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Diversity and the Effects on Accounting Students' Ethical Awareness

by

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Undergraduate honors thesis under the direction of

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Submitted to the LSU Honors College in partial fulfillment of
the Upper Division Honors Program.

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Diversity and the Effects on Accounting Students' Ethical Awareness

Abstract

The ethics of accountants has recently been called into question due to the increase in corporate fraud. Thus, the ethics of accountants need to be evaluated. Specifically, characteristics of ethical people need to be identified. I conducted this study to test whether diversity awareness has an effect on the ethics of accounting students. Eighty five accounting students at Louisiana State University, ranging from sophomores to master's students, completed a survey I developed, "Mix it Up," along with the Defining Issues Test-2 (DIT-2). I conducted a multiple regression analysis to determine what variables concerning diversity tested in the survey had an effect on the DIT-2 N2 scores (the amount of moral development). The results showed that gender acceptance and religion affected the performance of the individuals on the DIT-2 test. Overall the students at LSU had N2 scores comparable to the norm N2 score. The "Mix It Up" survey indicated that, although the subjects were not diverse as a group, they did show awareness and acceptance of diversity. An implication of this study is that students need to be educated about diversity, so that they will be prepared for the professional world. The rate of moral development is high in the post secondary years of education, so students need to be targeted. Students can only progress to higher levels of moral development through social interaction and discussion. It is to everyone's benefit to have more ethical people joining the accounting profession.

Diversity and the Effects on Accounting Students' Ethical Awareness

Introduction

Corporate fraud has become a widely recognized crime that has placed scrutiny on the accounting profession. New laws have been passed in response to the frequency of fraud, which tend to be a response to the actions of a few unethical people in the business world. To deter these corporate scandals, the ethics of accountants need to be considered. Researchers need to explore how the educational system can help prevent frauds from occurring. The academic world has a responsibility for educating the students about ethical behavior. To recognize the nature of education that is needed, it is necessary to identify the characteristics of those who are apparently morally sound. One such factor that may contribute to the level of moral development of individuals is the degree of diversity awareness. For the purposes of this study, diversity awareness is defined as exposure to people of different genders, races, cultures, religions, ethnicity, and sexual orientation. This study also considers the general level of acceptance the subjects had for these differences.

As a high school student, I was educated in a widely diverse environment. I believe that my acceptance of others has contributed to my own ethical values. Diversity is an important factor in today's society. The composition of people in organizations is determined with diversity in mind. In this research, I evaluate the diversity awareness of accounting students at Louisiana State University and compare that to their level of ethical development as measured by the Defining Issues Test-2 (DIT-2).

Review of Literature

Poneman and Gabhart (1993) compared the performance of Canadian accountants to American accountants on the DIT-1. They found that the Canadians had higher levels of moral development than the Americans. They attributed these differences to cultural and educational differences.

Linda Thorne (1999) studied the moral development of Canadian students based on the assumption that most students develop their morals during their years in college. Her study examined the moral development of 214 Canadian accounting students and compared it to the moral development of American accounting students. The findings of her study were meant to discover whether the American-based inferences for understanding morals of accounting students applied to the students of other countries. Thorne used the DIT-1 to measure the level of moral development, which tested the moral development of Canadian students and the relationship between their moral development and their demographics. Thorne found that the P-scores of the DIT-1 test are positively associated with the number of years of post-secondary education, and that female Canadian accounting students had higher levels of moral development than the males. Age and audit experience had no effect on moral development. Those with English as a first language had lower scores than those without. Americans had lower levels of moral development than the Canadians. However, in considering the American results, the females had higher scores than the males.

Agacer et al. (2004) studied the degree of ethical awareness in accounting students in four different countries: (1) United States (Mississippi State University), (2)

the Philippines (University of the Philippines), (3) Indonesia (University of Indonesia at Jakarta), and (4) Finland (University of Tampere). The students were given sixteen cases involving ethical dilemmas to evaluate their perception of ethics. There was a significant difference between these students and their understanding of ethics. The students from the University of the Philippines were most ethically aware, while the students from Mississippi State University and the University of Tampere had approximately equal scores. It was expected that the strong American influence on Philippine culture might have caused the Americans and Filipinos to score similarly; however, this did not occur. Also the close geographic proximity of the Philippines and Indonesia had no effect on the outcome.

Renita Coleman et al. (2005) studied the ethical development of journalists in the United States. She compared the moral development of journalists to that of other professions. Accounting students ranked eighth on this list of eighteen professions, directly behind undergraduate students in general. The researchers examined the moral development of these individuals by administering the DIT-1. The journalists ranked higher than accounting students (fourth on the list).

Barry Melancon, President of the American Institute of CPAs, addressed the Yale School of Management soon after the Sarbanes-Oxley Act was passed in 2002. He specifically mentions that there must be research conducted that explains the “who, what, when, where and why of corporate fraud.” He further asserts, “these insights will improve corporate-fraud prevention controls, strengthen undergraduate education and enhance audit procedures to detect fraud.” Melancon states that as these aspects of fraud are discovered, they must be incorporated in the education of university students as well as in

the continuing education requirements of professionals. The ultimate goal, according to Melancon, is to revitalize the accounting culture by adding to the “profession’s traditional values, such as rigorous commitment to integrity, a passion for getting it right, a commitment to rules-not just to their letter, but their spirit, and zero tolerance for those who break them.” Morley Lemon stated in “The Question of Ethics” that society has a need for ethical accountants. However, there is a lack of research conducted thus far that has evaluated the level of moral development of people in the accounting profession. He writes that the accounting firm, Lemon, Arens, and Loebbecke, believes that “ethical behavior is the backbone of the practice of public accounting.”

My study is advancing the literature by examining the impact that diversity awareness has on the level of ethical judgment in accounting students at Louisiana State University. It is important to study this matter because many corporate scandals have developed due to lapses in the ethical judgment within the accounting profession. It would be beneficial to know if diversity awareness is associated with moral development, so that repeated scandals would not occur. Accounting education could also be changed to consider these factors. It is hypothesized that diversity awareness is one factor that may contribute in a positive way to the moral development of individuals.

The top accounting firms recognized the importance of diversity and ethics. For example, the KPMG Foundation states in its annual report that it “supports business higher education initiatives, while strengthening diversity in the business world.” As a result of its efforts, the number of minority business professors has more than doubled. The Foundation’s programs include “The PhD project,” which encourages minorities to obtain doctoral degrees, and “The Historically Black Colleges and Universities

Accreditation Program,” which grants funding to these institutions so that they can become accredited. The Foundation also provides Minority Accounting Doctoral Scholarships (KPMG Foundation 2004 Annual Report). All employees at PricewaterhouseCoopers must complete an ethics training course prior to starting with the firm. PricewaterhouseCoopers also incorporates diversity into their Code of Conduct. It states, “We take pride in the diversity of our workforce and view it as a competitive advantage to be nurtured and expanded.” This demonstrates the importance of diversity and ethics in the top accounting firms.

For the accounting profession to advance and be recognized in a more positive light, accountants need to be viewed as ethical people. It is widely believed that ethics of individuals are formed in their younger years. Linda Thorne (1999) found that ethical development was positively associated with the number of years of post-secondary education. Targeting accounting students for the research allows the problem to be examined at the root. The public needs to feel secure about the fact that our schools are doing an adequate job of preparing our youth for careers in the accounting profession.

Research Method

Survey Design

A survey was designed to measure diversity awareness of students. The first section of the survey requests information about the background of the student and the risks the student is willing to take. The second section of the survey asks about the student’s exposure to different cultures. This section looks at their exposure to other languages, countries, and various art forms. The third section evaluates the student’s

perception of diversity. Finally, the fourth section presents statements for the student to rank depending on how much he or she agreed with them to evaluate student opinions of diversity in the classroom and the workplace. A copy of this survey, "Mix It Up," is in Appendix A.

The survey was designed by researching the different ways in which diversity is perceived. Initially, a definition of diversity had to be developed. I had discussions with my thesis adviser about the different ways diversity was perceived. I also read many articles on diversity to see how it was being incorporated into today's society. Weekly meetings were conducted with my thesis adviser to work on survey development.

A pilot test of "Mix It Up" was administered to the Louisiana State University undergraduate auditing class that consisted of thirty students. The students were able to complete the survey in about 15 minutes. Adjustments were made to the pilot survey based on the student feedback. The initial booklet format of the survey was changed to be more readable. Specific questions were adjusted for clarity.

"Mix it Up" was administered in conjunction with the Defining Issues Test-2 (DIT-2), which measures the amount of moral development derived from Kohlberg's theory on moral development. Kohlberg's theory of moral development is based on the belief that humans develop philosophically and psychologically in a progressive manner. He believed and indicated through various studies that humans advance through different stages of moral reasoning, these stages being their foundations for moral behavior. He identified three stages of advancement, which he generally put in three different categories (see Table 1).

Table 1. Kohlberg's Stages of Moral Reasoning

Level One: Pre-conventional Morality	Stage 1: Punishment-Obedience Orientation
	Stage 2: Instrumental Relativist Orientation
Level Two: Conventional Morality	Stage 3: Good Boy-Nice Girl Orientation
	Stage 4: Law and Order Orientation
Level Three: Post-conventional Morality	Stage 5: Social Contract Orientation
	Stage 6: Universal Ethical Principle Orientation

Source: *Wong (2000)*

Level one, the Pre-conventional level, is found in the elementary school level. People behave in certain ways because the authority figure indicates to do so. Punishments are imposed on the individual if the individual does not behave in a certain manner. Level two, the Conventional level, is found in society. Individuals in this level first act according to what is accepted by society and then gradually progress to acting according to laws and their duties. Kohlberg believed that most adults do not reach the Post-conventional level. Individuals behave in such a way to promote the general welfare of others in stage 5. In the final stage of level three, individuals act according to an internal universality that is not affected by the reactions of others. Kohlberg had a few subjects who fit into this stage; however, he could never find any subjects that demonstrated the movement towards it.

Kohlberg believed that these levels had to be reached sequentially. He thought that people could only advance to the next level when they became aware of the moral dilemmas in a stage higher than their current level. They could then begin to consider those problems and thus begin to move to the next stage.

The DIT-2 is an updated version of the DIT-1. It is more up-to-date, shorter, more specific with instructions, and purges fewer subjects for unreliability. The DIT-2 is tested as more valid and reliable. Thus the designers believe the DIT-2 to be preferable to the DIT-1. The DIT-2 data is composed of ratings and rankings rather than interview responses. The DIT-2 examines responses as targeting three schemas, which are related to the Kohlberg moral stages. Instead of categorizing the responses into Kohlberg's six stages, the DIT-2 assigns the responses to three stages. The scores are a representation of the extent that the subject uses the following schema: Personal Interest, Maintaining Norms, and Postconventional Schema. These schemas have a close relation to Kohlberg's stages, but are different. The schemas are a measure of the development of social justice concepts. The Personal Interest schema looks at arguments that apply to personal interests; the Maintaining Norms schema addresses those that apply to social norms and laws; and the Postconventional (P-score) schema addresses those that apply to moral ideals or theoretical frameworks for decision-making. Generally scores are summarized using the P-score, which indicates the proportion of items that the subjects choose that appeal to the Postconventional moral framework for decision making. The N2 score (described below) uses the P-score to come up with a more accurate description. Table 2 relates the Kohlberg stages to the DIT-2 schema.

Table 2. Relationship of DIT-2 schema to Kohlberg's Stages of Moral Development

DIT-2 Schema	Corresponding Kohlberg Stages
Personal Interest	Stage 2 and 3
Maintaining Norms	Stage 4
Postconventional	Stage 5 and 6

Source: *Guide for DIT-2*

The DIT-2 was ordered from the Center for Study of Ethical Development at the University of Minnesota (See Appendix B for a sample). The DIT-2 has been widely used to evaluate the moral development of a variety of professional groups and has been cited in numerous studies. Trained judges at this center also scored the completed tests according to a scoring manual. The DIT-2 consists of several moral dilemmas that have rankings assigned to the principal items of consideration for the resolution of the dilemma. The dilemmas are a paragraph in length and are followed by twelve questions. The items of consideration addressed in the questions are chosen to depict certain levels of moral reasoning that correspond to the Kohlberg model. The subjects rank the questions according to the level of importance. The N2 score of the DIT-2 has higher validity than the P-score of the DIT-1. It is the most valid single score. It emerged as a result of a study by Bebeau and Thomas in 2004 that used the DIT-1 to measure the effects of ethics curricula in professional schools. This study showed that the educational courses caused the subjects to acquire new thinking, which increased the P-score, and to gain more clarity on ideas that should be used for decision making. The N2 score incorporated these two parts. It is composed of the extent to which Postconventional items are prioritized (about equal to the P-score) and the extent to which Personal interest

items (lower stage items) obtain lower ratings than the ratings assigned to Postconventional items (higher stage items). The two components of the N2 are pooled into one score for each subject by adding the P-score to the rating data weighted by three. Comparisons can be made between the N2 and P scores because the N2 scores are adjusted to have the same mean and standard deviation as the P score. Junior high students generally have a mean N2 score of 12.84, while PhD students have a mean N2 score of 48.99. The mean N2 scores of university-level students in general are depicted in Table 1.

Table 3. DIT-2 Norms for N2 Score

Educational level in College	Mean N2 Score
Sophomore	31.24
Junior	32.65
Senior	36.85
MS degree	40.56

Source: *Guide for DIT-2*

The five dilemmas in the DIT-2 are centered on the following topics:

1. "Famine." A poor father considers stealing food for his starving family from a rich man's warehouse.
2. "Reporter." A newspaper reporter considers whether to report a story that would harm a political candidate's reputation.
3. "School Board." A school board head needs to make a decision about whether to hold a potentially harmful meeting discussing the current district's issues.

4. "Cancer." A doctor has to make a decision about administering a dangerous amount of painkiller to a weak patient.
5. "Demonstration." Is it right for students to protest in radical ways against U.S. foreign policy?

The variables from the "Mix it Up" survey were used as the independent variables and the N2 scores were used as the dependent variable for regression analysis.

Student Subjects

Participants were recruited by contacting the faculty of Intermediate I Accounting, Intermediate II Accounting, Advanced Accounting, and Advanced Theory of Accounts. Institutional Review Board (IRB) approval was obtained to administer the test and survey (see Appendix C). A class time was arranged with the faculty members to administer the survey and test. I distributed a packet containing the survey, DIT-2, and subject consent form. I read the instructions aloud to the subjects. After a period of 40 minutes, I collected the completed materials. The students were cooperative; no one declined to participate.

Initially, the sample consisted of 147 participants. The Center for the Study of Ethical Development purged 11 of the subjects due to insufficient data, and I purged 51 of the subjects due to insufficient data. Many of the subjects did not provide the required data. Many of the "Mix it Up" surveys were incomplete. The final sample consisted of 85 male and female sophomores, juniors, seniors, and graduate students in the previously mentioned classes. Of the 85 students, 42 were male and 43 were female. Most participants were originally from the United States. Only 16% were exposed to a different

culture in their home. This was evaluated on whether another language was spoken in the home. All of the subjects were Accounting majors. The average age of the subjects was 22. All were from the southern United States with the exception of three who were not from the U.S. Most (73 out of 85) of the subjects were from Louisiana. Figures 1 and 2 depict the race and the year in school of the sample.

Figure 1. Breakdown by Year in School

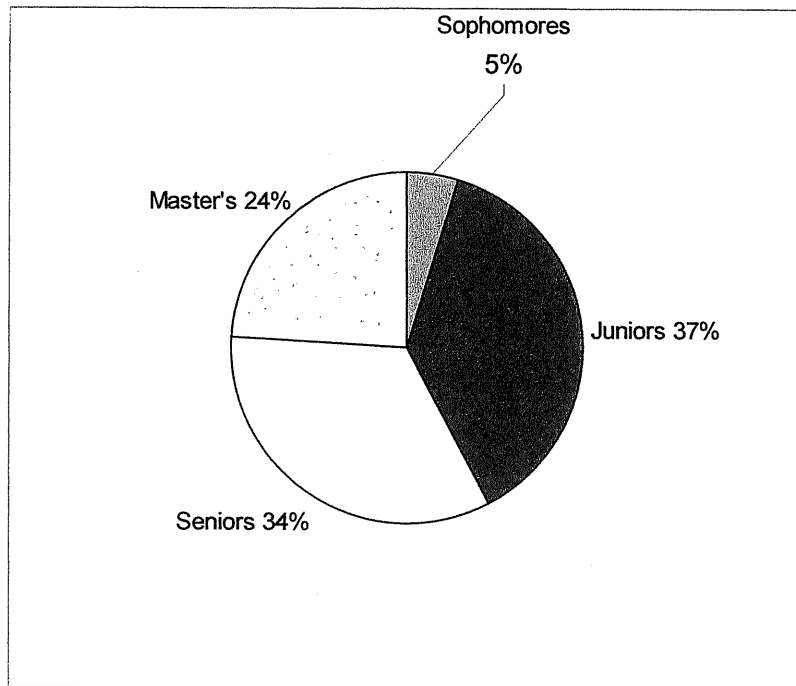
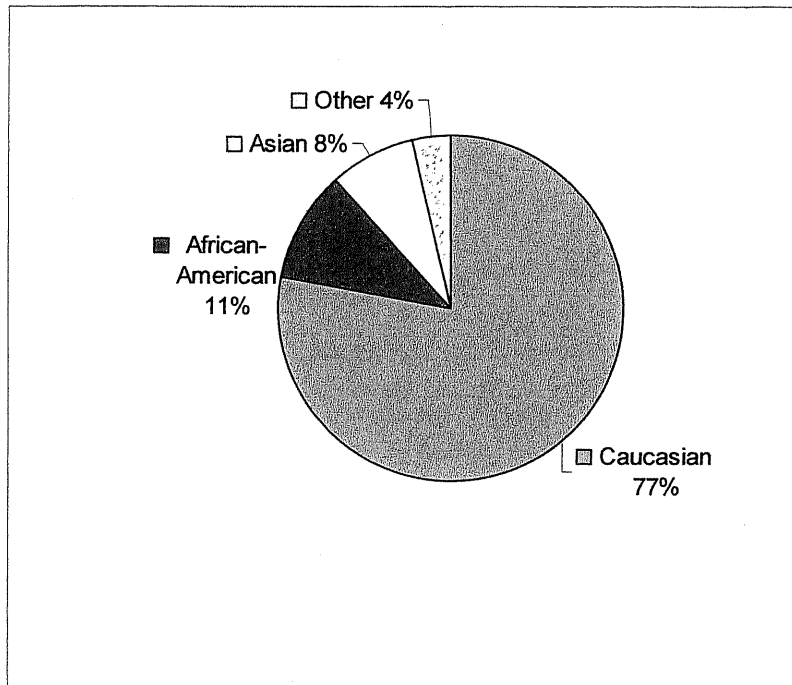


Figure 2. Breakdown by Race

Research Results

Multiple regression analysis was used to determine what variables in the survey had an effect on the DIT-2 N2 score (dependent variable). Multiple regression analysis is a good tool to use to identify what variables can help explain the N2 score. The regression analysis was run using the PC SAS program, and $p \leq .10$ was considered significant. Survey variables were used as the independent variables (see Table 4). The variables are based on specific questions in the survey. The regression analysis results are in Table 5.

Table 4. Variables

Variable	Description	Measurement
Risk	Level of risk the subjects were willing to take in their personal lives	Question asking the subject to indicate if they are a risk taker, risk averse, or risk neutral
Culture	Whether the subjects were exposed to another culture because of their family's origin	Determined by whether the subject was exposed to another language in their home
ADA	Level of disability awareness of the subject	Question asking the subject whether he or she had interacted with disabled persons
Gender Acceptance	Level of acceptance of other genders	Question addressed whether the subject thought the most qualified people for running companies were male
Sexual Orientation	Level of acceptance for those of other sexual orientations	Question addressed whether the subject was willing to work for a supervisor of a different sexual orientation
Age	Age of the subject	Question on survey
Sex	Sex of the subject	Question on survey
Race	Race of the subject	Question on survey
Religion	Religion of the subject	Question on survey
Home	Home of the subject	Question on survey
Year	Year in school of the subject	Question on survey

Table 5. Multiple Regression Analysis

Source	DF	Sum of Squares	Mean Square
Model	11	4738.33139	430.7574
Error	73	13930	190.81923
Corrected Total	84	18668	

F Value	Pr > F
2.26	0.0199

Root MSE	13.81373
Dependent Mean	32.57682
Coeff Var	42.40356

R-square	0.2538
Adjusted R-square	0.1414

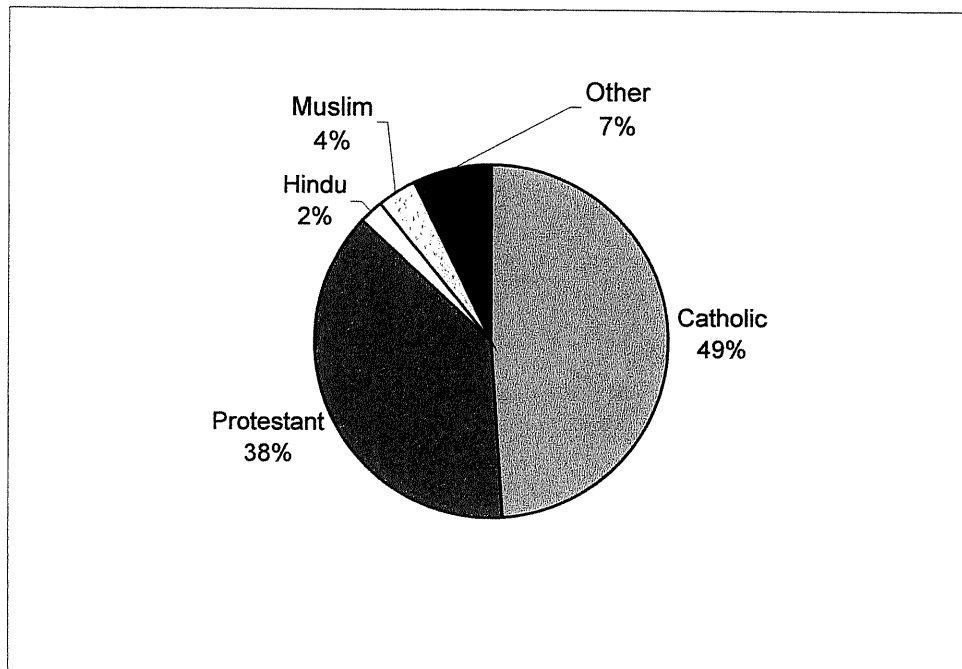
Parameter Estimates						
Variable	Label	DF	Parameter Estimate	Standard Error	t value	Pr > t
Intercept	Intercept	1	16.34843	19.13330	0.85	0.3957
Risk	Risk	1	0.29455	0.87596	0.34	0.7376
Culture	Culture	1	7.26964	6.13714	1.18	0.2400
ADA	ADA	1	-2.86656	3.19075	-0.9	0.3719
*Gender Acceptance	Gender Acceptance	1	2.68687	1.58160	1.70	0.0936
Sexual Orientation	Sexual Orientation	1	-0.74613	1.46035	-0.051	0.6109
Age	Age	1	-0.11046	0.27742	-0.40	0.6917
Sex	Sex	1	-1.76460	3.68338	-0.48	0.6333
Race	Race	1	-2.37797	2.23327	-1.06	0.2905
**Religion	Religion	1	1.81810	0.69501	2.62	0.0108
Home	Home	1	-1.12915	0.95496	-1.18	0.2409
Year	Year	1	1.03257	1.83364	.56	0.5751

*Significant at $p \leq .10$ marginally significant

**Significant at $p \leq .01$ very significant

The results of the multiple regression analysis indicate that the acceptance of other genders and the religion of the subjects had a positive relationship to the N2 score. The different religions of the subjects are depicted in Figure 3.

Figure 3. Breakdown of Sample by Religion



The mean N2 score of all the subjects was 32.58 with a standard deviation of 14.91. This is comparable to the averages indicated in the DIT-2 manual. According to *Guide for DIT-2*, the N2 scores of sophomores to master's students range from 31.24 to 40.56.

The mean N2 score of the females was 36.1 with a standard deviation of 14.98, and the mean N2 score of the males was 28.34 with a standard deviation of 13.67. The mean N2 score of sophomores was 41.2 with a standard deviation of 20.17, the mean N2 score of juniors was 30.41 with a standard deviation of 15.36, the mean N2 score of

seniors was 29.98 with a standard deviation of 15.22, and the mean N2 score of master's students was 37.58 with a standard deviation of 10.94. The N2 scores by level of education and gender are in Table 6. The mean N2 scores by religion are in Table 7.

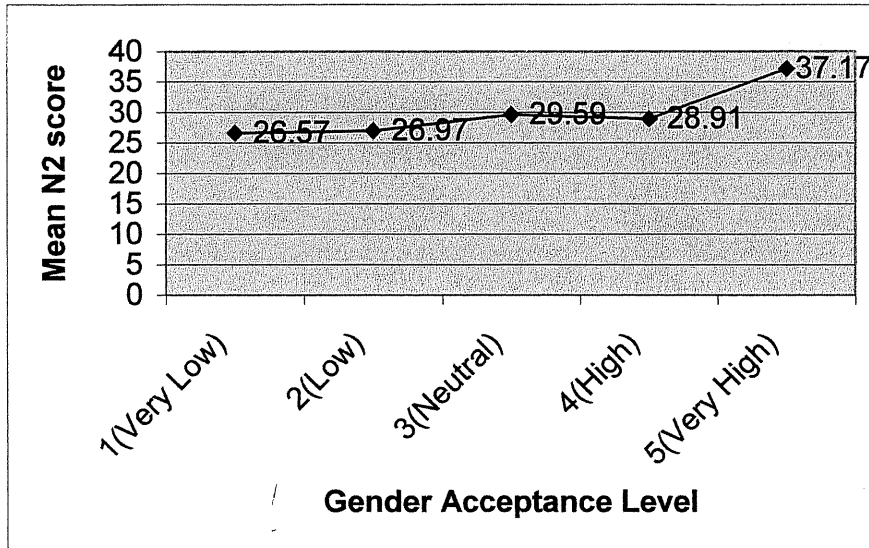
Table 6. DIT-2 Scores by level of education and gender

Education Level	Male			Female		
	Mean	Standard Deviation	N	Mean	Standard Deviation	N
Sophomore	38.91	22.6	4	49.84	0	1
Junior	26.56	14.08	17	35.08	16.04	14
Senior	24.98	11.91	13	34.04	16.73	16
Masters	35.61	10.06	8	38.89	11.73	12

Table 7. N2 scores by Religion

Religion	Mean N2	Standard Deviation	N
Catholic	29.72	14.26	41
Protestant	33.67	15.33	32
Hindu	42.64	10.19	2
Muslim	22.11	10.78	3
Other	45.95	11.2	7

Figure 4 and Table 8 show the effects of gender acceptance on the N2 score. Gender acceptance is the willingness of the subject to accept the capabilities of all genders on an equal level.

Figure 4. Mean N2 by Gender Acceptance**Table 8. Mean N2 by Gender Acceptance**

Gender Acceptance Level	Mean N2	Standard Deviation	N
1(Very Low)	26.57	11.59	6
2(Low)	26.97	17.87	8
3(Neutral)	29.59	16.56	16
4(High)	28.91	13.86	15
5(Very High)	37.17	13.69	39

Discussion of Results

This research has shown that the composition of the subjects does not necessarily determine the degree of diversity awareness. One often looks at the composition of a group of subjects and makes many assumptions based on the demographic characteristics of the subjects. Because Louisiana State University accounting students are predominantly Caucasian, they may seem to have little or no exposure to diversity. I

hypothesized that because they all seemed so much alike they would not be open to different kinds of people or aware of other people's differences. The "Mix it Up" survey indicated that the composition of the subjects was not demographically diverse. However, the subjects did show an awareness and appreciation for diversity as described in the following paragraph.

Many of the subjects came from small towns in Louisiana, but they showed an interest in traveling abroad. Therefore, they were open to the idea of exploring new cultures. A majority of the subjects were open to trying new things. So the subjects are not afraid of what they have never experienced, which demonstrates that they are not afraid to step out of their comfort zones and learn from others. Many of the subjects had been exposed to different cultures through foreign films, which suggests that the subjects have a sense of the differences of others. In a working setting, the subjects did not mind working with people who were of a different race. Most of the subjects have come across disabled people in their lives and are not shy about interacting with the disabled (they fully supported the Americans with Disabilities Act).

When the results of section four of the survey were examined, it was obvious that the students were aware of diversity. The subjects mostly opposed same-sex classes. They did not have a specific opinion about working in a group that is more diverse in race. The subjects did not believe that males were the more qualified for management positions, nor did they believe that females should be paid less than males. I believe that this indicated that they were comfortable and confident with both genders. There was no indication that the subjects assumed that people of other races did not perform as well as their own race. The subjects thought that a more diverse environment would lead to a

more creative environment. This illustrated that the subjects were open to the ideas of others, no matter what their backgrounds. There was a strong indication that the subjects thought there should be equal opportunity laws that made discrimination against people of a different sexual orientation illegal. Also, the subjects did not mind working for or with people with a different sexual orientation. They did not think that racial diversity should be considered when hiring new employees. I interpreted this to mean that the subjects believed in working with the best-qualified people. The subjects did not believe age was an important factor in hiring practices either. Lastly, all the subjects agreed they would prefer to work in a group of the best-qualified people without consideration of diversity.

These results point out that the subjects do believe in a diverse environment. However, the subjects did not believe in giving someone a position just because the person increased diversity. By the same token, the subjects did not believe in discriminating against someone because of their differences.

The N2 score of the males overall was lower than that of females which is consistent with prior research. The mean N2 score for sophomores was higher than that of a larger sample found in the *Guide for DIT-2*. The mean N2 score for juniors, seniors, and master's students was slightly lower than that of a larger sample found in the *Guide for DIT-2*. According to *Guide for DIT-2*, the N2 scores typically increase with the level of education. However, in this study the sophomores scored the highest, followed by the master's students, juniors, and seniors respectively. This pattern remained consistent when examining the N2 scores by level of education and gender. This deviation from the

norm was primarily due to the small sample size of the sophomores as compared with the other classes.

The N2 scores of the Islamic religion was lower overall. The subjects of the Other faith had the highest mean N2, followed by the Protestant religion, Catholic religion, and Hindus, respectively. However, the distribution of this sample was not completely even. For example, there were only two Muslims tested. Regression analysis pointed out that religion was a factor that significantly affected the N2 score. This is consistent with many people's opinions that our ethical values come from religion.

The N2 scores of those who were more willing to accept males and females as equals increased steadily with their increase in acceptance. This was a strong indication that people who are more aware of the capabilities of others have stronger ethics. The awareness of other genders' abilities strengthened the moral development level.

Summary and Implications

In this study, it was made apparent that diversity awareness does have an effect on the ethics of students. The LSU accounting students completed a survey and the DIT-2 to find how their diversity awareness affects their ethics. Overall, the students at LSU had normal mean N2 scores on the DIT-2. The "Mix it Up" survey showed that the students were aware and accepting of people's differences. Religion and gender acceptance affected the N2 score. This was expected since many people derive their ethics from their religions. The results of the study indicate that with the increased acceptance of other genders the N2 score increases. This shows that this factor of diversity awareness did affect the ethical development of the subjects. The results demonstrate that it is important to educate students about the differences of people. Students may not always encounter

these differences growing up, so educators should prepare them for the professional world by helping students explore these differences. It has been proven that moral development occurs in the post secondary education years, so educators should target these young students as a preventive measure. Also, ethics and diversity training should be considered for professionals as a component of continuing education, as emphasized by the President of the AICPA. People need to engage in honest discussions to expose the sensitivities they have towards different subjects. Only when the sensitivities are exposed can we move forward with greater understanding of our fellow human beings. Kohlberg believed that the only way to progress in moral development was to engage in social situations that sparked an interest to reach for the next level of development. The N2 score showed that there was room for growth in the moral development of the individuals. I believe that with more awareness and acceptance of people's differences, people will be able to get closer to the final stage of moral development, which uses the internal universality for decision-making. Hopefully, one day with more awareness of our fellow human beings, people will choose to make the most ethical decisions.

Limitations and Suggestions for Research

The primary limitation imposed on my results is the fact that most of the students attending Louisiana State University were Caucasian and Catholic. Thus, my sample is not racially diverse. Another significant limitation was the fact that the distribution of surveys among different classes was not even. For example, there was only one female sophomore tested, which resulted in the sophomores having an unusually high mean N2 score overall. Having a mix of students with different backgrounds to see how their

cultural backgrounds affect their performance on the DIT-2 could be a way to extend the study. Also, the study could be conducted at other schools with a more diverse student body. A larger sample could be considered by conducting the research at various universities in other countries, which would allow for a diverse population that has been raised in the same culture. Other variables could also be considered to establish what other factors may have an effect on students' diversity awareness. This study could also be expanded to business students of various majors. It would be interesting to see how the ethics of different majors compare. Furthermore, the moral development of professionals in accounting could be evaluated. It would also be interesting to track the accounting graduates in this study after they have experienced the professional world for a number of years to see if this has any affect on their moral development.

Postscript

Before I started writing a thesis, I really did not know what accounting research involved. I was not aware of the various topics that could be explored in the subject of accounting. Not only was I not aware of the broad subject matter, but I was also not aware of the process of conducting research. This process has shown me that I can take my fascination with two different subjects and combine them to get a great product. I enjoyed learning about cultures, so I incorporated that area into this research project.

When I first started developing the survey, I did not think it would take as much thought and time as it did. There were more factors to consider when developing questions than I would have imagined would be involved. I realize one cannot truly know how successful a product will be until the users test it. Conducting the pilot test of the survey allowed me to see the survey from an outsider's perspective. The feedback

received from the pilot test allowed me to make improvements to the survey as well. There are many minute details that one must consider, like clarity of the questions and readability. One factor I will consider when conducting research in the future is the length of the survey, which concerns not only the subject but for the researcher as well. Subjects are more willing to complete shorter surveys, and researchers benefit because it makes the data analysis more efficient.

Through this process I also was able to apply the knowledge I had acquired in my statistics classes. I conducted multiple regression analysis, which I had never done before. I analyzed the data and made conclusions on the relationship between different variables. I also learned to contact resources inside and outside the university for guidance. I realized people are always willing to help and that all the answers do not lie in books or on the Internet.

Finally, I discovered that not everything will turn out flawless. There will always be something that will not go as planned. Even so, I feel confident that I can conduct more involved research in the future.

Note: Appendix D includes the PowerPoint slides used in the thesis defense on April 27, 2005.

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Appendix A

“Mix It Up” Survey

Mix it up!
The Diversity Quiz



Please answer the following questions. There are no right or wrong answers. I am only interested in your opinion.

Age: _____ Year: _____ Hometown: _____ Sex: _____
Race/Ethnicity: _____ Religion: _____

Section 1: Overview

1. Are you an American citizen? _____
2. How many years have you lived in the U.S.? _____
3. What is your country of origin? _____
4. Is there a country or culture beside the U.S. that you identify with? If yes, explain.

6. Describe the schools you attended. Indicate the number of years you attended the schools next to each choice.

- a. Public _____
- b. Private _____
- c. Magnet _____
- d. Gifted _____
- e. Home school _____
- f. Other _____



7. Which schools would you consider to be diverse? _____

8. Would you like to work with people whose race is
 - a. More like you
 - b. Less like you
 - c. This does not make a difference to me.

9. When you think of yourself, what adult in your life do you resemble most? Why?

10. Do you like to try new things? _____



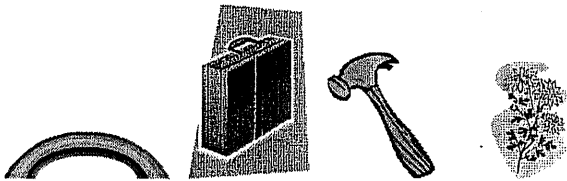
8. If you could watch one TV show this week what would it be? Why?

9. Have you ever seen a film produced in a country besides the U.S.? What was the name of it? If you have never seen one, please indicate why.

Section 3: Diversity

10. Which of the following pictures best matches your feeling about diversity in the workplace?

Please explain your answer:



11. Please circle the adjectives that describe you best. Please explain your answer.

Introvert Extrovert Feeling Perceiving

Intuitive Judging Sensing Thinking

12. Has anyone close to you lived with a mental or physical disability? _____

13. Have you ever interacted with a disabled person? _____

14. Do you think the Americans with Disabilities Act, which allows for equal opportunities for the disabled, is important for society?

15. You have three job offers from companies ranked by a national magazine. Which would you rather work for? Please rank, 1 being your first choice.

- _____ Number one for diversity recruitment and retention
- _____ One of the 100 Best Companies for Working Mothers.
- _____ Fortune 100 company

Same sex classrooms reduce distraction and improve learning.	1 2 3 4 5
I think that it is good that we have a Disability services office.	1 2 3 4 5
I would rather work in a group that is more diverse in race.	1 2 3 4 5
The most qualified people for running companies are male.	1 2 3 4 5
Females should be paid less than males because they are usually less productive due to personal demands.	1 2 3 4 5
I would feel more comfortable with a supervisor of my own race than a supervisor of another race.	1 2 3 4 5
People of other races can perform just as well as my race in the workplace.	1 2 3 4 5
A diverse environment leads to a more creative environment.	1 2 3 4 5
I believe it is important to recognize holidays of other cultures.	1 2 3 4 5
A person with a disability is not capable of a leadership position.	1 2 3 4 5
There should be equal opportunity laws that make discrimination based on sexual orientation illegal.	1 2 3 4 5
I would rather not work for a supervisor of a different sexual orientation.	1 2 3 4 5
Racial diversity in the workplace should not be a factor considered when hiring new employees.	1 2 3 4 5
Younger people are always more qualified for jobs than older people.	1 2 3 4 5
Race is not a determinant for performance in the workplace.	1 2 3 4 5
I prefer to work in a group of the best qualified people without consideration of diversity.	1 2 3 4 5

Appendix B

Defining Issues Test-2

DIT-2

Defining Issues Test

Version 3.0

University of Minnesota

Center for Research in Ethical Development

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Instructions

This questionnaire is concerned with how you define the issues in a social problem. Several stories about social problems will be described. After each story, there will be a list of questions. The questions that follow each story represent different issues that might be raised by the problem. In other words, the questions / issues raise different ways of judging what is important in making a decision about the social problem. You will be asked to rate and rank the questions in terms of how important each one seems to you.

This questionnaire is in two parts: one part contains the **INSTRUCTIONS** (this part) and the stories presenting the social problems; the other part contains the questions (issues) and the **ANSWER SHEET** on which to write your responses.

Here is an example of the task:

Presidential Election

Imagine that you are about to vote for a candidate for the Presidency of the United States. Imagine that before you vote, you are given several questions, and asked which issue is the most important to you in making up your mind about which candidate to vote for. In this example, 5 items are given. On a rating scale of 1 to 5 (1=Great, 2=Much, 3=Some, 4=Little, 5=No) please rate the importance of the item (issue) by filling in with a pencil one of the bubbles on the answer sheet by each item.

Assume that you thought that item #1 (below) was of great importance, item #2 had some importance, item #3 had no importance, item #4 had much importance, and item #5 had much importance. Then you would fill in the bubbles on the answer sheet as shown below.

GREAT	MUCH	SOME	LITTLE	NO	
●	②	③	④	⑤	
①	②	●	④	⑤	Rate the following 12 issues in terms of importance (1-5)
①	②	③	④	●	1. Financially are you personally better off now than you were four years ago?
①	●	③	④	⑤	2. Does one candidate have a superior personal moral character?
①	●	③	④	⑤	3. Which candidate stands the tallest?
①	●	③	④	⑤	4. Which candidate would make the best world leader?
①	●	③	④	⑤	5. Which candidate has the best ideas for our country's internal problems, like crime and health care?

Further, the questionnaire will ask you to rank the questions in terms of importance. In the space below, the numbers at the top, 1 through 12, represent the item number. From top to bottom, you are asked to fill in the bubble that represents the item in first importance (of those given you to choose from), then second most important, third most important, and fourth most important. Please indicate your top four choices. You might fill out this part, as follows:

Rank which issue is the most important (item number)

Most important item	●②③④⑤⑥⑦⑧⑨⑩⑪⑫	Third most important	①②③●⑤⑥⑦⑧⑨⑩⑪⑫
Second most important	①②③④●⑥⑦⑧⑨⑩⑪⑫	Fourth most important	①●③④⑤⑥⑦⑧⑨⑩⑪⑫

Note that some of the items may seem irrelevant to you (as in item #3) or not make sense to you—in that case, **rate** the item as “No” importance and do not **rank** the item. Note that in the stories that follow, there will be 12 items for each story, not five. Please make sure to consider all 12 items (questions) that are printed after each story.

In addition you will be asked to state your preference for what action to take in the story. After the story, you will be asked to indicate the action you favor on a Three-point scale (1 = strongly favor some action, 2 = Can't decide, 3 = strongly oppose that action).

In short, read the story from this booklet, then fill out your answers on the answer sheet. Please use a #2 pencil. If you change your mind about a response, erase the pencil mark cleanly and enter your new response

[Notice the second part of this questionnaire, the Answer Sheet. The Identification Number at the top of the answer sheet may already be filled in when you receive your materials. If not, you will receive instructions about how to fill in the number. If you have questions about the procedure, please ask now.]

Please turn now to the Answer Sheet.]

Famine — (Story #1)

The small village in northern India has experienced shortages of food before, but this year's famine is worse than ever. Some families are even trying to feed themselves by making soup from tree bark. Mustaq Singh's family is near starvation. He has heard that a rich man in his village has supplies of food stored away and is hoarding food while its price goes higher so that he can sell the food later at a huge profit. Mustaq is desperate and thinks about stealing some food from the rich man's warehouse. The small amount of food that he needs for his family probably wouldn't even be missed.

[If at any time you would like to reread a story or the instructions, feel free to do so. Now turn to the Answer Sheet, go to the 12 issues and rate and rank them in terms of how important each issue seems to you.]

Reporter — (Story #2)

Molly Dayton has been a news reporter for the *Gazette* newspaper for over a decade. Almost by accident, she learned that one of the candidates for Lieutenant Governor for her state, Grover Thompson, had been arrested for shop-lifting 20 years earlier. Reporter Dayton found out that early in his life, Candidate Thompson had undergone a confused period and done things he later regretted, actions which would be very out-of-character now. His shop lifting had been a minor offense and charges had been dropped by the department store. Thompson has not only straightened himself out since then, but built a distinguished record in helping many people and in leading constructive community projects. Now, Reporter Dayton regards Thompson as the best candidate in the field and likely to go on to important leadership positions in the state. Reporter Dayton wonders whether or not she should write the story about Thompson's earlier troubles because in the upcoming close and heated election, she fears that such a news story could wreck Thompson's chance to win.

[Now turn to the Answer Sheet, go to the 12 issues for this story, rate and rank them in terms of how important each issue seems to you]

School Board — (Story #3)

Mr. Grant has been elected to the School Board District 190 and was chosen to be Chairman. The district is bitterly divided over the closing of one of the high schools. One of the high schools has to be closed for financial reasons, but there is no agreement over which school to close. During his election to the School Board, Mr. Grant had proposed a series of "Open Meeting" in which members of the community could voice their opinions. He hoped that dialogue would make the community realize the necessity of closing one high school. Also he hoped that through open discussion, the difficulty of the decision would be appreciated, and that the community would ultimately support the school board decision. The first Open Meeting was a disaster. Passionate speeches dominated the microphones and threatened violence. The meeting barely closed without fist-fights. Later in the week, school board members received threatening phone calls. Mr. Grant wonders if he ought to call off the next Open Meeting.

[Now turn to the Answer Sheet, go to the 12 issues for this story, rate and rank them in terms of how important each issue seems to you.]

Cancer — (Story #4)

Mrs. Bennett is 62 years old, and in the last phases of colon cancer. She is in terrible pain and asks the doctor to give her more pain-killer medicine. The doctor has given her the maximum safe dose already and is reluctant to increase the dosage because it would probably hasten her death. In a clear and rational mental state, Mrs. Bennett says that she realizes this; but she wants to end her suffering even if it means ending her life. Should the doctor give her an increased dosage?

[Now turn to the Answer Sheet, go to the 12 issues for this story, rate and rank them in terms of how important each issue seems to you.]

Demonstration — (Story #5)

Political and economic instability in a South American country prompted the President of the United States to send troops to "police" the area. Students at many campuses in the U.S.A. have protested that the United States is using its military might for economic advantage. There is widespread suspicion that big oil multinational companies are pressuring the President to safeguard a cheap oil supply even if it means loss of life. Students at one campus took to the streets, in demonstrations, tying up traffic and stopping regular business in the town. The president of the university demanded that the students stop their illegal demonstrations. Students then took over the college's administration building, completely paralyzing the college. Are the students right to demonstrate in these ways?

[Now turn to the Answer Sheet, go to the 12 issues for this story, rate and rank them in terms of how important each issue seems to you.]

DIT-2 Answer Sheet

IDENTIFICATION NUMBER

0	1	2	3	4	5	6	7	8	9
0	1	2	3	4	5	6	7	8	9
0	1	2	3	4	5	6	7	8	9
0	1	2	3	4	5	6	7	8	9
0	1	2	3	4	5	6	7	8	9
0	1	2	3	4	5	6	7	8	9

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Please read story #1 in the INSTRUCTIONS booklet.

Famine -- (Story #1)

What should Mustaq Singh do? Do you favor the action of taking the food? (Mark one.)

- ① Should take the food ② Can't decide ③ Should not take the food

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

- | | |
|-----------|--|
| ① ② ③ ④ ⑤ | 1. Is Mustaq Singh courageous enough to risk getting caught for stealing? |
| ① ② ③ ④ ⑤ | 2. Isn't it only natural for a loving father to care so much for his family that he would steal? |
| ① ② ③ ④ ⑤ | 3. Shouldn't the community's laws be upheld? |
| ① ② ③ ④ ⑤ | 4. Does Mustaq Singh know a good recipe for preparing soup from tree bark? |
| ① ② ③ ④ ⑤ | 5. Does the rich man have any legal right to store food when other people are starving? |
| ① ② ③ ④ ⑤ | 6. Is the motive of Mustaq Singh to steal for himself or to steal for his family? |
| ① ② ③ ④ ⑤ | 7. What values are going to be the basis for social cooperation? |
| ① ② ③ ④ ⑤ | 8. Is the epitome of eating reconcilable with the culpability of stealing? |
| ① ② ③ ④ ⑤ | 9. Does the rich man deserve to be robbed for being so greedy? |
| ① ② ③ ④ ⑤ | 10. Isn't private property an institution to enable the rich to exploit the poor? |
| ① ② ③ ④ ⑤ | 11. Would stealing bring about more total good for everybody concerned or wouldn't it? |
| ① ② ③ ④ ⑤ | 12. Are laws getting in the way of the most basic claim of any member of a society? |

Rank which issue is the most important (item number).

Most important item 1 2 3 4 5 6 7 8 9 10 11 12

Second most important 1 2 3 4 5 6 7 8 9 10 11 12

Third most important 1 2 3 4 5 6 7 8 9 10 11 12

Fourth most important 1 2 3 4 5 6 7 8 9 10 11 12

Now please return to the Instructions booklet for the next story.

Reporter -- (Story #2)

Do you favor the action of reporting the story? (Mark one.)

- ① Should report the story ② Can't decide ③ Should not report the story

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

- | | |
|-----------|---|
| ① ② ③ ④ ⑤ | 1. Doesn't the public have a right to know all the facts about all the candidates for office? |
| ① ② ③ ④ ⑤ | 2. Would publishing the story help Reporter Dayton's reputation for investigative reporting? |
| ① ② ③ ④ ⑤ | 3. If Dayton doesn't publish the story wouldn't another reporter get the story anyway and get the credit for investigative reporting? |
| ① ② ③ ④ ⑤ | 4. Since voting is such a joke anyway, does it make any difference what reporter Dayton does? |
| ① ② ③ ④ ⑤ | 5. Hasn't Thompson shown in the past 20 years that he is a better person than his earlier days as a shop-lifter? |
| ① ② ③ ④ ⑤ | 6. What would best serve society? |
| ① ② ③ ④ ⑤ | 7. If the story is true, how can it be wrong to report it? |
| ① ② ③ ④ ⑤ | 8. How could reporter Dayton be so cruel and heartless as to report the damaging story about candidate Thompson? |
| ① ② ③ ④ ⑤ | 9. Does the right of "habeas corpus" apply in this case? |
| ① ② ③ ④ ⑤ | 10. Would the election process be more fair with or without reporting the story? |
| ① ② ③ ④ ⑤ | 11. Should reporter Dayton treat all candidates for office in the same way by reporting everything she learns about them, good and bad? |
| ① ② ③ ④ ⑤ | 12. Isn't it a reporter's duty to report all the news regardless of the circumstances? |

Rank which issue is the most important (item number).

Most important item 1 2 3 4 5 6 7 8 9 10 11 12

Second most important 1 2 3 4 5 6 7 8 9 10 11 12

Third most important 1 2 3 4 5 6 7 8 9 10 11 12

Fourth most important 1 2 3 4 5 6 7 8 9 10 11 12

Now please return to the Instructions booklet for the next story.

PLEASE DO NOT WRITE IN THIS AREA

■ ■ ■ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ○ ■ ■ ○ ○ ■ ■ ○ ○ ○ ○

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School Board -- (Story #3)

Do you favor calling off the next Open Meeting?

- ① Should call off the next open meeting ② Can't decide ③ Should have the next open meeting

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

- ① ② ③ ④ ⑤ 1. Is Mr. Grant required by law to have Open Meetings on major school board decisions?
- ① ② ③ ④ ⑤ 2. Would Mr. Grant be breaking his election campaign promises to the community by discontinuing the Open Meetings?
- ① ② ③ ④ ⑤ 3. Would the community be even angrier with Mr. Grant if he stopped the Open Meetings?
- ① ② ③ ④ ⑤ 4. Would the change in plans prevent scientific assessment?
- ① ② ③ ④ ⑤ 5. If the school board is threatened, does the chairman have the legal authority to protect the Board by making decisions in closed meetings?
- ① ② ③ ④ ⑤ 6. Would the community regard Mr. Grant as a coward if he stopped the open meetings?
- ① ② ③ ④ ⑤ 7. Does Mr. Grant have another procedure in mind for ensuring that divergent views are heard?
- ① ② ③ ④ ⑤ 8. Does Mr. Grant have the authority to expel troublemakers from the meetings or prevent them from making long speeches?
- ① ② ③ ④ ⑤ 9. Are some people deliberately undermining the school board process by playing some sort of power game?
- ① ② ③ ④ ⑤ 10. What effect would stopping the discussion have on the community's ability to handle controversial issues in the future?
- ① ② ③ ④ ⑤ 11. Is the trouble coming from only a few hotheads, and is the community in general really fair-minded and democratic?
- ① ② ③ ④ ⑤ 12. What is the likelihood that a good decision could be made without open discussion from the community?

Rank which issue is the most important (item number).

Most important item ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Third most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Second most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Fourth most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Now please return to the Instructions booklet for the next story.

Cancer -- (Story #4)

Do you favor the action of giving more medicine?

- ① Should give Mrs. Bennett an increased dosage to make her die ② Can't decide ③ Should not give her an increased dosage

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

- ① ② ③ ④ ⑤ 1. Isn't the doctor obligated by the same laws as everybody else if giving an overdose would be the same as killing her?
- ① ② ③ ④ ⑤ 2. Wouldn't society be better off without so many laws about what doctors can and cannot do?
- ① ② ③ ④ ⑤ 3. If Mrs. Bennett dies, would the doctor be legally responsible for malpractice?
- ① ② ③ ④ ⑤ 4. Does the family of Mrs. Bennett agree that she should get more painkiller medicine?
- ① ② ③ ④ ⑤ 5. Is the painkiller medicine an active heliotropic drug?
- ① ② ③ ④ ⑤ 6. Does the state have the right to force continued existence on those who don't want to live?
- ① ② ③ ④ ⑤ 7. Is helping to end another's life ever a responsible act of cooperation?
- ① ② ③ ④ ⑤ 8. Would the doctor show more sympathy for Mrs. Bennett by giving the medicine or not?
- ① ② ③ ④ ⑤ 9. Wouldn't the doctor feel guilty from giving Mrs. Bennett so much drug that she died?
- ① ② ③ ④ ⑤ 10. Should only God decide when a person's life should end?
- ① ② ③ ④ ⑤ 11. Shouldn't society protect everyone against being killed?
- ① ② ③ ④ ⑤ 12. Where should society draw the line between protecting life and allowing someone to die if the person wants to?

Rank which issue is the most important (item number).

Most important item ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Third most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Second most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Fourth most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Now please return to the Instructions booklet for the next story.

Demonstration -- (Story #5)

Do you favor the action of demonstrating in this way?

- ① Should continue demonstrating in these ways ② Can't decide ③ Should not continue demonstrating in these ways

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

- ① ② ③ ④ ⑤
1. Do the students have any right to take over property that doesn't belong to them?
 2. Do the students realize that they might be arrested and fined, and even expelled from school?
 3. Are the students serious about their cause or are they doing it just for fun?
 4. If the university president is soft on students this time, will it lead to more disorder?
 5. Will the public blame all students for the actions of a few student demonstrators?
 6. Are the authorities to blame by giving in to the greed of the multinational oil companies?
 7. Why should a few people like Presidents and business leaders have more power than ordinary people?
 8. Does this student demonstration bring about more or less good in the long run to all people?
 9. Can the students justify their civil disobedience?
 10. Shouldn't the authorities be respected by students?
 11. Is taking over a building consistent with principles of justice?
 12. Isn't it everyone's duty to obey the law, whether one likes it or not?

Rank which issue is the most important (item number).

Most important item ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Second most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Third most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Fourth most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Please provide the following information about yourself:

1. Age in years:

0	0
1	1
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9

2. Sex (mark one): Male Female

3. Level of Education (mark highest level of formal education attained, if you are currently working at that level [e.g., Freshman in college] or if you have completed that level [e.g., if you finished your Freshman year but have gone on no further].)

- Grade 1 to 6
- Grade 7, 8, 9
- Grade 10, 11, 12
- Vocational/technical school (without a bachelor's degree) (e.g., Auto mechanic, beauty school, real estate, secretary, 2-year nursing program).
- Junior college (e.g., 2-year college, community college, Associate Arts degree)
- Freshman in college in bachelor degree program.
- Sophomore in college in bachelor degree program.
- Junior in college in bachelor degree program.
- Senior in college in bachelor degree program.
- Professional degree (Practitioner degree beyond bachelor's degree) (e.g., M.D., M.B.A., Bachelor of Divinity, D.D.S. in Dentistry, J.D. in law, Masters of Arts in teaching, Masters of Education [in teaching], Doctor of Psychology, Nursing degree along with 4-year Bachelor's degree)
- Masters degree (in academic graduate school)
- Doctoral degree (in academic graduate school, e.g., Ph.D. or Ed.D.)
- Other Formal Education. (Please describe: _____)

4. In terms of your political views, how would you characterize yourself (mark one)?

- Very Liberal
- Somewhat Liberal
- Neither Liberal nor Conservative
- Somewhat Conservative
- Very Conservative

5. Are you a citizen of the U.S.A.?

- Yes No

6. Is English your primary language?

- Yes No

Thank You.

188888

PLEASE DO NOT WRITE IN THIS AREA

Dilemma #6

Do you favor the action?

① Strongly Favor ② Favor ③ Slightly Favor ④ Neutral ⑤ Slightly Disfavor ⑥ Disfavor ⑦ Strongly Disfavor

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

① ② ③ ④ ⑤ 1.

① ② ③ ④ ⑤ 2.

① ② ③ ④ ⑤ 3.

① ② ③ ④ ⑤ 4.

① ② ③ ④ ⑤ 5.

① ② ③ ④ ⑤ 6.

① ② ③ ④ ⑤ 7.

① ② ③ ④ ⑤ 8.

① ② ③ ④ ⑤ 9.

① ② ③ ④ ⑤ 10.

① ② ③ ④ ⑤ 11.

① ② ③ ④ ⑤ 12.

Rank which issue is the most important (item number).

Most important item ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Second most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Third most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Fourth most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Dilemma #7

Do you favor the action?

① Strongly Favor ② Favor ③ Slightly Favor ④ Neutral ⑤ Slightly Disfavor ⑥ Disfavor ⑦ Strongly Disfavor

GREAT
MUCH
SOME
LITTLE
NO

Rate the following 12 issues in terms of importance (1-5)

① ② ③ ④ ⑤ 1.

① ② ③ ④ ⑤ 2.

① ② ③ ④ ⑤ 3.

① ② ③ ④ ⑤ 4.

① ② ③ ④ ⑤ 5.

① ② ③ ④ ⑤ 6.

① ② ③ ④ ⑤ 7.

① ② ③ ④ ⑤ 8.

① ② ③ ④ ⑤ 9.

① ② ③ ④ ⑤ 10.

① ② ③ ④ ⑤ 11.

① ② ③ ④ ⑤ 12.

Rank which issue is the most important (item number).

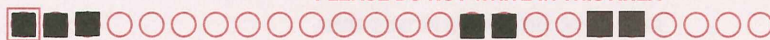
Most important item ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Second most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Third most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

Fourth most important ① ② ③ ④ ⑤ ⑥ ⑦ ⑧ ⑨ ⑩ ⑪ ⑫

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Appendix C

Institutional Review Board Approval

IRB #: 2140

LSU Proposal #: _____

Revised: 03/24/2004

LSU INSTITUTIONAL REVIEW BOARD (IRB) for
HUMAN RESEARCH SUBJECT PROTECTION

578-8692 FAX 6792
Office: 203 B-1 David Boyd Hall

APPLICATION FOR EXEMPTION FROM INSTITUTIONAL OVERSIGHT

Study exempted by
Louisiana State University
Institutional Review Board
203 B-1 David Boyd Hall
225-578-8692
Robert C. Mathews, Chair

Unless they are qualified as meeting the specific criteria for exemption from Institutional Review Board (IRB) oversight, ALL LSU research projects using living humans as subjects, or samples or data obtained from humans directly or indirectly, with or without their consent, must be approved or exempted in advance by the LSU IRB. This Form helps the PI determine if a project may be exempted, and is used to request an exemption.

Instructions: Complete this form.

Exemption Applicant: If it appears that your study qualifies for exemption send:

- (A) Two copies of this completed form,
- (B) a brief project description (adequate to evaluate risks to subjects and to explain your responses to Parts A & B),
- (C) copies of all instruments to be used. If this proposal is part of a grant proposal include a copy of the proposal and all recruitment material.
- (D) the consent form that you will use in the study

to: ONE screening committee member (listed at the end of this form) in the most closely related department/discipline or to IRB office.

If exemption seems likely, submit it. If not, submit regular IRB application. Help is available from Dr. Robert Mathews, 578-8692, irb@lsu.edu or any screening committee member.

Principal Investigator Dr. Barbara Apostolou Student? n N

Ph: 225-578-6222 E-mail acapos@lsu.edu Dept/Unit Accounting

If Student, name supervising professor _____ Ph: _____

Mailing Address _____ Ph _____

Project Title Diversity and Ethics of Accounting Students Sanaz Aghazadeh and Bonnie Dye

Agency expected to fund project no funding required

Subject pool (e.g. Psychology Students) LSU Accounting students enrolled in Intermediate I, Intermediate II, and Advanced Accounting, Advanced Theory of Accountg

Circle any "vulnerable populations" to be used: (children <18; the mentally impaired, pregnant women, the aged, other). Projects with incarcerated persons cannot be exempted.

I certify my responses are accurate and complete. If the project scope or design is later changed I will resubmit for review. I will obtain written approval from the Authorized Representative of all non-LSU institutions in which the study is conducted.

PI Signature Barbara Apostolu Date 9/1/04 (no per signatures)

Screening Committee Action: Exempted Not Exempted Category/Paragraph _____

Reviewer Mathews Signature [Signature] Date 9/3/04

Part A: DETERMINATION OF "RESEARCH" and POTENTIAL FOR RISK

This section determines whether the project meets the Department of Health and Human Services definition of "research" and if not, whether it nevertheless presents more than "minimal risk" to humans that makes IRB review prudent and necessary.

1. Is the project a systematic investigation designed to develop or contribute to generalizable knowledge?

(Note "systematic investigation" includes "research development, testing and evaluation"; therefore some instructional development and service programs will include a "research" component).

YES

NO

2. Does the project present physical, psychological, social or legal risks to the participants reasonably expected to exceed those risks normally experienced in daily life or in routine diagnostic physical or psychological examination or testing? You must consider the consequences if individual data inadvertently become public. NO

YES Stop. This research cannot be exempted--submit application for IRB review.

NO Continue to see if research can be exempted from IRB oversight

3. Are any of your participants incarcerated? NO

YES Stop. This research cannot be exempted--submit application for IRB review.

NO Continue to see if research can be exempted from IRB oversight.

4. Are you obtaining any health information from a health care provider that contains any of the identifiers listed below? NO

A. Names

B. Address: street address, city, county, precinct, ZIP code, and their equivalent geocodes. Exception for ZIP codes: The initial three digits of the ZIP Code may be used, if according to current publicly available data from the Bureau of the Census: (1) The geographic unit formed by combining all ZIP codes with the same three initial digits contains more than 20,000 people; and (2) the initial three digits of a ZIP code for all such geographic units containing 20,000 or fewer people is changed to '000'.

(Note: The 17 currently restricted 3-digit ZIP codes to be replaced with '000' include: 036, 059, 063, 102, 203, 556, 692, 790, 821, 823, 830, 831,

Reviewer _____ Signature _____ Date _____

Part A: DETERMINATION OF "RESEARCH" and POTENTIAL FOR RISK

This section determines whether the project meets the Department of Health and Human Services definition of "research" and if not, whether it nevertheless presents more than "minimal risk" to humans that makes IRB review prudent and necessary.

1. **Is the project a systematic investigation designed to develop or contribute to generalizeable knowledge?**

(Note "systematic investigation" includes "research development, testing and evaluation"; therefore some instructional development and service programs will include a "research" component).

YES

NO

2. **Does the project present physical, psychological, social or legal risks to the participants reasonably expected to exceed those risks normally experienced in daily life or in routine diagnostic physical or psychological examination or testing? You must consider the consequences if individual data inadvertently become public. NO**

YES Stop. This research cannot be exempted--submit application for IRB review.

NO Continue to see if research can be exempted from IRB oversight

3. **Are any of your participants incarcerated?NO**

YES Stop. This research cannot be exempted--submit application for IRB review.

NO Continue to see if research can be exempted from IRB oversight.

4. **Are you obtaining any health information from a health care provider that contains any of the identifiers listed below? NO**

A. Names

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geographic units containing 20,000 or fewer people is changed to '000'.
(Note: The 17 currently restricted 3-digit ZIP codes to be replaced with '000' include: 036, 059, 063, 102, 203, 556, 692, 790, 821, 823, 830, 831, 878, 879, 884, 890, and 893.)

C. Dates related to individuals

i. Birth date

ii. Admission date

iii. Discharge date

iv. Date of death

v. And all ages over 89 and all elements of dates (including year) indicative of such age. Such ages and elements may be aggregated into a single category of age 90 or older.

D. Telephone numbers;

E. Fax numbers;

F. Electronic mail addresses;

G. Social security numbers;

H. Medical record numbers; (including prescription numbers and clinical trial numbers)

I. Health plan beneficiary numbers;

J. Account numbers;

K. Certificate/license numbers;

L. Vehicle identifiers and serial numbers including license/plate numbers;

M. Device identifiers and serial numbers;

N. Web Universal Resource Locators (URLs);

O. Internet Protocol (IP) address numbers;

P. Biometric identifiers, including finger and voice prints;

Q. Full face photographic images and any comparable images; and

R. Any other unique identifying number, characteristic, or code; except a code used for re-identification purposes; and

S. The facility does not have actual knowledge that the information could be used alone or in combination with other information to identify an individual who is the subject of the information.

YES Stop. This research cannot be exempted--submit application for IRB review.

NO Continue to see if research can be exempted from IRB oversight.

Part B: EXEMPTION CRITERIA FOR RESEARCH PROJECTS

Research is exemptable when all research methods are one or more of the following five categories. Check statements that apply to your study:

 1. In education setting, research to evaluate normal educational practices.

2. For research not involving vulnerable people [prisoner, fetus, pregnancy, children, or mentally impaired]: observe public behavior (including participatory observation), or do interviews or surveys or educational tests:

The research must also comply with one of the following:

either that

a) the participants cannot be identified, directly or statistically;

or that

b) the responses/observations could not harm participants if made public;

or that

c) federal statute(s) completely protect all participants' confidentiality;

or that

3. For research not involving vulnerable people [prisoner, fetus, pregnancy, children, or mentally impaired]: observe public behavior (including participatory observation), or do interviews or surveys or educational tests:

- all respondents are elected, appointed, or candidates for public officials.

4. Uses only existing data, documents, records, or specimens properly obtained.

The research must also comply with one of the following:

either that:

a) subjects cannot be identified in the research data directly or statistically, and no-one can trace back from research data to identify a participant;

or that

b) the sources are publicly available

5. Research or demonstration service/care programs, e.g. health care delivery.

The research must also comply with all of the

following:

a) It is directly conducted or approved by the head of a US Govt. department or agency.

and that

b) it concerns only issues under usual administrative control (48 Fed Reg 9268-9), e.g., regulations, eligibility, services, or delivery systems;

and that

c) its research/evaluation methods are also exempt from IRB review.

6. For research not involving vulnerable volunteers [see "2 & 3" above], do food research to evaluate quality, taste, or consumer acceptance.

The research must also comply with one of the following:

either that

a) the food has no additives;

or that

b) the food is certified safe by the USDA, FDA, or EPA.

NOTE: Copies of your IRB stamped consent form must be used in obtaining consent. Even when exempted, the researcher is required to exercise prudence in protecting the interests of research subjects, obtain informed consent if appropriate, and must conform to the Ethical Principles and Guidelines for the Protection of Human Subjects (Belmont Report), 45 CFR 46, and LSU Guide to Informed Consent; (Available from OSP or [http://appl022.lsu.edu/osp/osp.nsf/\\$Content/LSU%20IRB%20Documents](http://appl022.lsu.edu/osp/osp.nsf/$Content/LSU%20IRB%20Documents))
HUMAN SUBJECTS SCREENING COMMITTEE MEMBERS can assist & review:

COLLEGE OF ARTS AND SCIENCES:

MASS COMMUN/SOC WK/AG:

Dr. Noell * (Psych) 578-4119 Dr. Nelson (Mass C)
578-6686
Dr. Geiselman * (Psych) 763-2695 Dr. Archambeault (Soc Wk)
8-1374
Dr. Beggs (Socio) 578-1119 Dr. Rose (Soc
Wk) 578-1015
Dr. Honeycutt (Comm. Stu.) 578-6676 Dr. Keenan* (Hum Ecol)
578-1708
Dr. Dixit (Comm Sc./Dis) 578-3938 Dr. Belleau (Hum Ecol)
578-1535

SAMPLE CONSENT FORM

I, _____, agree to participate in research regarding my integrity, ethics, and diversity awareness which is being conducted by the Honors Accounting students for their thesis research class. This research has been approved by the LSU Human Subjects Committee.

I understand that my research is completely voluntary; that I may withdraw my consent at any time, without penalty; and that identifiable results of my participation will be destroyed.

The following points have been explained to me:

1. I will not face any discomforts or stresses. My participation involves no risk.
2. The results of my participation are confidential and will not be released in any individually identifiable form. All data sheets will be coded by number, preserving anonymity.
3. The investigator will answer any further questions about the research either now or after completion of the study.

Signature of the Participant


Date

Signature of the Investigator

Study exempted by
Louisiana State University
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225-578-8692
Robert C. Mathews, Chair


Appendix D

PowerPoint slides from thesis defense on April 27,2005




Diversity and the Effects on Accounting Students' Ethical Awareness

Sanaz Aghazadeh




Introduction

- Corporate fraud
- Educational system
- Diversity awareness




Diversity

- People of different race, culture, religion, ethnicity, gender, and sexual orientation




Review of Literature

- Dr. Linda Thorne
- Accounting firms



Research Method

- Survey design
- "Mix it Up"
- Defining Issues Test-2




DIT-2

- Based on Kohlberg's Theory of Moral Development
- 5 scenarios followed by 12 questions
- 3 schemas
- N2 score

Kohlberg's Stages of Moral Reasoning


- Level One:
 - Pre-conventional Morality**
 - Stage 1: Punishment-Obedience Orientation
 - Stage 2: Instrumental Relativist Orientation
- Level Two:
 - Conventional Morality**
 - Stage 3: Good Boy-Nice Girl Orientation
 - Stage 4: Law and Order Orientation
- Level Three:
 - Post-conventional Morality**
 - Stage 5: Social Contract Orientation
 - Stage 6: Universal Ethical Principle Orientation

Source: Wong(2000)




Relationship of DIT-2 schema to Kohlberg's Stages of Moral Development

DIT-2 Schema	Corresponding Kohlberg Stages
Personal Interest	Stage 2 and 3
Maintaining Norms	Stage 4
Postconventional	Stage 5 and 6




Student Subjects

- Sophomore, Junior, Senior, Master's accounting students
- 85 in final sample
- Average age: 22
- 43 females and 42 males




Multiple Regression Variables

- Risk
- Culture
- Disabilities
- Gender acceptance
- Sexual orientation
- Sex
- Race
- Religion
- Home
- Year
- Age




Research Results


- Multiple regression analysis
- Mean N2 score-32.58
- Females scored higher than males
- Sophomores had the highest N2 scores
- Non-denominational had highest N2 scores
- Increased N2 score with increased acceptance of other genders



Discussion of Results


- Acceptance of others
- Diversity awareness
- Diverse environment





Summary

- Diversity awareness affects ethics
- Normal mean N2 scores overall
- Religion and acceptance of other genders affects the N2 score
- Education of students and professionals



Discussion