ethically sensitive" than males and the findings of Ford and Richardson (1994) that females might be more ethical than males.

Three items in the MB scale and 3 items in the OO scale were reversed to make them consistent with the rest of the items. The items for HLS, SLS, JLS were separately averaged to create composite scores for each subscale. A composite score was also created from each of the 3 subscales to produce the overall ethics scale, SHJ. Composite scores were also created for the OO and MB scales. Next, an individual item analysis was performed to examine the 3 subscales. It was discovered that items 16 in the SLS subscale and item 15 in the JLS subscales were strongly inter-correlated ( $r=.326$ ,  $p<.0001$ ). These two items were thrown out which gave exactly 5 items per subscale for a total of 15 items instead of the previous 17. A correlation analysis was obtained which showed that the 3 subscales were not inter-correlated providing evidence of subscale independence.

Table 2 provides the means for the three subscales of the SHJ instrument. Evidence for

an equilibrium model would suggest insignificant differences between means, but paired comparison t-tests of the overall means show that they were significantly different at the .0001 level [HLS vs. SLS ( $t = -16.68$ , d.f. 1, 148); HLS vs. JLS ( $t = 4.97$ , d.f. 1, 147); and SLS vs. JLS ( $t = 25.91$ , d.f. 1, 148).] These preliminary results suggest that the model, as interpreted, may not hold up.

**Table 2**  
**Subscale Means**

	Submissive Love	Holy Love	Justice Love
	2.82	2.70	1.56
	2.23	1.82	1.82
	4.74	2.36	2.92
	3.76	2.00	1.88
	3.25	2.37	1.76
<b>Overall</b>	<b>3.36</b>	<b>2.25</b>	<b>1.98</b>

The correlation matrix of the 3 subscales and composite scale with MB and OO can be seen in Table 3. As would be expected, the composite scale (SHJ) is significantly correlated with each of its subscales as would be expected. [Of the three continuous demographic variables not shown in Table 3, age, education, and organizational size, only education was positively associated with any other variable, that being an association with MB ( $r = .28$ ,  $p < .001$ ). This suggests that more educated individuals are morally inclined]. From Table 3, it can also be seen that HLS is associated with MB, but not OO, which is as expected. It can also be seen that SLS is associated with OO but not MB as expected. However, JLS was not associated with either MB or OO as expected, but the overall scale, SHJ, was weakly associated with OO as expected but not MB. Taken together, the correlation matrix suggests evidence consistent with hypotheses 1 and 2, but not hypotheses 3-5.

**Table 3**  
**Inter-Correlation Matrix**

	HLS	JLS	SLS	SHJ	MB	OO
HLS	-----	.011	-.130	.565****	.240**	-.087
JLS		-----	.132	.575****	.119	.117
SLS			-----	.615****	-.097	.318****
SHJ				-----	.154	.193*
MB					-----	-.078
OO						-----
<b>N=143</b>						

\*  $p < .05$

\*\*  $p < .01$

\*\*\*  $p < .001$

\*\*\*\*  $p < .0001$

HLS=holy love subscale; JLS=justice love subscale;  
SLS=submissive love subscale; SHJ= Overall scale;  
MB=moral beliefs; OO=organizational outcomes

The next step was to test the hypotheses noted above with the null being that the instrument is not associated with or predictive of any of the dependent variables. A forward stepwise regression procedure was performed treating HLS, JLS, SLS, and SHJ as the four independent variables and MB and OO as the two dependent variables. First, HLS was significantly associated with and predicted MB ( $r=.240$ ,  $p<.005$ ;  $F=8.552$ , 1, 144 d.f.,  $p<.005$ ) but was not associated with OO ( $r= -.087$ ,  $p<.294$ ). Hypothesis 1 was therefore fully supported. Second, SLS was positively associated with OO ( $r=.296$ ,  $p<.0005$ ) and predicted OO as well ( $F=13.89$ , 1, 143 d.f.,  $p<.0005$ ), but was not associated with MB ( $r=-.094$ ,  $p<.255$ ). Hypothesis 2 was also supported. So far, the results were as expected. This was not to be the case regarding hypothesis 3, however. Unfortunately, JLS was not associated with MB ( $r=.151$ ,  $p<.07$ ) or OO ( $r=.107$ ,  $p<.20$ ). Similarly, JLS failed to enter the regression model. Hypothesis 3 was not supported. Hypothesis 4 predicted that SHJ would be a stronger predictor of MB and OO than any single subscale. Interestingly, SHJ was associated with OO as suspected, but was not a predictor of OO or MB, so hypothesis 4 was not supported either. This finding was perhaps the single most striking blow to the inference of Hill's work that a balanced ethic is the most productive in organizations. As noted earlier, hypothesis 5, an association of the SHJ scale with MB was not supported either.

In summary, it was found that the HLS predicted MB, but not OO as expected. It was also found that SLS predicted OO, but not MB as expected. However, the other hypotheses were not confirmed. Neither the JLS subscale nor the overall SHJ instrument predicted MB or OO as expected. There was a ray of hope for future research, however, since the SHJ instrument was positively associated with OO.

## Discussion

This paper has examined an interpretation of Hill's (1997) approach to business ethics. A model was constructed that had as its organizing premise that ethically balanced employees contribute disproportionately to organizational performance. The balance, it was assumed, was distributed among three spiritual legs, submissive love, holy love, and justice love, as defined in the present paper. Earlier work (Maccoby, 1976; Kochunny et al., 1996-97; and Fernandes et al., 1995) postulated a dichotomous balance among the head (considered intellectual decisions in this report) and the heart (considered spiritual-moral decisions in this report). That research suggested an ethical preference for intellectual decisions, without the balance of a spiritual-moral perspective from the heart. The present research failed to find clear evidence for a trichotomous model. To the contrary, results suggest further support for a dichotomous model similar to the earlier research cited.

Two out of the 3 legs were separately confirmed. Hypotheses 1 was confirmed; the leg of holy love was associated with and predicted moral beliefs but was not associated with and did not predict outcomes. This suggests that moral beliefs about honesty, fetal abortion, the employment policy of quotas, and government regulations, are important to holy love, but not to pragmatic organizational outcomes (Perhaps a different or more lengthy set of outcomes would produce different results). This suggests that holy love is an idealistic concept that is independent of pragmatic outcomes. These employees would be the idealistic ones most likely to either quit their job or blow the whistle on other's unethical conduct rather than address the problem pragmatically to produce a reasonable resolution. Similarly, they would not be prone to work with others very long in the production of positive organizational outcomes. Hypothesis 2 was also confirmed; submissive love was positively associated with and predicted organizational outcomes but not moral beliefs. Thus, a second leg of the stool was verified suggesting that submissive employees contribute to desirable organizational outcomes, but a moral belief system as defined here does not seem to play a role in this. These employees could be expected to do whatever the boss told them to do thinking that was the most ethical thing to do. This suggests, unfortunately, that certain specific moral beliefs are not necessary for positive organizational outcomes, which was

also supported with the finding that moral beliefs and outcomes were not associated ( $r=-.078$ ). Taken together, these first two findings seem to suggest that the holy loving employee is the organizational conscience, but it is the submissive loving employee who contributes to desirable organizational outcomes.

Hypothesis 3 that justice love is associated with both organizational outcomes and moral beliefs was disconfirmed. This variable was not associated with either moral beliefs or organizational outcomes which is inconsistent with the popular belief that teamwork contributes more to organizational outcomes than individual effort. This suggests that the third leg either does not exist or does not function as expected. Of course, hypothesis 4, that the 3 ethics subscales (SHJ) combined would be a better predictor of organizational outcomes and moral beliefs than either subscale alone was also disconfirmed as well as was hypothesis 5, that SHJ would be associated with MB. Thus, holy love predicted moral beliefs and submissive love predicted organizational outcomes, but justice love predicted neither. This finding calls into question the whole idea of the trichotomous ethical equilibrium of employees as a positive organizational influence. The results tentatively suggest that organizations have two separate kinds of employees; those who decide to do whatever the employer demands (submissive love) and those who decide to challenge and confront ethically questionable conduct (holy loving). An alternate view would be that an employee adopts one or the other ethic, but not both.

There are implications of this report for the practice of management. One is that the most balanced employee, though he may be a team player, is not necessarily the most effective. The most effective employees seem to be those who simply submit fully to their supervisor's instructions which is consistent with biblical principles when it comes to the employer-employee relationship. For example, Hebrews 13:17 teaches:

“Obey your leaders and *submit* to their authority (Italics mine). They keep watch over you as men who must give an account. Obey them so that their work will be a joy, not a burden, for that would be of no advantage to you.”

This being the case, good management would suggest that these kinds of employees be shown greater appreciation in some way for their submissive service. Additional rewards, whether it be monetary, time off, or other, should consciously be provided to the most submissive, and devoted employees so that they will continue to perform and as a way to retain them in the organization. In contrast, the employee who is holy loving, although he can be admired for his moral courage, should be coached and counseled by a supervisor in how to be more submissive, without compromising his strong moral beliefs too much. Friendly advice, brainstorming, focused rewards for greater submissiveness all should be considered in attempting to shape these kinds of employees toward a more appropriate ethic. For those who do not seem to have strong moral beliefs or contribute to desired outcomes submissively, such as the justice loving team player, additional training in areas such as moral conviction, if possible, and individual submissiveness to supervisor instructions should be considered. Perhaps a way to get these employees going in the right direction would be to give them a more challenging job assignment. More autonomy might be beneficial. Perhaps they play along too much, failing to contribute to organizational outcomes sufficiently, because they fear job loss, or just thought that's the way modern organizations work these days which would not be surprising given the emphasis on the team approach. The supervisor should make a special effort to get to know these kinds of employees and find out why they don't take individual initiative and then proceed accordingly. Perhaps the organizational structure is responsible and could be changed as well.

In fairness to Hill, the present research was not empirically rigorous and, therefore, the results should not be used to refute or accept any part of his model. This study's primary weakness, i.e., low instrument reliability, precludes any firm conclusions. One strength of the study is that the response rate was virtually 100%. Regardless, the present research does suggest insights that can be incorporated into future research which is probably its best

contribution. Future research should be done to clarify or confirm the present findings. First, the number of items in the SHJ instrument should be increased, probably doubled, so that there would be a better chance of obtaining reliability of at least .70. In fact, future use of the scale should first require the attainment of acceptable reliability before proceeding further. This would call for more pilot testing of the instrument. Increasing the N size would help with this also. Second, a national random sample should be attempted to control for any possible systematic error. For example, Low's (et. al., 2000) advice to sample various industries would seemingly provide meaningful data for industry practitioners. The downside is that it risks a possibly unacceptable response rate due to the sensitive nature of business ethics in general. Another idea would be to conduct a lab experiment to improve internal validity. The present study may have hidden systematic error because subjects were surveyed based on their entry and progress in an educational program. It could also be that certain types of students gravitate to that program, therefore, the results would not be generalizable to other populations. Most of the subjects were young, married, females in the present study which must be considered a possible biasing factor. Third, one might add Maccoby's "head" subscale in place of the justice love items to find an equilibrium model. It could be that there is a trichotomous model of intellectual calculation, submissive love, and holy love, for example. A test of that model would be interesting if not fruitful.

The results suggest an interesting place to begin to build a stronger model of ethical decision making in the future. Low's et al. (2000) criticism that only descriptive models can be empirically tested is unfounded. If we just try to describe *how* employees make ethical decisions, we launch into relativism which assumes no absolute ethical values. Implicit in all ethics is a moral foundation (Mosaic Law) of absolutely right or wrong decisions. Whether people want to believe that does not change the truth. If we test only descriptive models, then we ignore the spiritual dimension. Work *should* continue on *prescriptive* models of ethics such as the one in this paper. Practitioners and academics alike continue to need to know more about why personnel make decisions they *ought not* make.

## **Appendix Business Ethics Survey**

**Directions. Please respond to each of the 5 demographic questions below. Do not provide your name. All responses will be combined in aggregate form for academic research purposes only. Thank-you for taking the time to complete this survey.**

What is your:

1. *age?* (Check one).  18-22  23-30  31-37  38-43  
 44-50  51-57  58-65  66-75  
 over 75
2. *sex?* (Check one).  male  female
3. *marital status?* (Check one).  married  single
4. *educational status?* (Check one).  high school graduate  2-year college student  
 4-year college student  college graduate  graduate student  masters  
 doctorate
5. What industry is your company in? (Check one).  
 retail  wholesale  transportation  financial  
 manufacturing  agriculture  education  construction  
 Other \_\_\_\_\_.
6. How many employees in your company? (Check one).  
 0-500  501-1,000  1,001-2,000  2,001-3,000  Over 3,000

**For the next 7 questions, please use the 5-point scale below by writing the number in the blank to the left of each statement which most closely represents your view. These 7 questions below pertain to the company you are currently working for.**

**Strongly Agree      Agree      Undecided      Disagree      Strongly Disagree**  
**1-----2-----3-----4-----5**

1. \_\_\_\_\_ Employee turnover is high.
2. \_\_\_\_\_ This company is a good place to work.
3. \_\_\_\_\_ Employee morale is high.
4. \_\_\_\_\_ Employees work cooperatively.
5. \_\_\_\_\_ Employees have good communication.
6. \_\_\_\_\_ This company is run efficiently.
7. \_\_\_\_\_ This company regularly achieves its objectives.

**For the next 15 questions, please use the 5-point scale below by writing the number in the blank to the left of each statement which most closely represents your view.**

**Strongly Agree      Agree      Undecided      Disagree      Strongly Disagree**  
**1-----2-----3-----4-----5**

1. \_\_\_\_\_ When my boss says "jump", I jump. (SLS)
2. \_\_\_\_\_ I always confront my supervisor if I think he/she is wrong. (HLS)
3. \_\_\_\_\_ When there is a disagreement at work, I try hard to keep the line of communication open. (JLS)
4. \_\_\_\_\_ Company loyalty is a most important value to me. (SLS)

5. \_\_\_\_\_ I try hard to be flexible enough to work around others' schedules when necessary. (JLS)
6. \_\_\_\_\_ I would break a law if my supervisor told me it was necessary for the business. (SLS)
7. \_\_\_\_\_ There are certain principles that an employee should never budge on. (HLS)
8. \_\_\_\_\_ When my supervisor says "jump", I privately consider whether I should obey. (JLS)
9. \_\_\_\_\_ When there are conflicting job demands, I work with colleagues patiently to iron out the differences. (JLS)
10. \_\_\_\_\_ When my supervisor tells me to do something, I don't think, I just do it. (SLS)
11. \_\_\_\_\_ I would never work for a company whose product is immoral, such as alcohol or pornography. (HLS)
12. \_\_\_\_\_ I will take on an impossible work load if asked by my employer. (SLS)
13. \_\_\_\_\_ I work patiently and cooperatively with co-workers to come up with new solutions to difficult problems. (JLS)
14. \_\_\_\_\_ I never compromise my ethical values no matter what my employer asks me to do. (HLS)
15. \_\_\_\_\_ I sometimes tolerate possible ethical questions at work when they are in "gray areas." (JLS) (omitted)
16. \_\_\_\_\_ I do what I'm asked to do at work, even if it sometimes conflicts with my own ethical values. (SLS) (omitted)
17. \_\_\_\_\_ If my supervisor asked me to cover up a crime, I would immediately blow the whistle. (HLS)

**Use the scale below to answer each of the next 5 statements about your personal beliefs.**

**Strongly Agree    Agree            Undecided            Disagree            Strongly Disagree**  
 1-----2-----3-----4-----5

1. \_\_\_\_\_ Abortion of a human fetus is ethical. (R)
2. \_\_\_\_\_ Federal government regulation (e.g., affirmative action, environmental regulations) is an obstacle to free-market capitalism.
3. \_\_\_\_\_ Lying (deception) in business is sometimes justifiable. (R)
4. \_\_\_\_\_ Exaggeration in advertising is ethical. (R)
5. \_\_\_\_\_ Affirmative action (quotas) is unethical.

**For the next 7 questions, please use the 5-point scale below by writing the number in the blank to the left of each statement which most closely represents your view. These 7 questions below pertain to the company you are currently working for.**

**Strongly Agree    Agree            Undecided            Disagree            Strongly Disagree**  
 1-----2-----3-----4-----5

1. \_\_\_\_\_ Employee turnover is high. (R)
2. \_\_\_\_\_ This company is a good place to work.
3. \_\_\_\_\_ Employee morale is low. (R)
4. \_\_\_\_\_ Employees work cooperatively.
5. \_\_\_\_\_ Employees have poor communication. (R)
6. \_\_\_\_\_ This company is run efficiently.
7. \_\_\_\_\_ This company regularly achieves its objectives.

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