

Sociodemographic variables and ethical decision-making: a survey of professional accountants in Nigeria

Professional accountants in Nigeria

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131

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Abstract

Purpose – The purpose of this study is to examine the role of selected sociodemographic variables in the ethical decision-making (EDM) process of professional accountants in Nigeria.

Design/methodology/approach – The study obtained data from 329 professional accountants with the aid of a structured questionnaire containing four dilemmatic ethical vignettes. The data were analysed using Kendall correlation, Kruskal–Wallis and Jonckheere–Terpstra tests.

Findings – The results revealed that upbringing, especially parental discipline, and education are significant sociodemographic determinants of EDM. Religion and experience played little or no significant role in predicting accountants' EDM in the face of ethical dilemmas.

Research limitations/implications – The study used a questionnaire to measure its variables, which may bias and somewhat inflate the findings. Hence, caution should be applied regarding its conclusion.

Practical implications – The evidence in this study could stimulate policy change and review to include a separate ethics course in the accounting education curriculum, which could enhance the ethics training of future accountants. This is important for countries like Nigeria, where no provision is made for a discrete ethics course in the curriculum for accounting under-graduate education.

Social implications – The study draws attention to the fact that ethical conduct among professionals and in society could be enhanced through proper upbringing and formal education.

Originality/value – The study adds some uniqueness in focusing on professional accountants in Nigeria, a developing country with high corruption profile and weak government institutions, and, as such, contributes to the limited research output on accounting ethics in developing countries.

Keywords Upbringing, Education, Religion, Experience, EDM, Accountants

Paper type Research paper

Introduction

According to Oboh, Ajibolade & Otusanya (2020), ethics is the very foundation of any responsible business association, organisation or society, and true professionalism and social order are founded upon sound ethical values. Over four decades, Rest's (1979) model of ethical decision-making (EDM) has been very influential in shaping the direction of business ethics research. The four-stage model has helped researchers gain insight into how business professionals make ethical decisions in dilemmatic situations (Lehnert, Park & Singh, 2015). While we learnt from prior studies that individual, organisational and



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situational variables could predict individuals' EDM processes in the face of ethical dilemmas, much of what we know comes from the USA and other European countries (Musbah, Cowton & Tyfa, 2016; Oboh, 2019). Unfortunately, little is known about how business professionals make ethical decisions in dilemmatic situations in developing countries, especially in Nigeria, where corruption is high and most government institutions are weak. Perhaps, this may account for the reason why unethical accounting and business practices are prevalent. Although developed countries have a lot to address, the cases of unethical accounting and business practices in developing countries are alarming (Musbah *et al.*, 2016; Oboh, 2019).

A well-documented study by Bakre (2007) showed that accountants in Nigeria abet unethical financial practices in organisations. These professionals connive with the directors and management of companies to manipulate their accounts for some private gains, which have increased the level of money laundering, tax evasion and corporate collapses (Otusanya & Uadiale, 2014; Oboh, 2019). While the role of accountants in corporate scandals is well documented, it is still unclear why these highly skilled professionals who claim to protect the public interest would engage in unethical practices (Oboh & Ajibolade, 2018). Therefore, to address the issues of unethical accounting practices in organisations, it is all-important to understand the ethical pressures accountants face in organisations and the factors that determine the way they respond to these pressures (Craft, 2013; Musbah *et al.*, 2016; Adekoya, Oboh & Oyewumi, 2020).

Accordingly, our study responds to the concerns on questionable accounting practices in Nigeria, which could also benefit other developing countries with similar traits. We empirically examined the role of upbringing, religion, education and experience in professional accountants' EDM process. We aim to provide empirical evidence to stimulate policy change and strengthen extant measures to improve accountants' EDM processes. Our findings could be used to advance moral instructions and training of prospective accountants, especially in countries like Nigeria, where no provision is made for a discrete ethics course in the curriculum for accounting under-graduate education. Our study also responds to Bailey, Scott & Thoma's (2010) suggestion to investigate all stages of Rest's model. We examined the first three of the four stages in Rest's EDM model against one or two stages examined in previous studies. Therefore, our study adds to the literature on Rest's model. In addition, it constitutes a significant contribution to the scarce research output on accounting ethics in Nigeria, which could aid future research efforts in other developing countries. Finally, our finding on upbringing, a sociodemographic variable with limited research attention in prior studies, constitutes another significant contribution to extant business ethics literature.

Theoretical background and James Rest's ethical decision-making model

Morf, Schumacher & Vitell (1999) noted that ethics is concerned with the moral commitment, responsibility and social justice of all parties involved in the process of decision-making. It is the principles and criteria for moral conduct for society on what is right as opposed to wrong. According to Karaibrahimoglu, Erdener & Var (2009) and Adekoya *et al.* (2020), every profession is founded upon a generally accepted body of knowledge, a widely recognised attainment standard, and enforceable codes of ethics, which guide and shape the behaviour of members and enable them to resolve contentious ethical issues. Ethics, therefore, deals with well-based standards of how individuals or professionals ought to act. It is prescriptive (normative) and not descriptive (Mintz & Morris, 2008).

The EDM model was first designed in a four-stage sequence by James Rest in 1979. Thereby, we understood that individuals' EDM comprises four psychological progressions,

namely, ethical recognition, ethical judgement, ethical intention and ethical behaviour (Craft, 2013). Ethical recognition (*sensitivity*) is Stage 1, and it is fundamental in kick-starting the EDM process. This stage holds that individuals should be able to recognise that an intended action could directly or indirectly affect others' expectations, well-being and interests in a manner that may be at odds with one or more moral principles (Rest, 1979). To make an ethical decision in a situation involving an ethical dilemma, the individual must first recognise and interpret the intended decision as ethical or unethical. This process involves the individual's ability to judge whether the decision or action will affect others.

Stage 2, ethical judgement, is where the most ethical option among possible alternatives is determined (Schwartz, 2016). At this stage, when confronted with an ethical situation, an individual should be able to judge and decide on the most ethical option among available alternatives. This ability depends mainly on the individual's moral development stage (Rest, 1986). This stage was modelled after Kohlberg's cognitive reasoning and moral development (CMD) theory. The theory holds that individuals' ability to make ethical judgement develops in a six-stage progression (punishment and obedience, instrumental relativist, good boy–nice girl, law and order, social-contract legalistic and universal ethical principle) grouped under three morality levels – pre-conventional, conventional and post-conventional (Kohlberg, 1973; Rest, 1986).

Ethical intention, being Stage 3, is the subjective possibility that an assumed alternate behaviour will be implemented (Rest, 1979). At this stage, when faced with ethical dilemmas, an individual must prioritise an ethical alternative over others to make an ethical decision. This ability is only possible if the individual desires to be moral. According to Trevino & Blown (2004), individuals may desire to make ethical decisions but cannot follow through with their intentions because of internal and external pressures. Hence, the intention to act ethically may not automatically translate to actual action in a real-life situation (Ajibolade, Ogunleye & Omorogbe, 2014).

Ethical behaviour is Stage 4, and it is where individuals act based on their intentions (Rest, 1986). At this stage, when confronted with an ethical situation, a person must set the order of his/her actions right, figure out how to go around unexpected difficulties, overcome frustration, resist distractions and keep a focus on the ultimate goal (Rest, 1979). In addition, to make ethical decisions in dilemmatic situations, individuals must develop the willpower to withstand internal and external pressures (Rest, 1986). In this study, Rest's model provided the basis for investigating how certain sociodemographic variables influence accountants' EDM in the face of ethical dilemmas. Our investigation centred on ethical recognition, ethical judgement and ethical intention. We left out ethical behaviour due to difficulties in measurement.

Hypotheses development

Upbringing and ethical decision-making

Upbringing as a sociodemographic variable has received very little research attention in accounting and business ethics research, even though it is presumed to play a vital role in moulding and defining a person's morality (Ilmi, 2011; Elliott, 2006). In Chapter 22 of Proverbs, verse six says: *train a child in the way he should go, and when he is old, he will not turn from it* (Holy Bible, New International Version). In theory, this proverb suggests that upbringing is a central part of individuals' moral development. Besides, it is assumed in educational psychology that every child is a blank slate (*tabula rasa*) needing moral engravings. Family members and teachers are recognised as the indispensable moral coaches by which a child is engraved with moral virtues (Rydström, 2001). For example, reports from anecdotal sources noted that Arthur Andersen's mother significantly impacted

his moral beliefs and conduct. Arguably, the virtue *Think straight, talk straight* Arthur's mother imprinted on him during upbringing steered him into establishing one of the foremost accounting firms in history – Arthur Andersen LLP before its demise in 2002 after the 2001 Enron debacle (Boyd, 2004).

Akin to the CMD theory, parental training is assumed to be central in internalising moral values in individuals (Kohlberg, 1973; Baier, 1974). For instance, most humans start their moral development process from the pre-conventional level, guided mainly by a parental emphasis on punishments and rewards for wrong and good behaviours. With such parental emphasis, an individual grows up to adapt to a morality that is based on attached consequences – punishments and rewards. Inspired by Aristotle's *Nicomachean* ethics, John McDowell (cited in DeSouza, 2013) reasoned that an individual acquires a moral character when growing up, a process that involves engraining evaluative and motivational propensities that result in the acquisition and development of practical wisdom. However, although there is solid theoretical support for upbringing as an essential player in the moral development process of individuals (Rydström, 2001; DeSouza, 2013), only a few studies have considered this variable in business ethics research (Lehnert *et al.*, 2015). To fill this lacuna, we considered upbringing as a sociodemographic variable in two dimensions: parental discipline and upbringing environment. We, therefore, hypothesise that:

- H1. The EDM of professional accountants differs among the kinds of upbringing (parental discipline and environment) experienced.

Religion and ethical decision-making

Religion is a sociodemographic variable that has produced mixed findings regarding its impact on EDM processes. Evidence from Ford & Richardson's (1994) review shows that what matters in religion is the strength of individuals' beliefs and not the frequency of worship attendance or denominational affiliation. While we may agree with Ford and Richardson, to some extent, denominational affiliation may contribute to strengthening individuals' religious beliefs. The values and tenets of a denomination may impact the EDM of its members. Another evidence from Weaver & Agle (2002) on the symbolic interactionist perspective of religiosity and its relationship with moral behaviour in organisations suggests that religious role expectation, internalised as religious self-identity, could significantly impact on moral behaviour. On the contrary, the reviews of Craft (2013) and Lehnert *et al.* (2015) suggest that the association between religion and EDM may be complicated, having differing outcomes.

Further evidence from Nigeria shows that the relationship between religion and EDM is somewhat complicated. For example, Akadakpo & Enofe (2013) suggest that religion has only minor influence on accountants' conduct. By contrast, Ogunleye (2015) found religiosity to influence accountants' ethical perception and predisposition significantly. Like Weaver & Agle (2002), we expected accountants to act more ethically in Nigeria, a very religious country. However, contrary to being defenders of the public interest, accountants are accused of colluding with the directors and management of companies, using their professional expertise to evade tax, misstate companies' accounts and loot public funds (Bakre, 2007; Oboh & Ajibolade, 2018). Thus, the question begging for an answer is: *does religion play a role in the EDM process of professional accountants?* The answer to this pertinent question may further guide our understanding of the influence of religion on accountants' EDM process. Accordingly, using data from Nigeria, a very religious country with high corruption profile and weak institutions, we hypothesise that:

H2. The EDM of professional accountants differs based on religion.

Education and ethical decision-making

While there is a controversy over the role of education in the EDM process and moral development of business professionals (Lehnert *et al.*, 2015), Kohlberg's CMD theory suggests a positive association between education and moral development (Kohlberg, 1973). We understand from Kohlberg that through the process of education, individuals become ethically sensitive and make ethical decisions. For example, Marques & Azevedo-Pereira (2009) found that more educated chartered accountants are stricter regarding ethics issues than less educated ones. Pierce & Sweeney (2010) suggest that degree type is associated significantly with perceived ethical intensity, EDM and perceived ethical culture of trainee accountants in Ireland. However, Choudhury, Mishra, Guyot, Meier & Bell (2012) found that grade point average (GPA) and educational level did not significantly predict business students' ethical intention in India. After reviewing prior studies on EDM, Lehnert *et al.* (2015) concluded that education generally has minimal impact on the EDM process.

Mintchik & Farmer (2009) argued that comprehensive technical education and improved critical thinking skills do not automatically lead to higher moral reasoning. They, therefore, called for a separate ethics course in accounting education. In Nigeria, ethics is a core course at the post-graduate level, but no provision is made for a discrete ethics course in the Benchmark Minimum Academic Standards (BMAS) for accounting under-graduate degree programmes (Ogunleye, 2015; Oboh, 2019). Hypothetically, we would expect a difference in the EDM process between professional accountants with a post-graduate degree and those with only first-degree qualifications. Nevertheless, to conclude on this assumption and provide empirical justification for the inclusion of a discrete ethics course in the curriculum for accounting under-graduate education, we hypothesise that:

H3. There is a significant difference in the EDM process between professional accountants with a post-graduate degree and those with only first-degree qualifications.

Experience and ethical decision-making

Generally, experience has received considerable research attention in prior studies. The argument has been whether years of experience matter in EDM. While Kohlberg's CMD theory suggests that experience may associate with moral development positively (Trevino, 1986), generally, findings on experience and EDM have been varied and inconclusive (Musbah *et al.*, 2016; Lehnert *et al.*, 2015). For example, most studies reviewed by O'Fallon & Butterfield (2005) reported mixed findings. However, some studies suggest that experience may associate positively with the EDM process. For example, in Australia, the findings of Pflugrath, Martinov-Bennie & Chen (2007) and O'Leary & Stewart (2007) suggest that more experienced auditors assumed a more principled stance in ethical issues and that experience could predict the quality of auditors' judgement.

By contrast, Pierce & Sweeney (2010) reported mixed and complex results for experience and ethicality among trainee accountants in Ireland. More recently, evidence from Musbah *et al.* (2016) shows that experience has a minimal influence on Libyan management accountants' EDM process. Trevino (1986), in line with Kohlberg, suggests that work is a significant part of most adults and may spur further adult moral development. Accordingly, to assess the possible association between experience and accountants' EDM process, we hypothesise that:

Research methods and data

Design, sample and procedure

A survey design was adopted to achieve our objectives. We used a structured questionnaire to obtain data from professional accountants of the Association of National Accountants of Nigeria (ANAN) and the Institute of Chartered Accountants of Nigeria (ICAN). The available records of ANAN and ICAN memberships showed that the Institutes have about 20,049 [1] and 41,774 [2] members, respectively, totalling 61,823. We used Yamane's (1967) formula [3] to determine the sample size of 397 professional accountants drawn from private and public organisations. The sample (ICAN: 268 and ANAN: 129) was drawn proportionately based on each accounting body's population. The questionnaire was administered with the support of research assistants and contact persons to the respondents in their offices. Of the 397 copies of the questionnaire administered, 352 (ICAN: 237 and ANAN: 115) were returned, of which 329 (ICAN: 224 and ANAN: 105) were found useable for analysis. To address the issue of social desirability bias, the questionnaire was accompanied by a cover letter that had the official address and logo of our institution. The respondents were duly informed in the letter that the study was an academic exercise and were assured of their confidentiality.

Operationalisation and measurement of variables

The dependent variables of our study are ethical recognition, ethical judgement and ethical intention, three stages of Rest's (1979) model. The independent variables are four sociodemographic variables – upbringing (decomposed into parental discipline and environment), religion, education and experience. We adopted four pre-tested ethical vignettes from prior ethics studies (Musbah *et al.*, 2016; Oboh, 2018) to design the questionnaire; thus, construct validity was established (Davis, Andersen & Curtis, 2001). These vignettes were selected because they contain common ethical issues that confront professional accountants in many organisations both in developed and developing countries. They have been validated as reliable for measuring ethics variables in prior studies (Musbah *et al.*, 2016). Each vignette's characters' names, organisations and locations were altered to contextualise them into the Nigerian domain. The vignettes were arranged systematically to test how accountants would respond to ethical issues relating to office and personal pressures. The first vignette involved issues of approving a questionable expense report. The second and third vignettes involved manipulating the company's books to woo investors and evade taxes, and the fourth was on personal pressure to bypass organisational policy. This order of arrangement may be of importance in future theorising in behavioural psychology about business ethics.

As in prior ethics studies, *ethical recognition* and *ethical judgement* were measured by asking the respondents to indicate on a five-point Likert scale [from "strongly-agree" (5) to "strongly-disagree" (1)] whether the situation in each vignette involved an ethical problem and whether they agreed with the decision maker's decision in each vignette. The *ethical intention* was measured by asking the respondents whether they would make the same decision if they were the decision maker in each vignette (reverse-coded) (Singhapakdi, Rao & Vitell, 1996). A mean score of three and above indicated high ethical sensitivity, ethical judgement and firm intention towards EDM.

The instrument was designed also to gather data on the respondents' demographics. The upbringing was measured by the level of parental discipline based on Kohlberg's CMD theory, which centred on the physical consequences of an unethical action and the avoidance of punishment (Kohlberg, 1973). The operationalisation and measurements of other

variables are contained in Table 1. A pilot study was conducted on 20 chartered accountants to pre-test the questionnaire, and feedback was used to revise the instrument before distribution. All the variables were measured with single-item scales, and so, Cronbach α computation was not required (Musbah *et al.*, 2016).

Data analysis

A cross-tabulation analysis was performed to describe EDM stages based on the sociodemographic variables. Kendall correlation was computed to establish an association between the dependent and independent variables. Kruskal–Wallis test was performed to test for differences in EDM based on the sociodemographic variables, while Jonckheere–Terpstra test was performed to indicate whether the trend in the data is significant or not. These tests are non-parametric equivalents of independent samples *t-test* and one-way ANOVA, which are used whenever a research data set fails to fully satisfy the assumptions of a parametric test such as multivariate normality test (Field, 2009). These tests were performed for each vignette and the combined measures. Final inferences were made based on the results of the combined measures for ethical recognition, ethical judgement and ethical intention.

Results

Respondents' demographics

Table 2 shows that male respondents (72%) are about the majority, which reflects the gender demography of the accounting profession in Nigeria. While ICAN members are about the majority (68.1%), well over two-thirds of the respondents (73.2%) are between ages 30 and 50. Less than a third of them (21.9%) had a “not too strict/not strict at all” upbringing, while about two-thirds (57.4%) had a strict upbringing experience. About two-thirds (53.2%) of the respondents had an urban upbringing, and over half (78.4%) of them are affiliated with Christianity. The others are Islam (18.2%) and other religions (3%). Those with post-graduate degrees are about half (41.9%) and have a good experience (48.9%). In sum, the data were obtained from mature, educated and experienced professionals.

Cross-tabulation analysis

Table 3 shows that respondents with “strict” and “very-strict”, and urban upbringing experiences appear to be more inclined towards EDM than those with “not too strict/not strict at all” and rural upbringing experiences. Respondents identified with Christianity appear to be more inclined towards EDM than those of other religions. Lastly, respondents with post-graduate qualifications and more experience are more inclined towards EDM than those with only first-degree and less experience.

Variables	Measurement
Upbringing	Level of parental discipline: very strict, strict, not too strict and not strict at all
Religion	Upbringing environment: rural, urban, and mixed (both rural and urban) Religious affiliation: Christianity, Islam and others (including traditional religion)
Education	Degree level: first-degree (BSc and HND) and post-graduate degree (master and PhD)
Experience	Years worked: < 5 years, 5–<15 years, 15–25 years and >25 years
Ethical recognition, ethical judgement and ethical intention	Adapted (Musbah <i>et al.</i> , 2016; Singhapakdi <i>et al.</i> , 1996)

Table 1.
Operationalisation and measurement of variables

Variables	Respondents	(%)
<i>Gender</i>		
Male	237	72.0
Female	92	28.0
<i>Age</i>		
<30 years	34	10.4
30–<40 years	131	39.8
40–50 years	110	33.4
> 50 years	44	13.4
<i>Professional membership</i>		
ANAN	105	31.9
ICAN	224	68.1
<i>Level of parental discipline*</i>		
Not too strict/not strict at all	72	21.9
Strict	189	57.4
Very strict	66	20.1
<i>Environment</i>		
Rural	47	14.3
Urban	175	53.2
Mixed	107	32.5
<i>Religion*</i>		
Christianity	258	78.4
Islam	60	18.2
Others	10	3.0
<i>Education</i>		
First-degree (BSc, HND)	191	58.1
Post-graduate degree (MSc/MBA, PhD)	138	41.9
<i>Experience*</i>		
< 5 years	40	12.2
5–<15 years	161	48.9
15–25 years	93	28.3
> 25 years	34	12.3

Table 2.
Respondents'
demographics

Notes: $N = 329$; *Missing values

Hypotheses-testing

Kendall correlation

The results of this analysis, displayed in [Table 4](#), show that parental discipline positively correlated with ethical recognition ($r = 0.119$, $\alpha < 0.05$), ethical judgement ($r = 0.091$, $\alpha < 0.05$) and ethical intention ($r = 0.090$, $\alpha < 0.05$). On the other hand, education positively correlated with only ethical recognition ($r = 0.136$, $\alpha < 0.01$) and ethical intention ($r = 0.120$, $\alpha < 0.05$). There is no significant correlation between the other sociodemographic variables (environment, religion and experience) and EDM stages.

Kruskal–Wallis and Jonckheere–Terpstra tests

[Table 5](#) shows that ethical sensitivity differs significantly based on parental discipline (in V2 and V3) and education (in V1, V2 and V3), while no significant difference is seen based on environment, religion and experience in each vignette. The results of the combined measures indicate that ethical sensitivity differs significantly based on parental discipline

Variables	Ethical recognition Combined measures Mean (std. deviation)	Ethical judgement Combined measures Mean (std. deviation)	Ethical intention Combined measures Mean (std. deviation)
<i>Parental discipline</i>			
Very strict	4.51 (0.597)	4.04 (0.683)	3.81 (0.831)
Strict	4.53 (0.491)	4.03 (0.636)	3.82 (0.835)
Not too strict/not strict at all	4.26 (0.692)	3.84 (0.641)	3.55 (0.879)
<i>Environment</i>			
Rural	4.33 (0.613)	3.90 (0.764)	3.72 (0.826)
Urban	4.53 (0.578)	4.04 (0.627)	3.76 (0.835)
Mixed	4.45 (0.533)	3.97 (0.635)	3.80 (0.888)
<i>Religion</i>			
Christianity	4.49 (0.538)	4.01 (0.639)	3.79 (0.828)
Islam	4.42 (0.702)	3.93 (0.703)	3.68 (0.918)
Others	4.33 (0.553)	4.10 (0.679)	3.63 (1.00)
<i>Education</i>			
First-degree	4.40 (0.596)	3.95 (0.627)	3.68 (0.830)
Post-graduate degree	4.57 (0.521)	4.06 (0.679)	3.89 (0.863)
<i>Experience</i>			
<5 years	4.46 (0.595)	3.99 (0.667)	3.60 (0.910)
5-<15 years	4.51 (0.573)	3.97 (0.649)	3.759 (0.875)
15-25 years	4.42 (0.546)	3.99 (0.643)	3.82 (0.809)
> 25 years	4.47 (0.615)	4.14 (0.680)	3.89 (0.769)
Total	4.47 (0.571)	4.00 (0.652)	3.76 (0.851)

Table 3. Descriptive analysis for EDM based on sociodemographic variables

Notes: N = 329; Max. = 5; Min. = 1

Variables	Ethical recognition Combined measures	Ethical judgement Combined measures	Ethical intention Combined measures
Parental discipline	0.119*	0.091*	0.090*
Environment	-0.004	0.002	0.024
Religion	0.022	-0.042	-0.026
Education	0.136**	0.073	0.120*
Experience	-0.032	0.043	0.060

Table 4. Kendall correlation

Notes: * $p < 0.05$; ** $p < 0.01$; N = 329

($\chi^2 = 8.10, p < 0.05$), environment ($\chi^2 = 6.20, p < 0.05$) and education ($\chi^2 = 7.65, p < 0.01$). The trends and effect sizes for parental discipline ($Z = 2.52$: 14%) and education ($Z = 2.77$; 15%) are significant, while that of the environment is not, which suggests that stricter parental discipline and advances in education may predict the ethical sensitivity of accountants.

Table 5 also shows that ethical judgement differs significantly based on religion (in V3) and education (in V1). However, no significant difference is seen based on parental discipline, environment and experience in each vignette. The combined measures show that none of the sociodemographic variables caused ethical judgement to differ among the respondents, which suggests that parental discipline, environment, religion, education and

Table 5.
Kruskal–Wallis and
Jonckheere–Terpstra
tests

Variables	Ethical recognition				Ethical judgement				Ethical intention						
	V1	V2	V3	V4	Combined	V1	V2	V3	V4	Combined	V1	V2	V3	V4	Combined
Parental discipline															
Kruskal–Wallis (χ^2)	1.88	9.97**	7.12*	2.52	8.10*	1.78	3.25	3.85	2.65	5.57	1.76	3.33	3.15	5.73	6.22*
Std. J-T stats. (z)	1.36	2.64**	1.81	1.53	2.52*	1.19	1.39	1.35	1.61	1.99*	0.82	1.76	1.18	1.91	1.99*
Effect size (r)	0.07	0.15	0.10	0.08	0.14	0.07	0.08	0.07	0.09	0.11	0.05	0.10	0.07	0.11	0.11
Environment:															
Kruskal–Wallis (χ^2)	2.13	4.33	4.82	3.16	6.20*	1.29	2.37	1.31	1.18	1.54	3.81	0.71	1.59	1.11	0.30
Std. J-T Stats. (z)	-0.17	0.09	0.37	0.23	-0.08	0.75	-0.82	-0.91	0.94	0.04	-1.46	0.50	1.24	1.03	0.53
Effect size (r)	0.01	0.00	0.02	0.01	0.00	0.04	0.05	0.05	0.05	0.00	0.08	0.03	0.07	0.06	0.03
Religion															
Kruskal–Wallis (χ^2)	2.66	2.64	0.44	0.38	1.36	1.96	0.84	6.01*	0.37	0.81	1.52	0.64	0.29	2.36	0.67
Std. J-T Stats. (z)	1.28	0.45	0.35	0.38	0.44	-0.28	0.63	-2.09*	-0.01	-0.89	1.01	-0.69	-0.48	-0.60	-0.55
Effect-size (r)	0.07	0.02	0.02	0.02	0.02	0.02	0.03	0.12	0.00	0.05	0.06	0.04	0.03	0.03	0.03
Education															
Kruskal–Wallis (χ^2)	4.77*	4.08*	7.79**	2.89	7.65**	7.00**	0.14	1.62	3.68	2.32	9.97**	1.70	0.55	5.15*	6.51*
Std. J-T Stats. (z)	2.19*	2.02*	2.79**	1.70	2.77**	2.65**	-0.37	1.27	1.92	1.52	3.16***	1.30	0.74	2.27*	2.55*
Effect-size (r)	0.12	0.11	0.15	0.09	0.15	0.15	0.02	0.07	0.11	0.08	0.17	0.07	0.04	0.13	0.14
Experience															
Kruskal–Wallis (χ^2)	3.75	2.88	1.50	1.81	2.50	4.11	1.82	0.34	5.18	1.82	3.07	0.47	3.44	4.58	2.24
Std. J-T Stats. (z)	-1.08	-0.92	0.78	-0.40	-0.69	1.73	-0.97	0.13	1.69	0.96	1.27	-0.44	1.68	1.43	1.37
Effect-size (r)	0.06	0.05	0.04	0.02	0.04	0.10	0.05	0.01	0.09	0.05	0.07	0.02	0.09	0.08	0.08

experience may not predict accountants' ability to determine the most ethical option among alternate potentials.

Lastly, Table 5 shows that ethical intention differs significantly based on education (in V1 and V4). No significant difference is seen for ethical intention based on parental discipline, environment, religion and experience in each vignette. The results of the combined measures indicate that ethical intention differs significantly based on parental discipline ($\chi^2 = 6.22, p < 0.05$) and education ($\chi^2 = 6.51, p < 0.01$). The trends and effect sizes for parental discipline ($Z = 1.99; 11\%$) and education ($Z = 2.55; 14\%$) are significant, which suggest that stricter parental discipline and advances in education may significantly predict accountants' intention towards EDM when faced with dilemmatic situations.

Discussion

Our study examined the role of upbringing (parental discipline and environment), religion, education and experience in the EDM process of professional accountants. The results for upbringing showed a positive correlation between parental discipline and EDM stages. However, only ethical recognition and ethical intention differed based on parental discipline. We found accountants with strict parental discipline to be more inclined towards EDM in dilemmatic situations than those with not too strict parental discipline. We also found environment to play a role in influencing the ethical sensitivity of the accountants. Professional accountants with urban upbringing are more ethically sensitive than those with a rural upbringing. In sum, our analyses support *H1*. As hypothesised, our findings demonstrate that upbringing, especially parental discipline, plays a positive role in influencing the EDM process of professional accountants. Accordingly, strict parental discipline influences how professional accountants perceive ethical issues in dilemmatic situations and make ethical decisions. Consistent, therefore, with the biblical proverb that says "train a child in the way he should go, and when he is old he will not turn from it" (Proverbs-22:6, NIV), our findings support the belief that parental discipline is a fundamental facet of individuals' moral development. This evidence aligns with John McDowell's submission on Aristotle's *Nicomachean* ethics that upbringing aids individuals to acquire an ethical character. Thus, upbringing is a crucial sociodemographic variable contributing to the formation of moral characters in individuals.

Contrary to expectation, our analyses did not support *H2*. We found that religion did not significantly cause a difference in the way professional accountants perceive ethical issues and make ethical decisions in dilemmatic situations. This outcome contrasts Ogunleye (2015), but is somewhat consistent with Choudhury *et al.* (2012). The insignificant influence of religion on accountants' EDM weighs in on the side of prior studies that argue that the strength of an individual's religious beliefs and not mere religious affiliation influences the individual's ethical disposition (Ford & Richardson, 1994). We could, therefore, assume that beyond professing religion, strict adherence to religious edicts may influence accountants' EDM in the face of ethical dilemmas. In other words, being spiritual and not just religious may positively influence accountants' EDM. However, future studies should investigate the validity of this assumption.

Furthermore, sufficient statistical evidence from our analyses supports *H3*. As hypothesised, education is a significant predictor of professional accountants' EDM process. Consistent with Kohlberg's CMD theory, our results demonstrate that advances in education positively influence the way professional accountants perceive ethical issues and their intentions towards EDM in dilemmatic situations. While our finding contrasts to Musbah *et al.* (2016), it corroborates with Marques & Azevedo-Pereira (2009) that accountants with a post-graduate degree are more inclined towards making ethical decisions when confronted with dilemmatic situations than those with only first-degree qualifications. That is, as

professional accountants advance in their educational level or acquire higher degrees, they become more ethically sensitive and develop an intention towards making ethical decisions in dilemmatic situations. The positive influence of education on professional accountants' ethical recognition and ethical intention may result from the differences in the curriculum for each level of accounting education. This is because, in Nigeria, no provision is made for a discrete ethics course in the under-graduate programmes, but it is embedded in the curriculum of the post-graduate programmes. While our study supports [Mintchik & Farmer's \(2009\)](#) argument for educational intervention in moulding the moral disposition of future accountants, we call for more research into how the ethics course's contents influence accountants' moral development and EDM process.

Finally, our analyses provided no evidence to support *H4*. Therefore, contrary to what we hypothesised, professional accountants with more experience did not differ significantly in their EDM process from less experienced ones. While our finding sits at odd with Kohlberg's CMD theory and [Trevino's \(1986\)](#) argument that experiences may provide a stimulus for further adult moral development, it is consistent with [Musbah et al. \(2016\)](#), who reported a minimal association between experience and EDM of accountants. Therefore, our findings could be interpreted to mean that rather than experience in general accounting practice, experience in ethical issues in dilemmatic situations may be related to greater awareness of what is morally acceptable. However, future studies should attempt to confirm or reject this possibility.

Conclusion and implications

With the evidence provided in this study, we conclude that upbringing, especially parental discipline, and education are significant sociodemographic predictors of professional accountants' EDM process in the face of dilemmatic situations. Religion and experience play little or no significant role in predicting the EDM process among professional accountants in Nigeria. Therefore, we presuppose that stricter upbringing or parental discipline and a higher level of education could aid professional accountants' ethical sensitivity and EDM process. The evidence provided in this study has some theoretical and practical implications. Our study adds uniqueness in focusing on professional accountants in Nigeria, a developing country with a high corruption profile and weak government institutions. As such, it contributes to the scarce research output on accounting ethics in developing countries. Research with professional accountants with practical experiences against student respondents to conclude on Rest's EDM process could benefit future studies, as few studies directly relate their investigation of EDM to professional accountants.

Our study has also enriched extant literature on accounting ethics by demonstrating that upbringing, a variable that has received little research attention, is a significant sociodemographic variable that could predict professional accountants' EDM in the face of ethical dilemmas. Thus, future theorising and empirical study should consider upbringing as a critical factor in predicting how individuals would behave in the workplace when confronted with situations involving ethical dilemmas. Besides, it is generally accepted in educational psychology that children are *tabula rasa* (blank slates) in need of moral inscriptions, and so, our study supports the idea of moral instructions and programmes to inculcate moral virtues and principles in pupils and college students. The principles of good upbringing, such as solid parental emphasis on punishment for wrong deeds or reward for good deeds, could be applied in moulding children into morally suitable professionals and citizens.

Besides, the evidence in our study suggests that, through educational intervention, the EDM process of current and future professional accountants could be enhanced as education

exerted a strong positive influence on ethical recognition and ethical intention. This evidence could be used as a basis to push for a curriculum review to include a discrete ethics course in the under-graduate accounting degree programmes, which could enhance ethics instructions and training of prospective professional accountants. This is important for countries like Nigeria, where no provision is made for a separate ethics course in the curriculum for under-graduate accounting degree programmes.

Finally, as suggested by Bailey *et al.* (2010) that future studies should consider all stages of Rest's model if the ultimate aim is to enhance accountants ethical performance, we provided evidence on the first three stages of Rest's model – ethical recognition, ethical judgement and ethical intention, against one or two stages examined in previous studies. Therefore, our study adds to the body of literature on Rest's EDM model, which could serve as a basis for future research efforts in other developing countries.

Limitations and suggestions for further studies

Like prior business ethics research, this study is limited in some ways. Caution should, therefore, be applied regarding its conclusion. The use of a questionnaire to measure ethics issues may bias and somewhat inflate the findings. Future studies may improve on the findings by using not only a questionnaire but also adding interview sessions, which would allow respondents to express their personal upbringing experiences and ethical dilemmas in organisations. In this study, we adopted a single-item scale to measure our variables. Future studies could build on our results by adopting multidimensional scales to measure Rest's EDM stages, especially the ethical behaviour stage, which we did not examine due to measurement difficulty. Furthermore, this study limited its scope to sociodemographic variables. We, therefore, suggest that future studies should consider examining other variables like bonus plans, debt covenants, political costs and earnings inflation, among others. We also suggest that future research should consider using the religiosity variable rather than religion.

Notes

1. See ANAN 2016 annual report and account. Retrieved from <http://anan.org.ng/>.
2. See order of proceedings, 2017 ICAN 59th induction ceremony for new members.
3. $n = N(1 + Ne^2)$, where n = sample size, N = population and e = error limit (5%).

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Appendix

Section E

In this section, four vignettes (vignettes) about ethical issues in accounting are presented.

(Using the scale under each vignette, please indicate your answer for each one)

Vignette E 1

Jackson Williams is a young management accountant at a large, public company. After some experience in accounting at headquarters, he has been transferred to one of the company's recently acquired divisions, run by its previous president, Mr George Bright. Mr George has been retained as the vice president of this new division, and Jackson is his accountant. With a marketing background and a practice of calling his own shots, George seems to play by a different set of rules than those to which Jackson is accustomed. So far it is working, as earnings are up and sales projections are high.

The main area of concern to Jackson is George's expense reports. George's boss, the division president, approves the expense reports without review, and expects Jackson to check the details and work out any discrepancies with George. After a series of large and questionable expense reports, Jackson challenges George directly about charges to the company for delivering some personal furniture to George's home. Although the company policy prohibits such charges, George's boss again signed off on the expense without a thorough check.

Jackson feels uncomfortable with this and tells George that he is considering taking the matter to the audit department at the headquarters for review. George reacts sharply, reminding Jackson that "the department will back me anyway", and that Jackson's position in the company would be in jeopardy.

DECISION: Jackson decides not to report the expense charge to the audit department of the company

Please evaluate this action of Jackson Williams by circling the extent of your agreement or disagreement with each of the following statements

	STRONGLY AGREE	AGREE	NEITHER AGREE nor DISAGREE	DISAGREE	STRONGLY DISAGREE
	5	4	3	2	1
1.	The situation above involves an ethical problem			5	4 3 2 1
2.	The decision maker (Jackson) should report the expense charge to the audit department of the company			5	4 3 2 1
3.	If I were Jackson, I would make the same decision not to report the expense charge to the audit department			5	4 3 2 1
4.	The overall harm (if any) to the company as a result of Jackson's decision not to report the expense charge would be very small			5	4 3 2 1
5.	Most people would agree that Jackson's decision not to report the expense charge to the audit department is wrong			5	4 3 2 1

Vignette E 2

Mitchel White, the accountant of a multinational company, was told by the chief executive officer (CEO) to restate the company's earnings to impress potential investors. Unfortunately, Mitchel believes this is unethical, and besides, she is duty bound to protect the public interest as a professional.

Mr Adams, her assistant, suggests that Mitchel review bad debt expense for possible reduction and holding sales open longer at the end of the month. He also brushes off the management letter request from the external auditors to write down the spare parts inventory to reflect its "true value".

At home at the weekend, Mitchel discusses the situation with her husband, Mr White, a senior manager of another company in town. "They're asking me to manipulate the books", she says. "On the one hand", she complains, "I am supposed to be the conscience of the company and on the other, I'm supposed to be absolutely loyal". White tells her that companies do this all the time, and when business picks up again, she will be covered. He reminds her how important her salary is to help maintain their comfortable lifestyle, and that she should not do anything that might cause her to lose her job.

DECISION: Mitchel decides to go along with the suggestions proposed by her boss

Please evaluate this action of Mitchel White by circling the extent of your agreement or disagreement with each of the following statements

STRONGLY AGREE 5	AGREE 4	NEITHER AGREE nor DISAGREE 3	DISAGREE 2	STRONGLY DISAGREE 1
1.	The situation above involves an ethical problem			5 4 3 2 1
2.	The decision maker (Mitchel) should not go along with the suggestions proposed by her boss			5 4 3 2 1
3.	If I were Mitchel, I would make the same decision to go along with the suggestions proposed by her boss			5 4 3 2 1
4.	The overall harm (if any) to the company as a result of Mitchel's decision to go along with the suggestions proposed by her boss would be very small			5 4 3 2 1
5.	Most people would agree that Mitchel's decision to go along with the suggestions proposed by her boss is wrong			5 4 3 2 1

Vignette E 3

Jay Geoffrey, a member of the internal control unit of a multinational company with subsidiaries all over Africa, was asked to check the records and get them ready for the external auditors. On doing so, he discovered that the books have been doctored by the chief accountant and head of internal control to evade taxes. After ruminating over his discovery, he summoned the courage to approach the managing director (MD) to inform him about his discovery and decision to blow the whistle in line with the company's policy and in line with the whistle blowers policy of the country. However, the MD, who is also a part of the manipulation unknown to Jay, offered him some money not to blow the whistle. But he turned down the offer and insisted that he was going to blow the whistle. Then the conspirators threatened his life.

DECISION: Jay decides not to blow the whistle

Please evaluate this action of Jay Geoffrey by circling the extent of your agreement or disagreement with each of the following statements

STRONGLY AGREE 5	AGREE 4	NEITHER AGREE nor DISAGREE 3	DISAGREE 2	STRONGLY DISAGREE 1
1.	The situation above involves an ethical problem			5 4 3 2 1
2.	The decision maker (Alfred) should not make the sale to his friend			5 4 3 2 1
3.	If I were Alfred, I would make the same decision to make the sales to my friend's new business			5 4 3 2 1
4.	The overall harm (if any) to the company as a result of Alfred's decision to make the sales to his friend's new business would be very small			5 4 3 2 1
5.	Most people would agree that Alfred's decision to make the sales to his friend's new business is wrong			5 4 3 2 1

Vignette E 4

Alfred Brown is the assistant controller at BADEX Electronics, a medium-sized manufacturer of electrical equipment. Alfred is in his late 50s and plans to retire soon. His daughter has a very rare kind of illness, which needs lots of money to help her get an operation abroad. Therefore, financial concerns are weighing heavily on his mind. Alfred's boss is out of the office recuperating from health problems, and in his absence, Alfred is making all decisions for the department.

Alfred receives a phone call from an old friend requesting a sizable amount of equipment on credit for his new business. Alfred is sympathetic but cognizant of the risk of extending credit to a new company, especially under strict credit policy for such transactions.

When Alfred mentions this conversation to Mr Brook, the general manager, he is immediately interested. Mr Brook notes that the company needs an additional ₦25,000,000 in sales to meet the quarterly budget and, thus, ensures bonuses for Alfred if the sales is made.

DECISION: Alfred decides to make the sales to his friend's new business

Please evaluate this action of Alfred Brown by circling the extent of your agreement or disagreement with each of the following statements

STRONGLY AGREE	AGREE	NEITHER AGREE nor DISAGREE	DISAGREE	STRONGLY DISAGREE
5	4	3	2	1
1.	The situation above involves an ethical problem			5 4 3 2 1
2.	The decision maker (Jay) should go ahead to blow the whistle			5 4 3 2 1
3.	If I were Jay, I would make the same decision not to blow the whistle			5 4 3 2 1
4.	The overall harm (if any) to the company as a result of Jay's decision not to blow the whistle would be very small			5 4 3 2 1
5.	Most people would agree that Jay's decision not to blow the whistle is wrong			5 4 3 2 1

Author contributions are as follows: Collins Sankay Oboh is the corresponding author and served a lead role in conceptualisation, data curation, formal analysis, funding acquisition, investigation, methodology, project administration, resource creation, software, validation, visualisation, writing – original draft and writing – review and editing. Eddy Olajide Omolehinwa served a lead role in supervision and a supporting role in resource creation.

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