

**FACTORS INFLUENCING THE PERCEPTIONS ON BUSINESS
ETHICS OF MANAGERS IN VARIOUS LEVELS:
A COMPANY STUDY**



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Thematic paper
entitled
**FACTORS INFLUENCING THE PERCEPTIONS ON BUSINESS
ETHICS OF MANAGERS IN VARIOUS LEVELS:
A COMPANY STUDY**

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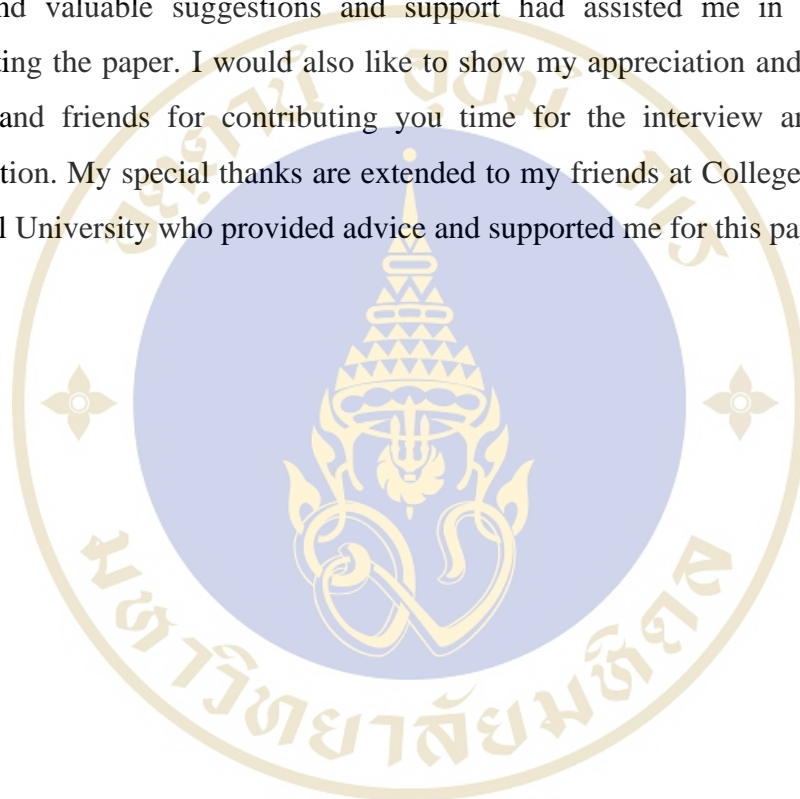
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M.M. (LEADERSHIP AND HUMAN RESOURCES MANAGEMENT)

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ABSTRACT

The study was conducted with a purpose to provide the findings on the factors that influence the ethical perception and decision-making of the managers in various levels of one organization. Ethical perception and decision-making may involve several determinations. The field of ethics, also known as moral philosophy, shows that there are various ways of systematizing, defending, and recommending concepts of right and wrong conduct. For example, from a consequentialist standpoint, a morally right action is one that produces a good outcome, or consequence. A utilitarian perspective takes the position that the proper course of action is one that maximizes overall happiness.

Most ethical decisions exist in a gray area where there is no clear-cut or obvious decision that can be determined solely through quantitative analysis or consideration of objective data or information. Ethical decision making requires judgment and interpretation, the application of a set of values to a set of perceptions and estimates of the consequences of an action. Sometimes ethical decisions involve choosing not between good and bad, but between good and better or between bad and worse.

KEY WORDS: Ethical/ Perception/ Decision-making/ Managers/ Ethical Standard

36 pages

CONTENTS

	Page
ACKNOWLEDGEMENTS	ii
ABSTRACT	iii
TABLE OF CONTENTS	iv
LIST OF TABLES	vi
LIST OF FIGURES	vii
CHAPTER I INTRODUCTION	1
1.1 Background of the Study	1
1.2 Problem Statement	2
1.3 Research objective	2
1.4 Research Questions	3
1.5 Research Scope	3
1.6 Expected Benefit	3
CHAPTER II LITERATURE REVIEW	4
2.1 Perception	4
2.1.1 Definition of Perception	4
2.1.2 Perceptual Process	5
2.2 Ethics Theories	6
2.2.1 Consequentialist ethical theories	6
2.2.2 Deontological Ethics Theories	7
2.2.3 Virtue Ethics Theories	7
2.3 Business Ethics and Standards	8
2.3.1 Concept of Business Ethics	9
2.4 Factors Affecting Perception On Business Ethics	9
2.4.1 Norms	9
2.4.1.1 Organizational Norms	10
2.4.2 Values	10
2.4.2.1 Organizational Value	10

CONTENTS (cont.)

	Page
2.4.3 Beliefs	11
2.4.4 Attitudes	12
CHAPTER III RESEARCH METHODOLOGY	13
3.1 Research Design, Sample Size, and Method	13
3.2 Research Question Development	14
3.3 Data Collection	15
3.4 Data Analysis and Measures	15
CHAPTER IV DATA COLLECTION ANALYSIS AND DISCUSSION	16
4.1 Respondent profiles	16
4.2 Demographics Data	17
4.2.1 Gender/ Age/ Marital Status/ Education Level	17
4.2.2 Current Job Title	18
4.2.3 Years of Experience as Manager	18
4.3 Data analysis and discussion	19
CHAPTER V CONCLUSIONS AND RECOMMENDATIONS	23
5.1 Conclusions	23
5.2 Recommendations	24
5.3 Limitations	24
5.4 Suggestions for further research	24
REFERENCES	25
APPENDICES	27
Appendix A: Interview Transcription: Scenario 1	28
Appendix B: Interview Transcription: Scenario 2	32
BIOGRAPHY	33

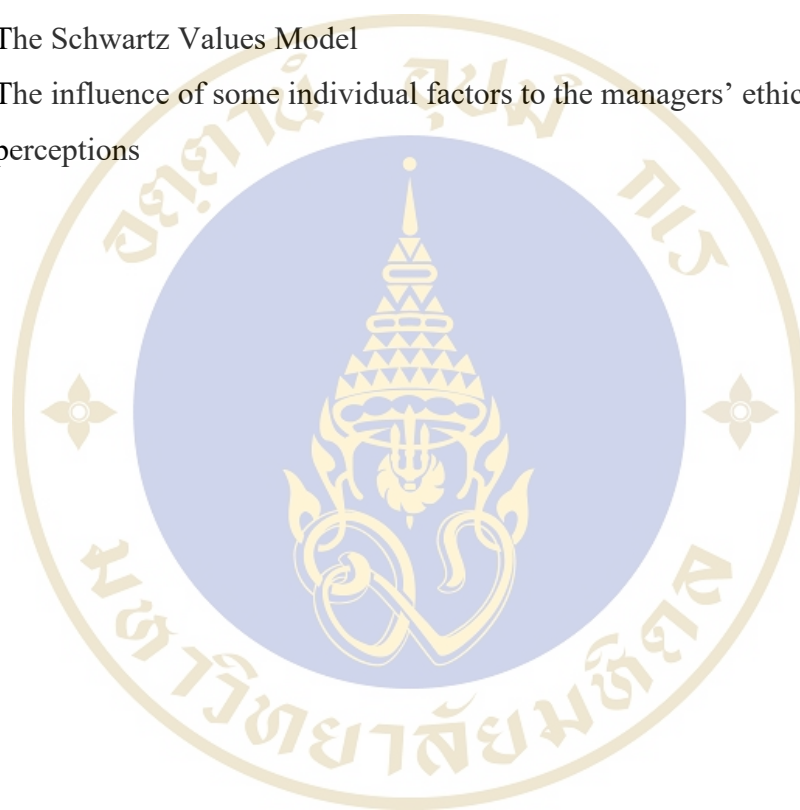
LIST OF TABLES

Table		Page
4.1	Respondent profiles	16
4.2	Respondent profiles	17
4.3	Demographics: Current Job Title	18
4.4	Demographics: Years of Experience as Manager	18



LIST OF FIGURES

Figure	Page
2.1 Factors influence Perception	5
2.2 Perception Process	5
2.3 Three General Theories of Ethics	6
2.4 The Schwartz Values Model	11
3.1 The influence of some individual factors to the managers' ethical perceptions	14



CHAPTER I

INTRODUCTION

1.1 Background of the Study

The success of the business is depending on the successful employees who are led by successful management. The organizations put a lot of trust in their managers, thus, it is the managers' responsibility to lead the company to the success of business.

In the past, if an organization was releasing toxic waste or chemicals into water sources such as the river and poisoned the water which harmed many people, nobody would not care as much as today, the organization could go on doing business successfully as usual. Nowadays, if an organization was to make an ethically wrong move, it will be sued and their name will be all over the television and internet that their reputations which they had spent years in building will tarnished and it will be very hard to earn back a good reputation and become successful again.

Therefore, for the organization not only to survive but to be successful in the market, it must have a good reputation and to be perceived as a reliable partner in business and acts ethically. In order to do so the organization should implement the concepts of ethics in business. Many research and studies shown that the ethical business practices are very important in the business environment. These days many organizations set the business ethics as the fundamental purpose of the business where shareholder value maximization the only main purpose for the business and largely dependent on the how the entities' conduct of good business ethics.

Right or wrong, good or bad, fair or unfair are all issues that the organizations are facing these days. The core of many complex issues often starts with the question of ethics. The individual' ethics aggregate to influence the ethics of the organization. Hence, an individual 's ethical motivation and the decision making which are the results from an individual's ethical perception are very important for the organization to understand.

As the organization puts a lot of trust in to the managers to lead the organization to the success, it is the managers' responsibilities to ensure that everyone includes themselves and all of their subordinates behave ethically and in the best interest of all stakeholders. Thus, understanding the factors that influencing the business ethical perception among managerial levels in the organization can contribute to improvements of the managers' ethical behaviors and ethical decision-making.

1.2 Problem Statement

Nowadays, many organizations have implemented business ethical concepts and some even integrated it into their core value, but according to Transparency International - a German non-governmental organization reported the Annual Corruption Perceptions Index - index offers an annual snapshot of the relative degree of corruption by ranking countries and territories from all over the globe. In 2019, Thailand was reported ranking at 101/180 and the score of 36/100 (Transparency International, 2020). One may wonder whether the corruption could be the result of business ethical perception among the managerial levels who led the organization, in order to maximize the value of shareholders as they may interpret the sense of "right" and "wrong." Differently. What could be the factors that may influence how managers perceive business ethical? Would managers behave differently if they have different business ethical perception and interpretation?

1.3 Research Objective

This research is aimed to:

- Explore the internal factors/ personal factors influencing the managers' business ethics perceptions in selected organization.
- Explore the relation between the factors brought out from the study influencing the managers' perceptions on business ethics and the level of the managers in selected organization.

1.4 Research Questions

1.4.1 What are the factors that may influence the managers' perceptions on business ethics in the organization?

1.4.2 Are there any differences in business ethical perceptions of the managers in different levels to work-related/ business ethical scenarios/ questions?

1.5 Research Scope

The research will be focused on managers in various levels in selected organizations as target respondents. The interviewing procedures will be introduced for data collection in order to get richer and in-depth information.

1.6 Expected Benefit

This research is aimed to determine the factors influencing the perceptions of business ethical among the managers in various levels in organizations. As perceptions can influence behavior and decision-making, this research will help us understand what influences the ethical perception of the managers that lead to such behaviors and decision makings. It is very important for managers to understand their subordinates' perceptions properly in order to avoid making any mistake when dealing with them in the workplace.

CHAPTER II

LITERATURE REVIEW

In this chapter, the researcher explored the definition, the theoretical foundations through existing literature to support this research. The definition and theory will be described in detail for the purpose of giving a clear understanding of the subjects.

2.1 Perception

2.1.1 Definition of Perception

Perception (from the Latin *perceptio*, meaning gathering or receiving) refers to process that sensory information is being organized, identified, and interpreted with the intention to represent and understand the presented information or environment. (Schacter, 2009).

Perception is a psychological process whereas sensation is a physical process. Our brain creates the sensation of vision, hearing, touch, taste and smell and these five senses provide us with the impression of the world. Although perceptions are built on sensations, however, not all sensations are resulting in perception.

Krech and associates (1962) described perception as a process of making sense of the environment for the purpose of making the appropriate behavioral response. Perception may not definitely lead to a meticulous representation of the environment, but it would rather lead to a unique representation which affected by the needs, desires, values, and disposition of the perceiver.

There are a number of factors that form and sometimes even misshape perception. These factors can sometimes be in the situation which the perception is made, in the target, the object or the subject being perceived or reside in the perceiver. The factors reside in the perceiver which may influence the perception

include attitudes, interests, motives, expectations, and past experiences. The situational factors that may influence the perception include work setting, social setting and time. The factors in the target, object or subject that may influence the perception include sound, size, motion, background novelty, and proximity.



Figure 2.1 Factors influence Perception

2.1.2 Perceptual Process

The perceptual process is the steps which a person selects, organizes and interprets information. The steps are:



Figure 2.2 Perception Process

- **Selection:** the stage which our attention is focused on the specific stimulus. Selection is influenced by two types of factors:
 - External factors which are physical property such as size, intensity, proximity and novelty and dynamic property such as motion.
 - Internal factors which are personal factors such as attitude, motives, interests, experiences, and expectations.

- **Organization:** is the process of sorting stimuli into a meaningful pattern involving: grouping of similar stimuli, proximity of stimuli to one another and organize stimuli together to form a whole pattern.

- **Interpretation:** the stage which we provide the meaning for the stimuli that we are exposed.

2.2 Ethics Theories

According to Kaptein and Wempe (2011), there are three approaches to ethics - consequentialism, deontology, and virtue ethics. Consequentialist ethical theories state that we should act to bring about better situations. While Deontological ethical theories view moral evaluation through the action itself and there are certain actions that we should not carry out. Whereas virtue theory is not concerned about the action nor the result, but more to the intention behind the action.

There are also other different forms of consequentialism ethical theories, including the Utilitarian ethical view which determines right from wrong by focusing on outcomes (McCombs School of Business, 2002). An Egalitarian ethical view favors equality. People should get the same, or be treated the same, or be treated as equals, in some respect (Stanford Encyclopedia of Philosophy, 2002).

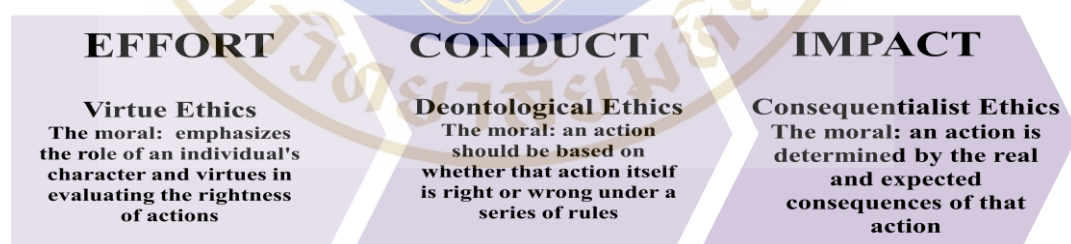


Figure 2.3 Three General Theories of Ethics

2.2.1 Consequentialist ethical theories

Consequentialism is founded by Jeremy Bentham (1748-1832). Consequentialism can be simply referred to as the results-based ethics that focus on the consequences or the impacts of the action rather than the action itself. This theory is based on two concepts:

1. The results of that act determine whether an act is right or wrong.
2. The better or right that act results in good consequences that the act generates.

This theory is also referred to as teleological ethics (teleological from Greek τέλος (telos), “end”; λόγος (logos), “science.” (Encyclopaedia Britannica. 2020). Actions, duties, or moral obligations are taken for a certain end or result to be achieved. Therefore, individuals should behave in a manner that their own interests or goals are maximized. This would suggest that the value of morality is little and therefore suggests that to be ethical is really not necessary. Conversely, Utilitarianism determines right from wrong by focusing on outcomes would be achieved or maximized.

2.2.2 Deontological Ethics Theories

The term deontology is derived from the Greek terms δέον (deon), “duty,” and λόγος (logos), “science.” The theory suggests that the morality of an action should be based on of some characteristic of the action itself, not because the product of the action is good.

This theory is also known as Kantianism after the influential German philosopher Immanuel Kant (1724-1804) who suggested that individuals should act in keeping with their duty. Kant believed that the moral action should not have any connection with human inclinations, emotions and consequences but the source of morality is the reason.

Kant believed that there was a supreme principle of morality, and he referred to it as “The Categorical Imperative” which supposed to provide a way of evaluating moral action. According to him, a categorical imperative is a rule that is true in all circumstances. Kant says the only thing that is completely good is a good will—the desire to conform itself to the moral law as he assumed there is a moral law. (Messerly, 2015)

2.2.3 Virtue Ethics Theories

Virtue ethic theories emphasize the role of the moral character, the virtues of mind and the sense of honesty. The focus of these theories is not what is the

action nor what are the consequences/ the results/ the outcome of the action but the person who does it is being evaluated, these theories' objective is to analyze the qualities of a person so they pay attention to who the people are.

Virtue ethics theories got inspiration from and developed by Aristotle, who argued that virtues are the good habit that we acquire, and a virtuous person is someone with unreasonable idealism who acts virtuously if they "possess and live the virtues". The virtuous person has ideal characteristic traits that obtain from natural internal tendencies which need to be fostered but become stable once established. Virtue ethics theories discuss nature and aim that we should live the virtuous life, or act virtuously.

The term "virtue" derived from both the Greek ἀρετή (*arete*) and the Latin *virtus*. *Arete* means "virtue" and "excellence."

2.3 Business Ethics and Standards

A standard is a written set of rules, guidelines, requirement, or something that used as a measure in an evaluation.

Ethical standards are a set of principles established by the founders of the organization to communicate its underlying moral values. This code provides a framework that can be used as a reference for decision making processes. (Myaccountingcourse, 2020).

The ethical standards are the important part of the organization culture and there is no 'one-size-fit-all' set of ethical standards for all organizations, rather each organization can develop their own ethical standards. These ethical standards are the foundation of business relationships with stakeholders and help build and maintain their confidence.

Ethical standards are not always easily enforceable as they are often vaguely defined in absolute terms and open to interpretation because it is intangibles that include principles, values and beliefs. Though, some ethical standards can be more specific and easier to interpret and understand.

2.3.1 Concept of Business Ethics

Ethics are defined as the set rules, guidelines or standards which rule our everyday decisions. Ethics can also be defined as a sense of “right” and “wrong”. The term 'Ethics' is derived from the Greek word ἦθος '*ethos*' which can mean custom, habit, character or disposition.

Business Ethics or sometime referred to as corporate ethics is an internal code that governs how business is being conducted, that examines ethical principles within a commercial context and ethical dilemmas that can arise in a business environment. It is relevant to how the entire organizations and individuals in the organization conduct the business. The principles that guide a business are including norms, values, ethical, and unethical practices. Business ethics help to ensure a certain level of trust between the business and all of their stakeholders.

Business Ethics represent the principles of how the business should conduct in the ethical dilemma or situation. Though ethics may simply be referred to the sense of "right" and "wrong", but it is noteworthy that “ethics” and “law” are not the same and the “ethical” and “legal” actions are not necessarily the same even in a same situation.

2.4 Factors Affecting Perception On Business Ethics

2.4.1 Norms

Norms are social phenomena, and they are propagated among group members through communication (Kincaid, 2004). They are unwritten rules and the standards that the group uses to judge which behavior is approved/ acceptable and which behavior is disapproved/ unacceptable.

Stanford Encyclopedia of Philosophy (2020) described that norm which also called social norm is the informal rules that govern behavior in groups and societies, have been extensively studied in the social sciences. Every society has its own set of norms that govern how all the member of that society. Although, norms are informal rules, but that does not mean if one does not follow the social norms will be acceptable.

Sherif (1936) described that social norms include customs and traditions, standards and values, and all other rules of conduct that are developed as a function of social interactions.

2.4.1.1 Organizational Norms

Organizational norms are a set of unwritten rules of acceptable standard behaviors, beliefs and attitudes that governs all members of the organization.

The set of behaviors that employees in one organization considered as acceptable may not be the acceptable for the other organization. Each organization has its own norms and unlike the rules, the organization norms are unwritten, but that does not mean the employees who violate the organization norms will go unpunished. However, the punishment may not be in the same form as the one that the employee would get if violating rules, but it could make them feel that they have done something which is not acceptable and definitely feel the shame.

2.4.2 Values

Values are firm but not unyielding beliefs that guide and motivate personal preferences to particular attitudes and behaviors. Values give us a “moral guideline” that directs a person’s motivations, decisions, and actions. In many aspects, values influence, individuals and corporate entities alike and they are often firm and lasting. Values can be positive that is constructive and healthy or harmful that is destructive and unhealthy.

Many theorists have pointed out that values are recognizably different from attitudes, norms, beliefs, goals, and needs. Values are more abstract and they are not only directed at specific objects, behaviors, or states of reality but represent very general and vague goals.

2.4.2.1 Organizational Value

Organization values, sometimes referred to as core values are described by Collins & Porras (1996) as the handful of beliefs, guiding principles or tenets that are absolutely non-negotiable within an organization.

These organization values are the guiding principles that dictate the behavior and can help people in the organization understand the difference between right and wrong. Values of the organization are shared and accepted norms

which suggest what organizational members are expected of and how to allocate resources, make important decisions and grow.

Organization values can motivate employees to give the best efforts and coerce their actions hence the employees are more united as they have the same principles that guide them toward the decisions and actions. Every organization has its own values and often have preferences for some over others. The organization values are the statement to let other know what the organization is all about, why it has been created, and how it is different from other organizations.

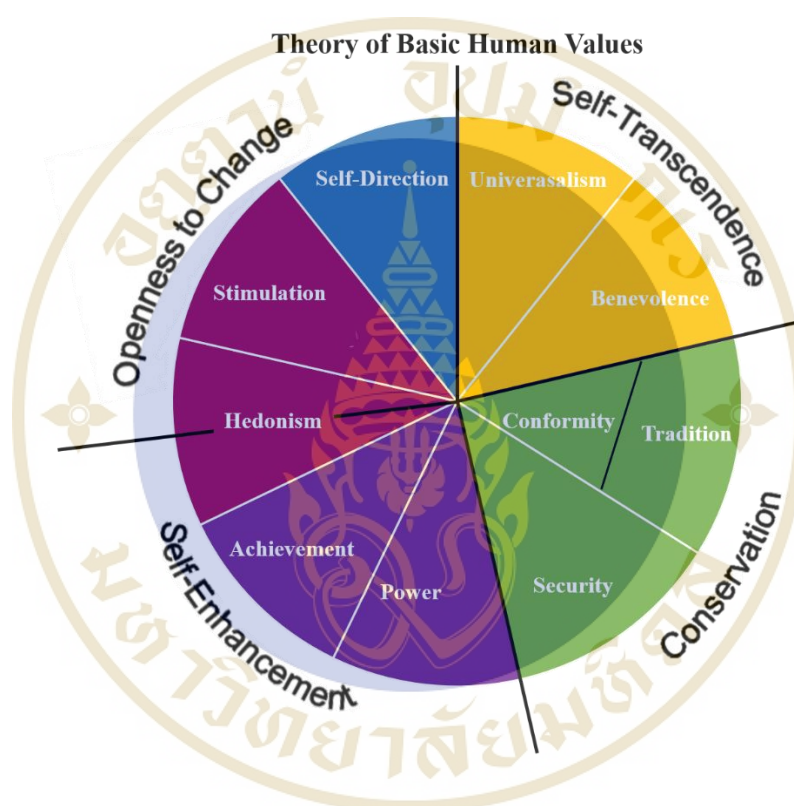


Figure 2.4 The Schwartz Values Model (Schwartz, 2012)

2.4.3 Beliefs

A belief is a structure of thoughts, behavior, tradition, and practice, based on ideas a group hold to be true: a collective conviction (Cawley, 2018).

Belief is a familiar attitude: believing something is taking it to be the case or regarding it as true, however, does not necessary actively reflecting on it all the time (Schwitzgebel, 2019).

Kendall (2006) described that beliefs may be based on tradition, faith, experience, scientific research, or some combination of these. The examples of beliefs are faith in a supreme being and trust in another person. We often hear the term 'Belief' to be used in association with religions and the often used with the term 'faith'.

2.4.4 Attitudes

Attitudes can be defined as a tendency which is acquired that determines a person's behavior towards specific object or subject. Our behavior is determined by our likes and dislikes. Therefore, our attitude can be defined as the tendency to which we evaluate object or subject as favorable or unfavorable, whether we like or dislike.

The term 'Attitude' is derived from the Latin '*aptus*', which means 'fitting, suitable, or appropriate'. Attitudes are lasting, general evaluations of people, objects, and issues, based on organized beliefs and tendencies to act in a particular way (Hogg & Vaughan, 2005).

Attitudes structure can be described in 'three-component attitude model' or ABC which has its root in ancient philosophy consists of:

- An Affective (feeling) component – involves one's feelings and emotions toward an object.
- A Behavioral (acting) component – involves the way the attitude we have influences on intended behavior.
- A Cognitive (thinking) component – involves one's knowledge and belief about an object.

CHAPTER III

RESEARCH METHODOLOGY

The main purpose of this chapter is to focus on the research design and methodology which is to be used for this paper. This chapter will also include data collection procedures, survey instruments, measures, and exploratory factor analysis procedures.

This paper will use the qualitative research approach through interview and will focus on determining the factors the influencing the business ethical perception among the managerial levels in the organization.

The qualitative research is the appropriate tool to use for this study because the focus is not only what people think, but also why do they think that way. As this type of research allows us to have in-depth responses and further probing and questioning of respondents based on their responses.

3.1 Research Design, Sample Size, and Method

To collect data on what do different managerial levels consider as the factors that are influencing them in perceiving business ethical for this study consisted of two parts. The first part involved conducting semi-structured focus group interview as we aimed at ‘learning about something in depth from another person’s point of view’ (H. J. Rubin and I. S. Rubin, 2005) and give us the access to the observation of others (R.S. Weiss, 1995).

The focus group provides a rich and details set of data about perceptions, thoughts, feeling and impression of group members in their own words (Stewart and Shamdasani, 1990). We invited ten managers in different levels of the selected organization for focus group interview. During the session which lasted approximately 20 – 30 minutes, each manager was provided with scenarios/ questions and was asked

questions about the relationship between his/ her ethical perception and norm, attitude, value and opinion towards ethics.

The scenarios/ questions were designed as the sequences that linked together in order to determine whether the norms, beliefs, values and attitudes toward different scenarios/ questions have any influence on the managers' perception on ethics or not.

The demographic data such as gender, age, marital status, education level, position level, the number of years in management position were asked and the information was obtained during the interview.

3.2 Research Question Development

Although there are many individual factors such as needs, desires, values and attitudes of managers that may affect their ethical perceptions. Personal characteristics heavily influence the interpretation of the individual perceiver, this research is aimed to focus on those personal characteristics which include a person's attitudes, beliefs, norm and value. Two research questions were proposed and assessed through the interview session. This research attempts to explore and analyze the influence of some individual factors such as norm, belief, values, and attitudes to the managers' ethical perceptions, based on research finding in the literature review session of this paper.

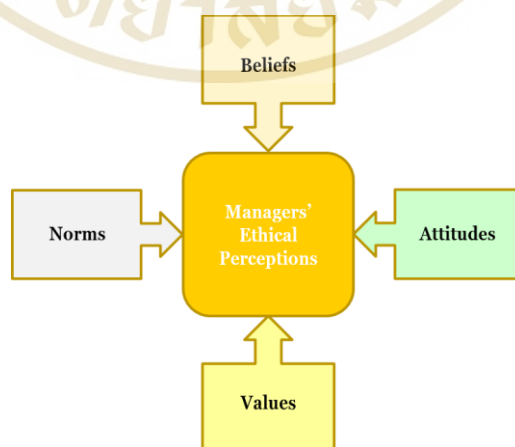


Figure 3.1 The influence of some individual factors to the managers' ethical perceptions

Research Question: There is relation between norm, beliefs, values and attitudes and how managers perceive and response to ethical scenarios.

The question of whether managers' responses to business ethical scenarios are related to their norm, beliefs, values and attitudes influence.

Research Question: Are there any differences in business ethical perceptions of the managers in different levels to work-related/ business ethical scenarios/ questions?

The question of whether there are any differences in of the managers' responses to business ethical scenarios.

3.3 Data Collection

The appointment for interview sessions were arranged with either an individual or a small group of managers. set of scenarios were presented and questions about the scenarios were asked during the interview session. The interview aimed at determining whether norm, beliefs, values, and attitudes influencing managers' ethical perceptions. Data would be gathered from the interview of ten managers in different levels in organizations. The demographic data was also collected during the interview session.

3.4 Data Analysis and Measures

The data was collected and analyzed by qualitative content analysis technique to find some pattern inside data from data collection.

CHAPTER IV

DATA COLLECTION ANALYSIS AND DISCUSSION

This chapter provides a summary of the responses to the scenarios and the questions in the interview session. Data was gathered from a total of ten managers during the interview session that was conducted in June 2020. The interview sessions were conducted in 3 small focus groups consisted of 3 to 4 managers.

4.1 Respondent profiles

Twenty-two managers in the organization were selected and invited for the interview, however, only 10 of them agreed to the interview, the profile as shown in the table below.

Table 4.1 Respondent profiles

Interviewee	Gender	Age	Marital Status	Education Level	Current Job Title	Years of Experience
1	Male	40 – 49	Single	Bachelor Degree	Entry level Management	6 – 10 years
2	Male	30 – 39	Married/ Stay together	Bachelor Degree	Entry level Management	6 – 10 years
3	Female	30 – 39	Single	Bachelor Degree	Mid-level Management	6 – 10 years
4	Female	40 – 49	Married/ Stay together	Bachelor Degree	Mid-level Management	11 – 15 years
5	Female	30 – 39	Divorced/ Widowed/ Separated	Bachelor Degree	Entry level Management	Less than 5 years
6	Male	40 – 49	Single	Bachelor Degree	Mid-level Management	Less than 5 years
7	Male	40 – 49	Single	Bachelor Degree	Mid-level Management	Less than 5 years

Table 4.1 Respondent profiles (cont.)

Interviewee	Gender	Age	Marital Status	Education Level	Current Job Title	Years of Experience
8	Female	Over 50	Married/ Stay together	Bachelor Degree	Top level Management	Over 15 years
9	Male	30 – 39	Married/ Stay together	Bachelor Degree	Entry level Management	6 – 10 years
10	Female	30 – 39	Single	Bachelor Degree	Mid-level Management	6 – 10 years

4.2 Demographics Data

4.2.1 Gender/ Age/ Marital Status/ Education Level

Table 4.2 Demographics: Gender/ Age/ Marital Status/ Education Level

Gender	Frequency	Percentage (%)	Accumulative Percentage (%)
Male	5	50.0	50.0
Female	5	50.0	100.0
Total	10	100.0	
Age	Frequency	Percentage (%)	Accumulative Percentage (%)
20-29	0	0.0%	0.0
30-39	5	50.0%	50.0
40-49	4	40.0%	90.0
above 50	1	10.0%	100.0
Total	10	100.0	
Marital Status	Frequency	Percentage (%)	Accumulative Percentage (%)
Single	5	50.0%	50.0
Married/ Stay together	4	40.0%	90.0
Divorced/ Widowed/ Separated	1	10.0%	100.0
Total	10	100.0	
Educational Level	Frequency	Percentage (%)	Accumulative Percentage (%)
Bachelor Degree	10	100.0	100.0
Master Degree	0	0.0	
Doctorate	0	0.0	
Total	10	100.0	

Table 4.2 showed that from 10 respondents participating in the interview session for this study, 50.0% were male and 50.0% were female. All of the managers were above 30 years of ages with only 10.0% being above 50 years of age. With regard to marital status, 50.0% were single, 40.0% were married/ stay together with their partners and 10.0% were divorced/ widowed/ separated. As for the education level, all ten respondents graduated Bachelor degree.

4.2.2 Current Job Title

Table 4.3 Demographics: Current Job Title

Current Job Title	Frequency	Percentage (%)	Accumulative Percentage (%)
Entry level Management	4	40.0%	40.0
Mid-level Management	5	50.0%	90.0
Top level Management	1	10.0%	100.0
Total	10	100.0	

Table 4.3 showed the current job title of the respondents, the frequency of the managers responded in the interview was expected to be in line with the number of staffs at each level of seniority of this organization. Therefore, entry level managers were expected to be more than mid-level and top-level managers to be responded when the appointment for the interview was arranged. However, the result showed that entry level managers were 40.0%, while mid-level managers were 50.0% and top-level managers were 10.0%. This result could be because the entry level managers avoided participating in this study due to sensitive nature.

4.2.3 Years of Experience as Manager

Table 4.4 Demographics: Years of Experience as Manager

Years of Experience as Manager	Frequency	Percentage (%)	Accumulative Percentage (%)
Less than 5	3	30.0%	30.0
5 - 10	5	50.0%	80.0
10 - 15	1	10.0%	90.0
Above 15	1	10.0%	100.0
Total	10	100.0	

Table 4.4 showed the period of years, the respondents have been working as managers. 33.3% of the respondents had less than 5 years of management experience, 41.7% had between 5 to 10 years of experience. 25.0% of the respondents had 10 or more years of experience. The managers interviewed were from different departments in the organizations.

4.3 Data analysis and discussion

The purpose of the study is to determine whether norms, beliefs, values and attitudes has influence on the ethical perceptions of the managers, the interview was conducted using scenarios and questions. The respondents' data were collected.

The responses to the ethical scenarios/ questions that were presented to the managers during the interview was the evidence suggested the managers' perception of ethical scenarios/ questions were influenced by organization norms and values, as the interview transcription from some of the managers were shown below.

Statement 1: Your subordinate was using the organization services for personal use. (e.g. organization's vehicle, long-distance calls), what would be your action? Why?

Table 4.5 Respondent Quote from interview statement1

Factor influencing Ethical Perception	Respondent Quote.
Norms and Values – Organizational norms and Organizational Value.	<p><i>“It is wrong so I will have to give a warning for that because it is against company rules”.</i></p> <p><i>“This is wrong, and the staff will have warning. Because it is against our Code of Ethics and Core Value.”</i></p> <p><i>“It is in employee handbook and company rules that using company car and phone for personal use is wrong, and staff will get a warning.”</i></p>

The answers/ responses to the business ethical scenarios/ questions from all managers interviewed in this study were similar and their reasons that they were

given to support their answers/ responses with regard to how they perceived ethical scenarios/ questions were also similar. They stated that their ethical perceptions are based on the organization ‘Code of Conduct’ and ‘Core Value’ which they considered as a guide of principles on how the organization and an individual in the organization should conduct the business. Therefore, the behaviors or actions are being viewed as ‘right’ or ‘wrong’ based on the organization norms and values what they referred to as ‘Code of Conduct’ and ‘Core Value’.

Managers also believe that the ‘Code of Conduct’ and ‘Core Value’ of the organization had set the organization norms, rules and regulations on how they should conduct the business and how to behave, hence, the organization norms and values had indeed influenced how the managers in this organization perceive ethics.

Statement 2: From question 1, if it were an emergency for example, family is in a hospital and your subordinate had no other choice but to use company service for personal use, what would be your action? Why?

Table 4.6 Respondent Quote from interview statement2

Factor influencing Ethical Perception	Respondent Quote.
Personal Values	<p><i>“If it is absolutely necessary and it is no other option, I think it is OK and I will allow it.”</i></p> <p><i>“If it is emergency and staff had no other choice, it will be okay.”</i></p> <p><i>“It is still not wrong, but I will allow it because staff has no other choice and family is important.”</i></p>

During the interviews, as the scenarios/ questions were designed as an extension that linked the following scenario to the previous one, we found that once the scenarios extended toward the personal levels, ethical perceptions of some managers wavered. The perceptions on ethics of the managers were difference once the scenarios had changed.

From the interview, although, the managers did not change the ethical perception completely as what they perceived as ‘right’ or ‘wrong’ are still the same

based on organizational norms and values, however, the managers' responses indicated that the actions they would take were changed. The answers were varying from one manager to the other, and the reasons supports their answers were also different according to their personal norms and personal values.

Based on the responses from the managers, the perceptions on ethics are indeed influenced by norms and values whether they are organizational and personal norms and values depending on the scenarios.

Statement 3: From statement1, do you think your staff did that on purpose? Why?

Table 4.7 Respondent Quote from interview statement3

Factor influencing Ethical Perception	Respondent Quote.
Beliefs and attitudes	<p><i>"I don't think anyone want to do wrong. People make mistakes that don't make them bad people".</i></p> <p><i>"It was emergency, right, so I don't think my staff want to have emergency just to use company's car or phone".</i></p> <p><i>"Personally, I believe that nobody is totally good or bad. So no, I do not think my staff did any wrong thing on purpose".</i></p>

From the responses during the interview, there are evident that the beliefs and attitudes also play a big role in influencing the ethical perceptions of the managers. The majority of the managers stated that they do have a belief that nobody wants to do the wrong thing under normal circumstance. The responses were based on what their beliefs and their attitude toward ethical scenarios/ questions.

The managers' responses evidently showed that they sometime consider the unethical behavior as ethical when there is an acceptable justification provided to support sch action. For example, 'using organization services for personal usage', the managers who use their private telephones or cars for company purposes may be trying to justified that if it is acceptable for them to use their private property for company purpose then it should not be so wrong if they use the company services for personal usage. However, there has to be an 'acceptable justification for it.

The result also suggested that the managers' perception on ethics did not have the significant differences with regards to demographics data such as age, gender, marital status, education level, current job position or years of experience as manager. However, the managers who are older and with more years of experience as manager did respond faster than the younger managers with less years of experience.



CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

This chapter provides the conclusion from the findings of the study, the recommendation, the limitations of the study, and the suggestions for further research. The purpose of the study is to determine the factors influencing the perception on business ethical of manager in various levels in the selected organization. This study has found the factors such as norms, beliefs, values, and attitudes do influence the business ethical perceptions of the managers of this organization.

5.1 Conclusion

Based on the data collection conducted for this study, the organization which the managers interviewed for this study work for have established 'Code of Conduct' and 'Core Values' in which their employees have been trained on the corporate norms and values. This suggests that the company's 'Code of Conduct' and 'Core Values' are the established standards for ethical conducts and behaviors. According to the findings with respect to the scenarios which extended from business aspects to personal aspects, the managers' perceptions on ethics became different.

The data collected from each of the managers showed that this company practices deontological ethics which is action-based ethics meaning that the action is considered as right or wrong using 'Code of Conduct' and 'Core Values' as guideline. This is an indication that this organization are duty bound when conducting business.

The study was aimed to determine whether norms, beliefs, values, and attitude have any influence on how the managers' perceptions on ethics or not. The results of the study found that the norms, beliefs, values, and attitude do have influence on how the managers perceive ethics. Their perceptions are associated with organization norms and values together with personal beliefs and attitudes towards

ethical scenarios/ questions. The result from this study did not show that the demographic data the significant influence on the managers' perception on ethics.

5.2 Recommendation

From the study, it is important that the organizations that want their employees to behave in ethical manners, it is crucial for the organization to set up certain organizational core values and code of conduct or ethics policy. The organization should provide training to its employees and encourage them to exercise ethical practices by mean of showing recognitions and giving rewards in order to ensure that the ethical practices will be successful and the ethical perception of all employees to be aligned with organizational core values and a code of conduct or ethics policy.

5.3 Limitations of the study

The key limitation of the study was the time constrained and the sample size. Due to the limitation of time for research therefore the researcher could only be able to approach one organization and requested for the managers to be selected and interviewed for this study. Moreover, this research was using only qualitative method.

5.4 Suggestions for further research

The suggestion for further research is that it needs to cover a lager sample size from various organizations for comparison, and both qualitative and quantitative method of research to be used in order to collect more date and have better result.

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Appendix A: Interview Transcription: Scenario 1

Statement1: Your subordinate was using the organization services for personal use. (e.g. long-distance calls, organization's vehicle), what would be your action? Why?

	Response
Interviewee 1	“It is wrong so I will have to give a warning for that because it is against company rules. However, if it is absolutely necessary and it is no other option, I think it is OK”
Interviewee 2	“I do not think it is the right thing for any employee to use company's service for their personal use, no matter what the reason is and the person will receive a punishment because this is the company rules and everyone knows it.”
Interviewee 3	“It is wrong, staff cannot use the organization's service for his/ her personal use. The staff will get a warning. We all know company rules that we cannot use company service for personal use.”
Interviewee 4	“It is wrong for the employee to use company's service for personal use. I will have to give the warning, the employee handbook stated that.”
Interviewee 5	“It is not acceptable, company phones or cars are not for personal use. The staff will be punished. Company rules said it is wrong.”
Interviewee 6	“This is wrong and the staff will have warning. Because it is against our Code of Ethics and Core Value.”

	Response
Interviewee 7	“It is in employee handbook and company rules that using company car and phone for personal use is wrong, and staff will get a warning.”
Interviewee 8	“It is not right, no employee can use company services for their own purpose. The employee should get a warning because it is the company rule.”
Interviewee 9	“It is wrong thing to do to use company service for personal use and warning will be given. It is the company regulations”
Interviewee 10	“We all have a training and we all know company rules so I will have to give a warning to my staff for using company service for personal use.”

Statement2: From statement1, if it were an emergency for example family is in hospital and your subordinate had no other choice but to use company service for personal use, what would be your action? Why?

	Response
Interviewee 1	“Well, like I said earlier, if it is absolutely necessary and it is no other option, I think it is OK and I will allow it.”
Interviewee 2	“Even if it is an emergency, the staff should tell me and HR and we could find way to help. But I still have to speak to my staff to give verbal warning or something”

	Response
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Interviewee 3	“I still think it is wrong to use the organization’s service for his/ her personal use even in case of emergency. He/ she can talk to me before doing so because it is breaking company rules. I will still have to give the warning.”
Interviewee 4	“If it is emergency and staff had no other choice, it will be okay.”
Interviewee 5	“Though it is not acceptable as it stated clearly in company rules, but family is important. Maybe I will let the staff uses it but will need to speak to my staff later so it will not happen again”
Interviewee 6	“It is still not wrong but I will allow it because staff has no other choice and family is important.”
Interviewee 7	“I will allow it if it is necessary, I do not think my staff intentionally wants to break the rules.”
Interviewee 8	“Even though it is wrong but I think I understand how important the family is. So if that is the reason my staff has to use company service for personal use, then I think it is okay”
Interviewee 9	“Maybe it is wrong according the company regulations, but if the staff really have no choice and it is concerning the family. I think I can understand, however, I still need to talk to my staff and remind her about company regulations. I also don’t think it was intentionally”.
Interviewee 10	“If it is the case of family emergency, then I will allow it because I do not believe that my staff was intentionally want to break the company’s rule”.

Statement3: From statement1, do you think you staff did that on purpose? Why?

	Response
Interviewee 1	“I don’t think my staff was doing it on purpose. I know my staff and I trust my staff but sometimes mistake happens”.
Interviewee 2	“I don’t think anyone want to do wrong. People make mistakes that don’t make them bad people”.
Interviewee 3	“I do not think my staff did it on purpose and I know my staff is not a bad person”.
Interviewee 4	“It was emergency, right, so I don’t think my staff want to have emergency just to use company’s car or phone”.
Interviewee 5	“Like it said earlier, family is important, and I do not think anyone wants to do the wrong thing”.
Interviewee 6	“Personally, I believe that nobody is totally good or bad. So no, I do not think my staff did any wrong thing on purpose”.
Interviewee 7	“I do not think my staff would do that on purpose. I know my staff”.
Interviewee 8	“I do believe that anyone will purposely do the bad things. Sometime, it is because of the circumstances force you to do something even though you know it is wrong”.
Interviewee 9	“I do not think my staff is doing it on purpose. I am sue she knows it is wrong”.

	Response
Interviewee 10	“I believe that my staff will not do something against the company rules on purpose. I do not think anybody will purposely doing that”.



Appendix B: Interview Transcription: Scenario 2

Statement1: What is your opinion on the employee giving or receiving gifts/ favors from clients or contractors? Why?

	Response
Interviewee 1	“I think it is not a problem as long as the value is under the acceptable limit that the company allows.”
Interviewee 2	“We can give or receive gifts if the value is not more than what company said we can accept.”
Interviewee 3	“The company do have the rules regarding gifts and if it is not over the limit then we can give or receive.”
Interviewee 4	“Giving or receiving gifts is acceptable if it is under company limited value.”
Interviewee 5	“It is okay to give or receive gifts from clients or contractors if it is not more than company limit.”
Interviewee 6	“Actually, we do give or receive gifts during festive seasons like New Year. I think it is acceptable if the amount is not more than what is allowed by company.”
Interviewee 7	“If the gifts are not more value the company permit us to give or receive, then I think there is nothing wrong with it.”

	Response
Interviewee 8	“I do not think there is anything wrong with that, because we do give and receive gifts from clients or contractors on special occasion like New Year.”
Interviewee 9	“I think if it is special occasion, it is acceptable when the values of the gifts is not more than the amount that the company allows.”
Interviewee 10	“The company rules stated that if the gifts’ values are not 3,000 THB, then it is okay to give or receive. So, I have no problem with it.”

Statement2: From statement1, what would be your opinion if the employee is doing that in exchange for special treatment? Why?

	Response
Interviewee 1	“I think it is wrong. Definitely wrong, that is against the ‘Core Value’ of transparency.”
Interviewee 2	“According to company’s ‘Code of Conduct’, we cannot give or receive gift from clients or contractors in exchange of special treatment, so it is wrong.”
Interviewee 3	“That will be a corruption then.”
Interviewee 4	“We cannot do that, it is wrong.”
Interviewee 5	“Oh! If that is the case, then it is wrong even the value of the gift is less than what company allows.”

	Response
Interviewee 6	“If it is for special treatment then I think it is not acceptable even if the amount is less than what is allowed by company.”
Interviewee 7	“A gift in exchange for special treatment is a ‘No-No’. It is totally wrong.”
Interviewee 8	“In that case, it is wrong. It is corruption.”
Interviewee 9	“It is against transparency policy and ‘Core Value’.”
Interviewee 10	“You cannot do that, that is wrong. It is a corruption.”

