

BUSINESS STUDENT PERCEPTION TOWARDS ETHICS: AN EXPLORATORY STUDY

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Abstract *In regard to ethics and values, nowadays corporate scenario also demands business ethics which will guide the emerging professionals to exercise this ethical domain in their professional lives. The children of present generation do not know about their culture, traditions, values, ethics etc. This is one of the reasons why the content related to ethics and values is included in the curriculum of their professional studies.*

The objective of the present paper is to study the perception of business students regarding ethics and values. The role of ethics and values in a student's life is very important as it strongly affects their future, career, growth, professional behaviour and helps them learn how to tackle ethical dilemmas in personal and professional life. The data for the study had been collected from the undergraduate (commerce, management, engineering, arts, and science) and postgraduate (commerce, management, engineering, arts, and science) students of the private university situated in the state of Uttar Pradesh. The collected data was analysed with the help of statistical technique such as factor analysis, T-test and regression analysis. The results revealed that awareness about ethics and values is an important factor accessed by all the respondents of the study.

Keywords *Perception, Ethics, Values, Students, Professional, Culture*

INTRODUCTION

Recent studies have proved the importance of ethics in everyday life, absence of which leads to scams and scandals in corporate life. Then a certain query arises why these businessmen do not employ ethics and values before making decisions. Now, what is the definition of ethics and values? (Hejase & Tabch, 2012) Vasishth and Rajput (2010) define ethics as the rightness or wrongness of actions; ethics define the ultimate ends that man should admire and standards that he wishes to follow in life. Ethics have gained a lot of attention and focus due to crash in the stock markets and economic recession in 2008. It had affected the business activities a lot. Ferrell, Fraedrich, and Ferrell (2002) define ethics as the inner-guiding moral principles and rules that people use to decide what is right or wrong. Jones and George (2009) opine that values are individualised approach that people use to describe what is to be achieved and how they should behave.

All over the world people realise the fact that it is necessary for the people to be aware of the business ethics. The business ethics deal with the applicability of ethics in business practices. But before it is practiced by the organisations, the employees should be first aware of the business ethics. They should be ethical human beings, and should be backed up by strong values. They should learn what is good or bad, right

or wrong since their childhood so that as they grow up, the ethics and values become a part of their routine and life.

It has been observed that by selecting ethical human beings in the organisation, the working environment becomes the best. The employees are against the unfair practices and the business is done in ethical manner. All these factors are correlated with each other. That is why the need has been realised that ethics and values should be taught to the students in their course so that they develop their ethical considerations and have analytical thinking in order to handle the ethical dilemmas of professional and personal life. However, the main purpose of ethics in business is to lead businessmen and businesswomen to abide by the codes of conduct that would help them secure public confidence in the services and products they offer to the concerned stakeholders (Smith, Smith, & Mulig, 2005).

RESEARCH BACKGROUND

The social responsibility and ethics are also found to have a positive impact on the profitability, long run stability, and growth of the business organisation. Due to various scandal and scams, ethics have gained popularity in the field of research. A lot of studies have been made which focus on role of ethics in business. Table 1 focusses on different views on ethics by researchers, related to various fields such as

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corporate, business, education, research, fair trade practices, etc.

Table 1: List of Studies Related to the Ethics and Values

S. No	Researcher	Year	Purpose	Findings
1	Wright, Szeto, and Lee	2003	To explore the ethical perception of Chinese professionals enrolled in the management programme.	There is some awareness, but more effort is needed to promote the ethical behaviour.
2	Mo	2012	The relationship between organisational ethical atmosphere, the importance of the ethics and social responsibility felt by the top management and employees.	Organisational climate has a strong impact on practicing ethics and values. Also, ethics and social responsibility strongly impact the earnings of the firm.
3	Moore	2005	Concept and relevance of the corporate character	The paper discusses the corporate character with the similar concepts of the culture and values.
4	Verma	2013	Role of ethics in business	Business has become the crucial need for the business houses to practice as just they leads to environment concerns. Therefore they should practice in every small aspect such as dealing with customer, honesty in maintaining the accounts, truthfulness towards stakeholders and government, working for the satisfaction of the customers etc.
5	Lau, Caracciolo, Roddenberry, and Scroggins	2012	Perceptions of college students about ethics in Virginia.	Ethics taught proved to be useful to the students. They felt the importance of ethics and believed that all the faculty members who taught are ethically good human beings
6	Erzikova	2009	Perception of instructors of university public relations departments in the U.S. and abroad	The results concluded that ethics included in the course curriculum is the most important method to teach ethics to the students. The majority of the participants felt that the teaching pedagogy used plays an important role such as case studies, group discussions, faculty lectures, etc.
6	Reddy and Krishnan	2002	Ethical dimensions of postgraduate Management students	The six-dimensional scale very much clears the ethical orientation of postgraduate students.
7	Rehman and Waheed	2013	Unethical acts that were performed by the university students in the Pakistan	Academic unethical practices become a part of student life but these should be avoided in future.
8	Lawter, Rua, and Guo	2014	Ethics education and ethical climate to influence the likelihood of engaging in ethical behaviour	The results told that ethical climate and ethics education had a direct impact on a student's likelihood of engaging in the ethical behaviour.
9	Chang and Chen	2017	Impact of Chinese culture on the information ethics perception gaps between Chinese and American students	Students' perceptions of intellectual property, information accuracy, privacy, and accessibility (PAPA) are deeply influenced by national culture. Sub-cultures have a significant impact on the perceptions.
10	Pham, Nguyen, and Favia	2015	Attitudes toward business ethics of Vietnamese business students based on gender and experience of having taken a business ethics course	Gender and experience have significant effects on the attitude of respondents regarding the business ethics.
11	Valentine and Kidwell	2008	Students' ethical evaluations of certain potential faculty behaviours.	Harsher grades to those who oppose professors' views and discrimination lead to unethical behaviour. Inappropriate sexual situations and inappropriate familiarity with students, two scales were constructed to measure the ethical behaviour.

S. No	Researcher	Year	Purpose	Findings
12	Hejase and Tabch	2012	To closely assess the level of business ethics education in one of the Lebanese educational institutions, namely the American University of Science and Technology (AUST)	The main factors that affect the business ethics education are students' ethics literacy and ethical perceptions, students' attitudes towards ethical issues, ethics, and personal actions, personal morality, religious and ethical business conducts.
13	Taylor	2004	Ethical perceptions of Business majors and Music Business majors from a private university; observed whether taking of a business ethics course affected students' perceptions regarding the ethical aspects of downloading, sharing, copying, and selling copyrighted music from Internet and non-Internet sources	Music Business majors who had never downloaded music and had not taken an ethics course believed more strongly that such behaviour was unfair to the music industry than did those who had not downloaded but had taken an ethics course.
14	Creyer	1997	To examine the issue of unethical corporate behaviour from the perspectives of consumers	Firms should encourage ethical behaviour, not only for its own sake, but also because ethical behaviour may benefit the firm while unethical behaviour may harm the firm.

AIMS OF THE STUDY

- To study the perceptions of private university students towards ethics that is present in their curriculum.
- To identify the important factors that impact their perception process.

CONCEPTUAL FRAMEWORK

Based on the various researches available and after in-depth analysis, the following parameters have been taken into consideration. The conceptual model has been constructed by taking all the parameters. These parameters are awareness about ethics and moral values, knowledge about role of ethics in personal and professional life, development of analytical skills, attitude towards cheating, role of faculty in teaching ethics, ethical environment of country, and situational effect.

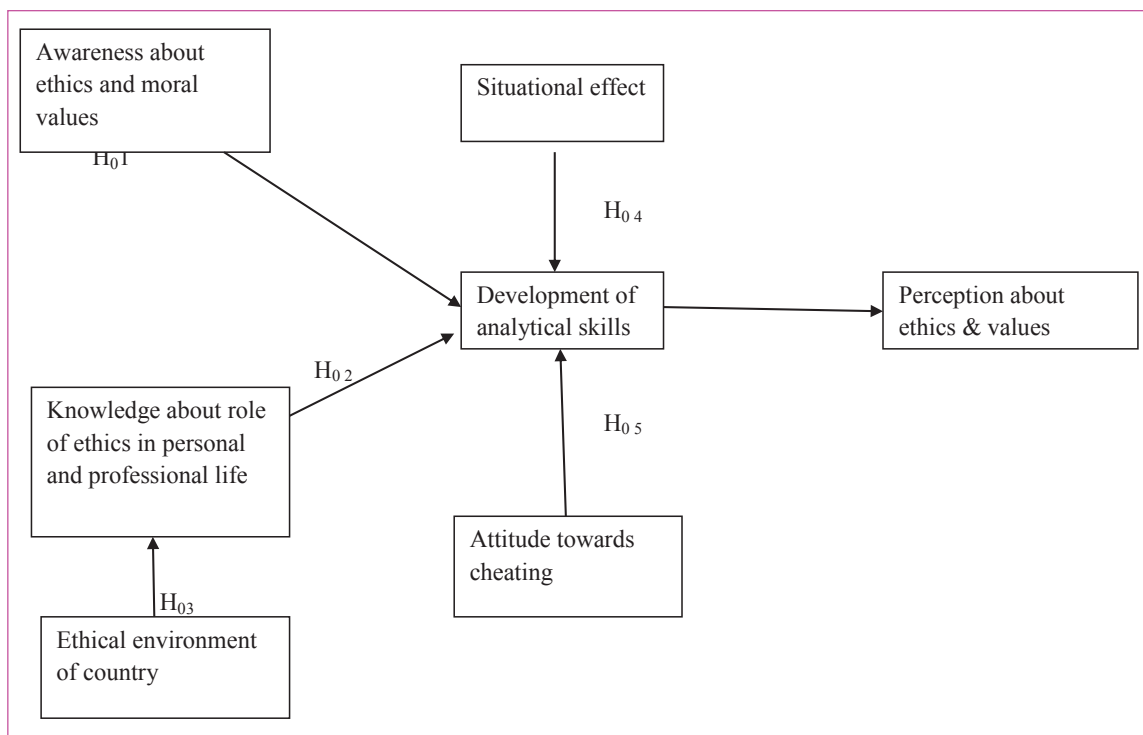


Fig. 1: Theoretical Graph

RESEARCH METHODOLOGY

To achieve the objective of the study, i.e. perception level of students regarding the ethics and values system, a structured questionnaire was framed. It consists of 25 statements related to the ethics and values, with a five-point likert scale. The questionnaire was adopted after critically reviewing all the available studies related to ethics and values. The statements were divided into five dimensions [Strongly agree (5) to Strongly Disagree (1)].

The collected data was put into SPSS version 19.0. In order to reduce the data into meaningful factors, factor analysis had been applied. In the first step, exploratory factor analysis was applied and factors were determined. The Cronbach alpha value was 0.752, as above .06 is acceptable (see Table 1). The questionnaire also included the demographic information about respondents such as his/her age group, gender, qualification, background, and whether the candidate is hosteller or day scholar.

Table 2: Reliability Statistics

Cronbach's Alpha	No. of Items
.752	25

The data had been collected from the private university students. The sample consists of university undergraduate

and postgraduate students. The data have been collected from the students with arts, management, science, and engineering background. 350 questionnaires were distributed and 285 were taken in return with a response rate of 81%. Convenience sampling technique was used to collect the data.

Demographic Profile

Table 3 clearly shows the characteristics of the respondents taken for the study. The characteristics consist of age group, gender, qualification, background, and whether the candidate is hosteller or day scholar.

The respondents within age group 18-25 were in majority consisting of 95.5% students whereas respondents within age group less than 18 yrs were in minority (4.6%). The number of males in the sample was 154 (54%) and that of females was 131 (46%). The sample consists of undergraduate respondents (79.6%) and postgraduate students (20.4%). The students with engineering background constitute 7%, arts 2.5%, science 7%, commerce 38.9%, and management 44.6%.

The demographic clearly showed that majority of the respondents belong to management and commerce background, while majority of students are of 18-25 yrs. The undergraduate students are more than postgraduate students.

Table 3: Demographic Profile

Demographic Characteristics	Demographic Variable	Number of Respondents	% of Respondents
Gender	Male	154	54.0
	Female	131	46.0
Age	Less than 18 yrs	13	4.6
	18-25 yrs	272	95.5
	25-35yrs	0	.0
	Above 35 yrs	0	0
Qualification	Under Graduate	227	79.6
	Under Post Graduate	58	20.4
	Others	0	0
Background	Engineering	20	7.0
	Arts	7	2.5
	Science	20	7.0
	Commerce	111	38.9
	Management	127	44.6

DATA ANALYSIS AND DISCUSSIONS

Table 4: KMO and Bartlett's Test

Part 1: Exploratory Factor Analysis

The questionnaire consists of 25 statements that were indented to measure the university students' perceptions on ethics and values. Further what role do ethics and values play in their personal and professional life presently? How will this impact the future decisions? The Bartlett's test of sphericity showed that chi-square value was 1026.437 with 210 degrees of freedom which was highly significant. Also the KMO value was .742, which was significant since greater than 0.5. These two tests confirm that factor analysis is appropriate to be applied on the present data set.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.742
Bartlett's Test of Sphericity	Approx. Chi-Square	1026.437
	Df	210
	Sig.	.000

Therefore, factor analysis has been applied to the current dataset. Based on the principal components analysis and VARIMAX procedure in the orthogonal rotation, eigen values above 1.0 are selected. The factor analysis reduced the data of 21 variables into the five factors which have the impact on the respondents. The summarised results are shown in Table 5.

Table 5: Exploratory Factor Analysis

S. No	Factor-wise Dimensions	Eigen Value	% of variance explained	Cumulative % of variance explained
1	Awareness about ethics and moral values			
	Ethics education helps me to be aware of ethical issues in personal and professional life.	.700	16.248	16.248
	Ethics education develops the ability to make better moral judgements.	.686		
	Ethics education helps me to develop a sense of moral obligation and duty.	.728		
	Ethics education teaches me to use moral reasoning to help resolve conflicts.	.530		
	Ethics education helps me to develop tools for tackling through ethical dilemmas.	.755		
	Ethics education positively affects students' value systems.	.684		
2	Attitude towards cheating & unfair practices		12.894	29.142
	It is acceptable for me to cheat in a non-major class.	.551		
	I have personal experience of having given a bribe (e.g. to obtain driving license etc.)	.636		
	It is acceptable for me to practice unfair practices to get top position in class.	.779		
	It is acceptable for me to buy the leaked paper in order to pass the exam.	.792		
	I would get the false attendance using references to meet the guidelines of university norms.	.653		
3	Knowledge about role of ethics in personal and professional life			
	Ethics education helps me to develop analytical skills.	.469	11.079	40.220
	Faculty members help me to develop values in their classes.	.677		
	Faculty members incorporate ethics training into their classes.	.573		
	I consider the faculty and instructors in my life are ethical human beings.	.740		
4	Ethical environment of country			
	It is impossible to do business in India without paying bribes.	.706	8.146	48.366
	In a business situation, if the need arises, I would not hesitate to pay a bribe to get business.	.683		
	In real life it is tough to follow the path of ethics and values.	.588		
5	Situational effect on ethics of person			
	I have never cheated on my work while in high school and college.	.746		
	When I see other students cheating I feel compelled to report them.	.733		

Respondent's Expectations

Table 6 presents the descriptive analysis of the five constructs. T-test was applied to know whether the mean is greater than 3, which is mid-point in the five-point Likert scale. The null hypothesis is that the mean is less than or equal to 3, whereas

the alternative hypothesis states that mean is greater than 3. From Table 3, it has been found that respondents are aware of ethics and moral values, knowledge about the role of ethics, country's ethical environment, and situational effects of ethics on person life. The respondents hold a negative feeling about cheating and unfair practices.

Table 6: Descriptive Analysis

Construct	Mean	S.D.	Number of subjects	T statistics
Awareness about ethics and Moral values	4.97	1.12	285	15.81
Attitude towards cheating & Unfair practices	2.31	0.23	285	10.31
Knowledge about role of ethics in personal and professional life	4.54	1.08	285	14.54
Ethical environment of country	4.64	1.41	285	15.21
Situational Effect on Ethics of person	4.77	1.51	285	15.31

Relationships among the Constructs

In this section, we have studied the relationship between the five constructs explored with the help of factor analysis. The relationship has been explained with the help of regression analysis in which the awareness about ethics and the situational effects on the ethic of person has been given highest priority. This states that people have awareness about ethics and values and sometimes when they are caught in some dilemma, they use those learned ethics and values to overcome the situation. However, this is the prime objective of the research to assess the importance of ethics and values knowledge among private university students, which clearly shows that ethics strongly influence them. The regression equation with coefficients are shown below:

Perception of ethics = $0.54 + .064$ (awareness about ethics and moral values) + 0.55 (situational effect on ethics of person) - 0.47 (knowledge about role of ethics in personal and professional life) - $.21$ (ethical environment of country) - $.11$ (attitude towards cheating & Unfair practices).

CONCLUSION

The present study was conducted in order to find the perception of the university students regarding ethics and moral values. By investigating the various factors, such as situational effects, environment of the country etc., the research paper has explained the role of ethics and values on undergraduate and postgraduate students.

The relationship between the factors extracted has also been studied. The result indicates that in order to students have a deep understanding of ethics and values, ethics should be inculcated deeply inside the students by making them aware of about the benefits of the ethics. they should also be taught how they can develop an analytical thinking in

order to handle various situations and confusions, and deal with the ethical dilemmas. The various factors which play an important role in the perception setting were identified. After that, the relationship between them was analysed. Therefore, the present research concluded that ethical environment and attitude towards unfair practices formulate a strong relationship between the developments of the analytical skills.

LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The biggest limitation was no response of the students while giving responses. Also, many students were confused about differences between ethics and values. The proposed model needs to be validated so that it supports the theoretical aspects. A comparison can be made by analysing the data collected from private and public universities from the various parts of the world.

Therefore, there are a lot of options available for future research such as data can be collected from the government university students. Further at what level or phase, the students will be taught ethics so that these become a part of the students' mindset and help them apply ethics in day-to-day decisions.

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