

## **An investigation of United States and Hong Kong business students' perceptions of corporate social responsibility**

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### **ABSTRACT**

Corporate social responsibility (CSR) continues to attract widespread attention from investors and corporate executives. CSR advocates believe that corporations have social responsibilities beyond shareholder wealth maximization. This study examines the perceptions of CSR among a sample of United States and Hong Kong undergraduate Business students to investigate how CSR perceptions might be explained by culture, gender, and spirituality. The results suggest that Hong Kong students are less sensitive to issues of CSR, even though the percentage of Hong Kong students with ethics education was higher than the American counterpart. An important finding is that spirituality is related to CSR perceptions and the intensity of views on ethics more strongly than any other factors, including academic performance.

Keywords: Corporate social responsibility, CSR, Ethics, Spirituality, Student Perceptions

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## INTRODUCTION

Since financial managers are agents of a firm's shareholders, the responsibility of managers "is to conduct the business in accordance with their (the owners') desires, which generally will be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom" (Friedman, 1970, p. 1). More recently, though, many managers actively pursue a "stakeholder" approach whereby firms have distinct responsibilities beyond shareholder wealth maximization.

The stakeholder model is the framework for Corporate Social Responsibility (CSR) (McWilliams and Siegel, 2001). Although there are many definitions of CSR, the key argument of CSR is that business is obligated "to use its resources in ways to benefit society, through committed participation as a member of society, taking into account the society at large... independent of direct gains to the company" (Kok et al., 2001, p. 288). CSR is gaining ground among the investing public; the frequency of CSR-related shareholder proposals and the dollar volume of socially responsible investment funds have significantly increased since the 1990s. According to the Interfaith Center on Corporate Responsibility, more than one out of every nine dollars professionally managed in the United States is now invested under a socially responsible investing strategy.

Mirroring these trends, business ethics and CSR are key components of global Business school curricula. The top accrediting body of Business programs, the American Assembly of Collegiate Schools of Business (AACSB), mandates that ethics is taught as a part of the business curriculum. According to Christensen et al. (2007), more than 40% of the top MBA programs in the world include a CSR component.

In view of these recent shifts in the role of business in society among business educators and the investing public, it is important to gauge CSR and ethics perceptions among tomorrow's business leaders – today's business students. Do undergraduate business students believe that business has social responsibility beyond shareholder wealth maximization? And, more importantly, to what extent do culture, gender, and spirituality influence student perceptions of CSR and ethics?

## LITERATURE REVIEW

According to Friedman (1970), corporate executives are agents of shareholders and thus have direct responsibility only to them. The responsibility of managers, then, is to maximize profit subject only to legal and ethical constraints. Corporations are not individuals and therefore cannot have social responsibilities. In fact, the CSR model is dangerous; "Few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their stockholders as possible" (p. 133).

In contrast, stakeholder theory advocates urge managers to consider the interests of all stakeholders, including the community, suppliers, employees, etc. Recently, Orlitzky and Benjamin (2001), among others, argue that corporations have distinct responsibilities to many stakeholder groups.

To better define and measure CSR, Carroll (1991) developed a pyramid model in which four types of social responsibilities constitute total CSR. Economic responsibilities form the base of the pyramid, followed by legal, ethical, and philanthropic responsibilities. Singhapakdi

et al. (1996) created the 13-statement “Perceived Role of Ethics and Social Responsibility” (PRESOR) instrument to measure perceptions of CSR, using a nine-point Likert scale to measure level of agreement or disagreement with each statement. The instrument’s statements indicate the respondent’s views on the importance of a firm’s short-term success, long-term success, and profitability.

Elias (2004) used the PRESOR instrument to measure student perceptions of CSR before and after high-profile corporate bankruptcies to investigate “whether negative ethical behavior by corporate managers makes students more aware of the importance of social responsibility in effectiveness” (p. 267). According to his results, “students in general perceive corporate social responsibility to be more important to profitability and long-term success of the firm and less important to short-term success after media publicity of corporate scandals.” In addition, gender, age, and college major are important factors in influencing student perceptions. Females and younger students are more sensitivity to ethics and the importance of social responsibility.

Lamsa et al. (2007) examine the effect of business education on student attitudes toward Corporate Social Responsibility. The authors designed a survey based on The Aspen Institute’s Initiative for Social Innovation through Business questionnaire and administered the survey to 217 Finnish graduate business students. The results indicate that “as a whole, students valued the stakeholder model of the company more than the shareholder model,” although attitudes differ according to gender with women more sympathetic to the stakeholder model.

Other research provides evidence of additional demographic characteristics that influence student CSR perceptions. In a survey of 138 college students, Arlow (1991) finds that age is related to students’ CSR orientation. Kraft and Singhapakdi (1995) and Kraft (1991) find that work experience of survey respondents is an important factor as positive perceptions of social responsibility increase with work experience.

Kolodinsky et al. (2010) use Forsyth’s (1980) personal moral philosophy model to analyze four predictors of CSR attitudes: students’ materialistic values, two ethical ideologies or stances, and spirituality. The authors find that materialism is negatively related to CSR attitudes, and, importantly, “spirituality among business students did not significantly predict CSR attitudes.”

Poulton and Barnes (2012) replicated Kolodinsky’s study with a survey of undergraduate Business students in Australia. Consistent with the results of Kolodinsky et al. (2010), the authors find that spirituality does not affect student attitudes toward CSR.

Different cultures may have different perceptions of CSR and ethics. Several researchers have examined the influence of culture. In a 2010 study, Danon-Leva et al. use the Personal Business Ethical Scores (PBES) questionnaire to compare the responses of graduate-level business students in the United States and Hong Kong. Contrary to their hypothesis, the authors find that U.S. graduate-level business students are more ethical than Hong Kong graduate-level business students.

Burton et al. (2000) examine the orientation toward corporate social responsibility (CSR) of 165 U.S. and 157 Hong Kong business students. The authors find significant differences in the types of responsibilities considered most important. Specifically, “Hong Kong students gave economic responsibilities more weight and non-economic responsibilities less weight than did U.S. students.”

Hofstede’s (2001 & 2005) national culture scores for the United States and Hong Kong indicate that there are significant differences between the two countries for the individualism

index, power distance index, and uncertainty avoidance index.

Hofstede defines “Individualism” as “the degree of interdependence a society maintains among its members,” and “whether people’s self-image is defined in terms of ‘I’ or ‘We.’” Hong Kong, with a score of 25, is a collectivist culture “where people act in the interests of the group and not necessarily of themselves.” The United States has an individualism score of 91. Based on this large difference, Hong Kong students are expected to be more sensitive to CSR and ethics since they are more likely to consider the interests of other stakeholders.

Hofstede’s Power Distance (PD) dimension “deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities.” Hong Kong has a higher score (68) on PD than the U.S. (40). Since a higher score is indicative of a belief that inequalities among people are acceptable, this difference suggests that Hong Kong students will be less sensitive to CSR and ethics.

Lastly, Uncertainty Avoidance (UA) is “the extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these.” Hong Kong has a lower score on UA than the U.S. (29 vs. 46), but the effect of a difference in UA on sensitivity to CSR and ethics is not immediately clear.

## **HYPOTHESES**

Based on the Danon-Leva et al. (2010) results, U.S. students are expected to exhibit greater sensitivity to CSR and ethics than H.K. students.

H1: United States undergraduate-level business students will exhibit greater sensitivity to CSR and ethics than Hong Kong undergraduate-level business students.

Consistent with the results of several prior studies (Arlow (1991), Elias (2004), and Lamsa et al. (2007):

H2: Female undergraduate-level business students will exhibit greater sensitivity to CSR and ethics than male undergraduate-level business students.

Finally, only two existing empirical studies examine the relationship between spirituality and CSR, and both fail to document a significant link. Nevertheless, it is worthwhile to revisit this important issue with a different measure of spirituality.

H3: Spiritual undergraduate-level business students will exhibit greater sensitivity to CSR and ethics than non-spiritual undergraduate-level business students.

## **METHODOLOGY**

Two classes of undergraduate business students at the State University of New York (SUNY) at Fredonia and a group of undergraduate business students at a University in Hong Kong completed the 24-question survey. The survey was approved by the Human Subjects Review Committee at each University, all participating students were briefed on the purpose of the survey and gave informed consent, and they were assured confidentiality of responses. Omitting incomplete surveys yields a final primary data sample of 233 undergraduate-level business students, including 185 United States students and 48 Hong Kong students.

Data on several demographic variables was collected, including gender, age, ethnicity, class year, primary major, work experience, ethics education, GPA, and a measure of spirituality. To assess perceptions of CSR, respondents completed the 13-statement PRESOR instrument. To assess perceptions of ethics, we designed and included two additional questions.

## RESULTS

Table 1 (see Appendix) reports the demographic characteristics of the U.S. and H.K. sub-samples. The U.S. sample is weighted slightly more toward males (60%) than females (40%). The H.K. sample is fairly evenly distributed among males and females (48% and 52%, respectively). The vast majority of all respondents are between 21 and 29 years of age.

Of U.S. respondents, 88% are Caucasian while 96% of H.K. respondents are Asian. With only one exception, all respondents are either juniors or seniors and at least 80% of each sub-sample has senior class standing. Since the survey was distributed to students in a Finance course in Hong Kong, 81% of H.K. respondents are Finance majors. Among U.S. respondents, the most common majors are Accounting (33%), Marketing (27%), and Management (14%). All H.K. respondents have less than 5 years of work experience. For U.S. students, 48% have less than 5 years of work experience, 47% have between 5 and 10 years, and 5% have more than 10 years of work experience.

The global trend toward ethical awareness in Business school curricula is evident in this sample as 82% of U.S. respondents and 90% of H.K. respondents indicate that they have received ethics education in their coursework.

Among both sub-samples, the most frequently reported GPA is between 3.1 and 3.5, followed by 2.6 to 3.0, and 3.6 to 4.0.

Notably, there is a significant difference in spirituality between U.S. and H.K. students. The majority (56%) of U.S. respondents agree or strongly agree with the statement "I have faith in God," while the corresponding proportion of H.K. students is only 31%.

Table 2 (see Appendix) presents the correlation matrix for the demographic variables. As expected, race and the Hong Kong dummy variable ( $=1$  for Hong Kong student) are highly correlated. In addition, there is a large negative correlation between Work Experience and Hong Kong since no Hong Kong respondents have work experience.

As an initial test of Hypothesis 1, each sub-sample's mean responses to PRESOR statements 1-13 were calculated. Table 3 (Appendix) reports the test statistic and one-tail p-value for a t-test of the difference in mean response between U.S. and H.K. students for each of the 13 statements.

The results indicate significantly different responses between U.S. and H.K. students for nearly half (6/13) of the PRESOR statements and all but one of the differences indicate that U.S. students are more sensitive to CSR, lending support for Hypothesis 1.

For Statement 1, the mean score for H.K. respondents is higher than the mean score for U.S. respondents and the difference is significant at the 1% level, indicating that U.S. students are more sensitive to CSR. For Statement 3, the mean score for U.S. respondents is higher than the mean score of H.K. respondents, and the difference is significant at the 1% level, indicating that U.S. students are more sensitive to CSR. For Statement 4, the mean response for H.K. students is significantly higher than the mean score for U.S. students, indicating that U.S. students are more sensitive to CSR. For Statement 5, the mean response for U.S. students is higher than the mean score of H.K. respondents, indicating that U.S. students are more sensitive to CSR. For Statement 7, the mean response for H.K. students is higher than the mean response for U.S. students. This is the only significant result indicating that U.S. students are less sensitive to CSR. Finally, for Statement 10 the mean response for U.S. students is higher than for H.K. students again indicating that U.S. students are more sensitive to CSR.



While statements 1-13 are used in prior literature to measure CSR sensitivity, statements 14 and 15 are designed to investigate the degree of student conviction on ethical issues. Statement 14 (“If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics”) reflects a moderate level of conviction whereas Statement 15 (“If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics”) reflects a strong level of conviction. These two stepwise statements facilitate an analysis of the strength of student conviction on ethical issues which has not been done by prior studies.

Table 4 (see Appendix) summarizes the responses for the full sample of 233 students. A high proportion (81%) of respondents agreed or strongly agreed with Statement 14. However, less than half (43%) of all respondents agreed or strongly agreed with stronger Statement 15.

As a second test of Hypothesis 1, Table 5 (Appendix) reports the test statistic and associated p-value of a t-test of the difference in sample means for U.S. and H.K. students on Statements 14 and 15.

For Statement 14, the mean response for U.S. students is higher than for H.K. students, but the result is not statistically significant ( $p=0.13$ ). For Statement 15, however, the mean response for U.S. students is higher than the mean response for H.K. students and the result is highly significant ( $p=0.00$ ). These results, combined with the PRESOR results, support Hypothesis 1. For this sample, U.S. students exhibit greater sensitivity to CSR and ethical issues than H.K. students.

As an initial test of Hypothesis 2, Table 6 (Appendix) reports the test statistic and one-tail p-value for a t-test of the difference in mean response between male and female students for each of the 13 statements. Consistent with Hypothesis 2, there are significant differences between male and female mean responses for nearly half (6/13) of the PRESOR statements. Importantly, female students exhibit greater sensitivity to CSR than male students for all six statistically significant differences.

Next, Table 7 (Appendix) reports empirical evidence of gender’s effect on perceptions of ethics. For Statements 14 and 15, the mean response for female students is higher than for male students, and the results are highly significant. These results support the hypothesis that females exhibit greater sensitivity to ethics.

Finally, to investigate the effect of spirituality on CSR perceptions, mean responses for spiritual and non-spiritual students are compared. “Spiritual” (“Non-spiritual”) students are defined as respondents who strongly agree or agree (strongly disagree or disagree) with the statement “I have faith in God.” Students with “neutral” responses are omitted from this analysis. Table 8 (Appendix) reports the test statistic and one-tail p-value for a t-test of the difference in mean response for spiritual and non-spiritual students. Although prior studies fail to find a relationship between spirituality and CSR perceptions, these results indicate that spiritual students show greater sensitivity to CSR.

In contrast to prior research, the results provide evidence of a highly significant link between spirituality and CSR perceptions in support of Hypothesis 3. For nearly all (11/13) PRESOR statements, spiritual students exhibit greater sensitivity to CSR than non-spiritual students.

Next, Table 9 (Appendix) reports the results of responses to Statements 14 and 15 for spiritual and non-spiritual students. Spiritual students have a higher mean response for Statement 14, and the difference is marginally significant ( $p=0.06$ ). With regard to the stronger

statement (Statement 15), the mean response for spiritual students is higher and the difference is highly statistically significant ( $p=0.00$ ).

Overall, the results suggest that culture, gender, and spirituality influence student perceptions of CSR and ethics. Since the U.S. and H.K. samples differ significantly in both culture and degree of spirituality, it is difficult to infer whether different perceptions of CSR and ethics are driven by differences in culture, spirituality, or both. The next analysis uses regression analysis to estimate the relation between perceptions of CSR (measured by Statement 1-13) and ethics (measured by responses to Statements 14-15), and seven predictor variables. Since each dependent variable is categorical and ordered, an ordered logistic model is utilized. The independent variables included in the model are gender, college major, work experience, ethics education (dummy=1 if yes, 0 otherwise), GPA, spirituality, and H.K. (dummy=1 if H.K., 0 if U.S.). Age, race, and class are not included in the model due to the high correlation between “race” and HK dummy (Table 2), and the lack of variability in this sample for “age” and “class” (Table 1).

The results of fifteen separate ordered logistic regressions are presented in Table 10 (Appendix). Of the seven explanatory variables, the most frequently significant predictor variable is the Hong Kong dummy variable, indicating that culture affects perceptions of CSR even after controlling for gender and spirituality. Spirituality and gender are significant predictors for three of the statements. College major and GPA are significant predictors for only one PRESOR statement.

The final analysis investigates differences in responses between above-average GPA students (3.1 or higher) and below-average GPA students (below 3.1) (See Appendix Tables 11 and 12). The results indicate only two marginally significant differences in responses for statements 1-13 and a statistically significant difference for statement 14.

Based on the statistically significant difference found for Statement 14 but not for Statement 15, one might infer that above-average GPA students are more ethically conscious than below-average GPA students but might not commit to taking a strong stance “when the rubber meets the road.” On the other hand, spiritual students seem to have more conviction in their views regarding ethics as demonstrated by the statistically significant result for Statement 15. Finally, there is no evidence that work experience or ethics education affects perceptions of CSR as neither is statistically significant.

## CONCLUSION

The trend toward Corporate Social Responsibility (CSR) and ethical awareness is evident in the investing community, corporate boardrooms, and university classrooms. While CSR advocates argue that a business has an obligation to balance the interests of many stakeholders, critics contend that a business has an obligation only to its shareholders. This study examines the perceptions of CSR among a sample of United States and Hong Kong undergraduate business students to investigate the relationships between culture, gender, spirituality and CSR perceptions. The results indicate that United States students are more sensitive to issues of CSR and ethics. As expected, the results also confirm that women exhibit greater sensitivity to CSR and ethics than men. Finally, the results indicate that spirituality affects perceptions of CSR and ethics more strongly than any other factor, even academic performance as measured by GPA. This result is particularly interesting in view of the 2012 scandal at Harvard where many undergraduate students were expelled following a cheating scandal. The primary contribution of

this study is that it provides the first empirical comparison between spirituality and academic performance in terms of perceptions of CSR and relative intensity of views on ethics.

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Table 1. Sample Demographics	U.S. (N=185)		H.K. (N=48)	
	N	% of sub-sample	N	% of sub-sample
Gender				
Male	111	60.0%	23	47.9%
Female	74	40.0%	25	52.1%
Age				
17 or younger	0	0.0%	0	0.0%
18-20	20	10.8%	1	2.1%
21-29	155	83.8%	47	97.9%
30-39	7	3.8%	0	0.0%
40-49	3	1.6%	0	0.0%
50-59	0	0.0%	0	0.0%
Ethnicity				
White	162	87.6%	1	2.1%
Black or African-American	8	4.3%	0	0.0%
American Indian	1	0.5%	0	0.0%
Asian	9	4.9%	46	95.8%
Native Hawaiian	0	0.0%	0	0.0%
Multiple races	2	1.1%	1	2.1%
Other	3	1.6%	0	0.0%
Class Year				
Freshman	0	0.0%	0	0.0%
Sophomore	1	0.5%	0	0.0%
Junior	36	19.5%	6	12.5%
Senior	148	80.0%	42	87.5%
Primary Major				
Accounting	61	33.0%	4	8.3%
Economics	4	2.2%	2	4.2%
Finance	15	8.1%	39	81.3%
Management	26	14.1%	1	2.1%
Marketing	50	27.0%	1	2.1%
Music Industry	13	7.0%	0	0.0%
Other	16	8.6%	1	2.1%
Work Experience				
Less than 5 years	89	48.1%	48	100.0%
5 to 10 years	86	46.5%	0	0.0%
More than 10 years	10	5.4%	0	0.0%
Ethics Education in Classes				
Yes	152	82.2%	43	89.6%
No	33	17.8%	5	10.4%

More than 10 years	10	5.4%	0	0.0%
Ethics Education in Classes				
Yes	152	82.2%	43	89.6%
No	33	17.8%	5	10.4%
GPA				
3.6 - 4.0	40	21.6%	5	10.4%
3.1 - 3.5	83	44.9%	20	41.7%
2.6 - 3.0	54	29.2%	19	39.6%
2.1 - 2.5	7	3.8%	3	6.3%
2.0 or below	1	0.5%	1	2.1%
I have faith in God.				
Strongly Agree	45	24.3%	4	8.3%
Agree	59	31.9%	11	22.9%
Neutral	48	25.9%	20	41.7%
Disagree	15	8.1%	11	22.9%
Strongly Disagree	18	9.7%	2	4.2%

**Table 2. Correlation Matrix**

	GENDER	AGE	RACE	CLASS	MAJOR	WORK	ETHICSEDU	GPA	SPIRITUALITY	HK
GENDER	1.000									
AGE	-0.118	1.000								
RACE	0.047	0.043	1.000							
CLASS	0.080	0.349	0.099	1.000						
MAJOR	0.075	0.002	-0.137	0.280	1.000					
WORK	-0.136	0.353	-0.427	0.111	0.119	1.000				
ETHICSEDU	-0.042	0.074	0.040	0.128	-0.084	0.025	1.000			
GPA	0.103	0.051	-0.107	-0.066	-0.153	-0.004	-0.034	1.000		
SPIRITUALITY	0.122	0.004	-0.032	0.020	0.048	0.016	-0.068	0.020	1.000	
HK	0.099	0.017	0.750	0.081	-0.132	-0.401	0.073	-0.150	-0.152	1.000

**Table 3. PRESOR Results by Culture (U.S. N=185; H.K. N=48)**

Please indicate your agreement or disagreement with each of the following statements according to the following scale.

1: Totally Disagree; 9: Totally Agree

Question	U.S.		H.K.		t Stat	P value
	Mean	S.D.	Mean	S.D.		
1. To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.	2.68	1.92	4.33	2.82	-3.84	0.00***
2. Social responsibility and profitability can be compatible.	7.34	1.56	7.21	1.44	0.56	0.29
3. Good ethics is often good business.	7.51	1.59	6.13	1.79	4.87	0.00***
4. If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.	3.02	2.05	4.08	2.32	-2.90	0.00***
5. Being ethical and socially responsible is the most important thing a firm can do.	6.76	1.82	5.96	2.14	2.37	0.01**
6. A firm's first priority should be employee morale.	6.41	1.56	6.29	1.86	0.39	0.35
7. The ethics and social responsibility of a firm is essential to its long term profitability.	7.35	1.49	7.88	1.04	-2.84	0.00***
8. The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.	6.44	1.77	6.69	1.36	-1.04	0.15
9. Business ethics and social responsibility are critical to the survival of a business enterprise.	7.03	1.66	6.79	1.74	0.86	0.20
10. Business has social responsibility beyond making a profit.	7.57	1.56	7.08	1.56	1.92	0.03**
11. The most important concern for a firm is making a profit, even if it means bending or breaking the rules.	3.25	2.14	3.44	2.38	-0.49	0.31
12. Efficiency is much more important to a firm than whether or not a firm is seen as ethical or socially responsible.	4.14	2.14	4.27	2.16	-0.37	0.36
13. If the stockholders are unhappy, nothing else matters.	4.04	2.01	3.75	1.92	0.93	0.18

\*\*\*p<.01 ; \*\*p<.05 ; \*p<.10

<b>Table 4. Ethics Results; Full Sample (N=233)</b>				
<b>Q14. If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics.</b>				
			<b>N</b>	<b>%</b>
Strongly Agree			87	37.3%
Agree			103	44.2%
Neutral			26	11.2%
Disagree			14	6.0%
Strongly Disagree			3	1.3%
<b>Q15. If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics.</b>				
			<b>N</b>	<b>%</b>
Strongly Agree			26	11.2%
Agree			75	32.2%
Neutral			66	28.3%
Disagree			57	24.5%
Strongly Disagree			9	3.9%



**Table 5. Ethics Results by Culture (U.S. N=185; H.K. N=48)**

<b>Q14. If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics.</b>					
		<b>U.S.</b>		<b>H.K.</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		70	37.8%	17	35.4%
Agree		86	46.5%	17	35.4%
Neutral		16	8.6%	10	20.8%
Disagree		11	5.9%	3	6.3%
Strongly Disagree (1)		2	1.1%	1	2.1%
	Mean		4.14		3.96
	Variance		0.78		1.02
	t Stat		1.14		
	p value		0.13		
<b>Q15. If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics.</b>					
		<b>U.S.</b>		<b>H.K.</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		22	11.9%	4	8.3%
Agree		70	37.8%	5	10.4%
Neutral		50	27.0%	16	33.3%
Disagree		38	20.5%	19	39.6%
Strongly Disagree (1)		5	2.7%	4	8.3%
	Mean		3.36		2.71
	Variance		1.05		1.10
	t Stat		3.83		
	p value		0.00***		

**Table 6. PRESOR Results by Gender (Males N= 134; Females N=99)**

Please indicate your agreement or disagreement with each of the following statements according to the following scale.

1: Totally Disagree; 9: Totally Agree

Question	Males		Females		t Stat	P value
	Mean	S.D.	Mean	S.D.		
1. To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.	3.06	2.18	2.96	2.32	0.33	0.37
2. Social responsibility and profitability can be compatible.	7.32	1.59	7.30	1.47	0.09	0.46
3. Good ethics is often good business.	7.21	1.79	7.24	1.63	-0.15	0.44
4. If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.	3.49	2.26	2.90	1.94	2.12	0.02**
5. Being ethical and socially responsible is the most important thing a firm can do.	6.56	2.02	6.64	1.77	-0.31	0.38
6. A firm's first priority should be employee morale.	6.31	1.62	6.48	1.62	-0.83	0.20
7. The ethics and social responsibility of a firm is essential to its long term profitability.	7.40	1.48	7.54	1.35	-0.75	0.23
8. The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.	6.28	1.81	6.78	1.49	-2.28	0.01**
9. Business ethics and social responsibility are critical to the survival of a business enterprise.	6.78	1.82	7.25	1.42	-2.21	0.01**
10. Business has social responsibility beyond making a profit.	7.44	1.64	7.51	1.47	-0.32	0.38
11. The most important concern for a firm is making a profit, even if it means bending or breaking the rules.	3.66	2.33	2.79	1.89	3.17	0.00***
12. Efficiency is much more important to a firm than whether or not a firm is seen as ethical or socially responsible.	4.34	2.16	3.94	2.11	1.40	0.08*
13. If the stockholders are unhappy, nothing else matters.	4.19	2.03	3.70	1.90	1.91	0.03**

\*\*\*p<.01 ; \*\*p<.05 ; \*p<.10

**Table 7. Ethics Results by Gender (Males N= 134; Females N=99)**

<b>Q14. If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics.</b>					
		<b>Males</b>		<b>Females</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		40	29.9%	47	47.5%
Agree		56	41.8%	47	47.5%
Neutral		21	15.7%	5	5.1%
Disagree		14	10.4%	0	0.0%
Strongly Disagree (1)		3	2.2%	0	0.0%
	Mean		3.87		4.42
	Variance		1.06		0.35
	t Stat		-5.22		
	p value		0.00***		
<b>Q15. If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics.</b>					
		<b>Males</b>		<b>Females</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		11	8.2%	15	15.2%
Agree		39	29.1%	36	36.4%
Neutral		36	26.9%	30	30.3%
Disagree		42	31.3%	15	15.2%
Strongly Disagree (1)		6	4.5%	3	3.0%
	Mean		3.05		3.45
	Variance		1.12		1.05
	t Stat		-2.93		
	p value		0.00***		

**Table 8. PRESOR Results by Spirituality (Spiritual N=119; Non-Spiritual N=46)**

Please indicate your agreement or disagreement with each of the following statements according to the following scale.

1: Totally Disagree; 9: Totally Agree

Question	Spiritual		Non-Spiritual		t Stat	P value
	Mean	S.D.	Mean	S.D.		
1. To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.	2.87	1.96	3.63	2.65	-1.76	0.04**
2. Social responsibility and profitability can be compatible.	7.34	1.39	7.39	1.60	-0.17	0.43
3. Good ethics is often good business.	7.51	1.49	6.61	1.96	2.83	0.00***
4. If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.	3.09	1.93	3.76	2.28	-1.75	0.04**
5. Being ethical and socially responsible is the most important thing a firm can do.	6.74	1.81	6.09	2.04	1.90	0.03**
6. A firm's first priority should be employee morale.	6.45	1.53	5.98	1.98	1.44	0.08*
7. The ethics and social responsibility of a firm is essential to its long term profitability.	7.50	1.38	7.11	1.51	1.51	0.07*
8. The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.	6.57	1.69	5.98	1.67	2.04	0.02**
9. Business ethics and social responsibility are critical to the survival of a business enterprise.	7.11	1.52	6.65	1.90	1.46	0.07*
10. Business has social responsibility beyond making a profit.	7.50	1.41	7.57	1.72	-0.21	0.39
11. The most important concern for a firm is making a profit, even if it means bending or breaking the rules.	3.14	2.05	4.02	2.52	-2.11	0.02**
12. Efficiency is much more important to a firm than whether or not a firm is seen as ethical or socially responsible.	4.19	2.20	4.67	2.09	-1.31	0.09*
13. If the stockholders are unhappy, nothing else matters.	3.92	1.94	4.78	2.01	-2.48	0.01**
***p<.01 ; **p<.05 ; *p<.10						

**Table 9. Ethics Results by Spirituality (Spiritual N=119; Non-Spiritual N=46)**

<b>Q14. If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics.</b>					
		<b>Spiritual</b>		<b>Non-spiritual</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		46	38.7%	12	26.1%
Agree		56	47.1%	22	47.8%
Neutral		10	8.4%	9	19.6%
Disagree		5	4.2%	3	6.5%
Strongly Disagree (1)		2	1.7%	0	0.0%
	Mean		4.17		3.93
	Variance		0.77		0.73
	t Stat		1.56		
	p value		0.06*		
<b>Q15. If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics.</b>					
		<b>Spiritual</b>		<b>Non-spiritual</b>	
		<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>
Strongly Agree (5)		15	12.6%	3	6.5%
Agree		44	37.0%	10	21.7%
Neutral		29	24.4%	11	23.9%
Disagree		26	21.8%	19	41.3%
Strongly Disagree (1)		5	4.2%	3	6.5%
	Mean		3.32		2.80
	Variance		1.17		1.14
	t Stat		2.77		
	p value		0.00***		



**Table 10. Ordered Logit Regression Results**

Wald Estimate P values for Categorical Predictors

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15
<b>GENDER</b>	0.40	0.95	0.86	0.06*	0.93	0.66	0.84	0.13	0.07*	0.59	0.01***	0.11	0.13	0.00***	0.00***
<b>MAJOR</b>	0.60	0.18	0.53	0.46	0.28	0.16	0.62	0.04**	0.20	0.77	0.96	0.39	0.66	0.14	0.12
<b>WORK</b>	0.37	0.25	0.31	0.95	0.26	0.13	0.74	0.87	0.53	0.74	0.96	0.93	0.62	0.81	0.30
<b>ETHICSEDU</b>	0.23	0.50	0.92	0.82	0.95	0.29	0.42	0.28	0.29	0.89	0.96	0.26	0.98	0.57	0.71
<b>GPA</b>	1.00	0.82	0.69	0.99	0.08*	0.63	0.85	0.21	0.51	0.83	1.00	0.84	0.99	0.31	0.96
<b>SPIRITUALITY</b>	0.50	0.49	0.14	0.44	0.65	0.19	0.35	0.01***	0.85	0.88	0.22	0.10	0.03**	0.59	0.01***
<b>HK</b>	0.05**	0.61	0.00***	0.16	0.29	0.77	0.04**	0.20	0.64	0.05**	0.92	0.96	0.29	0.67	0.15

\*\*\*p<.01 ; \*\*p<.05 ; \*p<.10

**Table 11. PRESOR Results by Grade Point Average (Above-average GPA N=148; Below-average GPA N=85)**

Please indicate your agreement or disagreement with each of the following statements according to the following scale.

1: Totally Disagree; 9: Totally Agree

Question	Above-average GPA		Below-average GPA		t Stat	P value
	Mean	S.D.	Mean	S.D.		
1. To remain competitive in a global environment, business firms will have to disregard ethics and social responsibility.	2.89	2.21	3.25	2.27	-1.18	0.12
2. Social responsibility and profitability can be compatible.	7.42	1.55	7.13	1.49	1.40	0.08*
3. Good ethics is often good business.	7.30	1.73	7.09	1.71	0.87	0.19
4. If survival of a business enterprise is at stake, then you must forget about ethics and social responsibility.	3.11	2.14	3.46	2.16	-1.21	0.11
5. Being ethical and socially responsible is the most important thing a firm can do.	6.51	1.96	6.74	1.84	-0.91	0.18
6. A firm's first priority should be employee morale.	6.30	1.65	6.53	1.58	-1.06	0.14
7. The ethics and social responsibility of a firm is essential to its long term profitability.	7.52	1.47	7.34	1.34	0.95	0.17
8. The overall effectiveness of a business can be determined to a great extent by the degree to which it is ethical and socially responsible.	6.51	1.79	6.46	1.53	0.25	0.40
9. Business ethics and social responsibility are critical to the survival of a business enterprise.	7.09	1.70	6.79	1.63	1.36	0.09*
10. Business has social responsibility beyond making a profit.	7.51	1.61	7.40	1.51	0.51	0.31
11. The most important concern for a firm is making a profit, even if it means bending or breaking the rules.	3.28	2.29	3.31	2.01	-0.08	0.47
12. Efficiency is much more important to a firm than whether or not a firm is seen as ethical or socially responsible.	4.10	2.14	4.28	2.15	-0.62	0.27
13. If the stockholders are unhappy, nothing else matters.	4.03	2.02	3.91	1.94	0.45	0.33

\*\*\*p<.01 ; \*\*p<.05 ; \*p<.10

<b>Table 12. Ethics Results by Grade Point Average</b>					
<b>(Above-average GPA N=148; Below-average GPA N=85)</b>					
<b>Q14. If you are a manager, then you would rather have your company earn a modest profit with strong ethics than earn a high profit with low ethics.</b>					
	<b>Above-average GPA</b>		<b>Below-average GPA</b>		
	<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>	
Strongly Agree (5)	59	39.9%	28	32.9%	
Agree	67	45.3%	36	42.4%	
Neutral	14	9.5%	12	14.1%	
Disagree	6	4.1%	8	9.4%	
Strongly Disagree (1)	2	1.4%	1	1.2%	
	Mean	4.18		3.96	
	Variance	0.75		0.96	
	t Stat	1.70			
	p value	0.05			
<b>Q15. If you are a manager, then you would rather have your company suffer a loss with strong ethics than earn a profit with low ethics.</b>					
	<b>Above-average GPA</b>		<b>Below-average GPA</b>		
	<b>N</b>	<b>%</b>	<b>N</b>	<b>%</b>	
Strongly Agree (5)	15	10.1%	11	12.9%	
Agree	52	35.1%	23	27.1%	
Neutral	42	28.4%	24	28.2%	
Disagree	34	23.0%	23	27.1%	
Strongly Disagree (1)	5	3.4%	4	4.7%	
	Mean	3.26		3.16	
	Variance	1.06		1.23	
	t Stat	1.23			
	p value	0.27			