

An Exploration of Ethical Decision-making Processes in the United States and Egypt

Rafik I. Beekun
Ramda Hamdy
James W. Westerman
Hassan R. HassabElnaby

ABSTRACT. In this comparative survey of 191 Egyptian and 92 U.S. executives, we explore the relationship between national culture and ethical decision-making within the context of business. Using Reidenbach and Robin's (1988) multi-criteria ethics instrument, we examine how differences on two of Hofstede's national culture dimensions, individualism/collectivism, and power distance, are related to the manner in which business practitioners make ethical decisions. Egypt and the U.S. provide an interesting comparison because of the extreme differences in their economies and related business development. Our results indicate that respondents from the U.S., individualistic and low in power distance, were likely to view the decision making outcome in ethics scenarios as more unethical than the more collectivistic and high power distance Egyptians, when applying ethical criteria based on justice, utilitarianism, relativism, and (contrary to our predictions) egoism. However, we also found that both Egyptians and Americans rely on justice, utilitarianism, and relativism in predicting their intentions to behave ethically, and that Americans substitute egoism for justice, when the behavioral intentions of peers are examined.

KEY WORDS: Egypt, justice, ethics, national culture, U.S., relativism, egoism and utilitarianism, intention to behave

Introduction

With over 70 million potential customers and a country located near key energy resources in the Middle East and the Suez Canal, Egypt has become a magnet for global market activity and has received a massive financial infusion from many countries, especially the U.S. after Desert Storm (CIA Fact-

book, 2002). Doing business in Egypt, however, is fraught with obstacles. U.S. businesses wishing to enter the Egyptian market need to consider that Egyptian managers view differently many practices that are considered moral and ethical in U.S. culture (Al-Khatib et al., 1995; Rawwas et al., 1994). A Library of Congress Country Studies report in 1990 noted that ethical issues (including bribery and corruption) represent a major obstacle encountered by American businesses in Egypt. Transparency International's 2005 Corruption Perceptions Index (CPI) (that reflects the prevalence of bribery and corruption among most of the countries in the world) assigned a 7.6 CPI score to the U.S. and a 3.4 CPI score to Egypt, where 10 represents "highly clean," and 0 represents "highly corrupt." Starting with Sadat's *Infitah* (open-door) economic policy and continuing under Mubarak's administration, white collar crimes have been rampant in Egypt including embezzlement, tax and customs evasion, illegal currency transactions, smuggling and trading contraband, diversion of subsidized goods, 'leakages' from free trade zones, kickbacks, and bribes to officials. These offenses frequently take place with the connivance of the government officials, and permeate the entire business structure of the country. In 1980, the Egyptian government created a separate judicial institution, the Court of Ethics, together with its investigating arm, the Office of the Socialist Prosecutor, to investigate complaints of widespread corruption in its government.

Conversely, as Egyptian firms do business with the U.S., they are finding that Americans practice their "ethics" very differently, especially with respect to manager-employee salary differentials and job security. For example, Egyptian firms are more

likely to treat lower-level employees well than U.S. firms because of high collectivism. Egypt also has much stronger norms for job security and correlative duties to stay with one employer, whereas U.S. employees may leave their job on short notice, and can be dismissed without any cause at any time. This article examines the role of national culture in determining a country's accepted business practices with a specific focus on ethical behavior. By learning more about the process underlying ethics in different countries, global managers and employees can enhance ethical behavior across national borders (Husted, 2000; Pratt et al., 1993). Schein (1997) has noted that telling a person in another culture that an action is unethical has the potential to antagonize that person. As a result, managers often tolerate, rather than attempt to understand, each other. A deeper understanding of the process underlying ethics across national cultures can help us decipher norms of behavior and avoid the unwelcome unintended consequences of offending others. Accordingly, in our study, we explore the relationship between business ethics and the national culture of Egypt and the U.S., and what drives the behavioral intention processes underlying ethical decision making in either country.

National culture and ethics

For the purpose of this article, national culture is defined as a system of broadly held values that stem from each nation's unique environment. Using Hofstede's national culture dimensions (1980), Egypt reported dimension scores that were significantly different from those of the U.S. The literature on national culture and ethics suggests that (1) Egypt differs from the U.S. on all national culture dimensions, (2) ethical differences exist between Egypt and the U.S., and (3) national culture may impact ethics with respect to these two countries. Although Brown and Humphreys (1995) identified significant differences in Hofstede's dimensions between the U.K. and Egypt, the relationships between the U.S. and Egypt and the differences in ethical philosophies have not been investigated empirically. Our aim is to explore the relationship between the power distance and individualism/collectivism dimensions of national culture, and the specific ethical dimensions

of justice, utilitarianism, relativism, and egoism in Egypt and the U.S. Our article proceeds as follows. First, we examine Hofstede's national culture typology to provide a foundation for the differences between the U.S. and Egypt in ethical values. Next, we develop hypotheses to more specifically explicate the differences between the countries in their use of ethical philosophies. Finally, we examine the use of ethical philosophies in determining self- and peer-intentions to behave ethically.

Hofstede's national culture typology: differences between Egypt and the U.S.

In order to explain the relationship between culture and ethics, prior studies have used Hofstede's (1980) culture dimensions (Cohen et al., 1992, 1993, 1995; Douglas and Wier, 2005; Douglas et al., 2007). Comprehending differences in cultural values is key to understanding the differences in national and international management practices, and provides the foundation for building an effective system of multinational organizational controls. Accordingly, Hofstede's typology of national culture is used in our study because it clearly draws the connection between national values and economic activity (Husted, 2000). Hofstede (1980) proposed four dimensions of culture by which nationals from different countries could be commonly ranked. Since culture represents man's accumulated shared learning in the face of "problems of external adaptation and internal integration," and since espoused values and assumptions form part of his/her cognitive and affective make-up (Schein, 1997), culture is likely to be related to decision-making processes (Adler, 2002; Messick and Bazerman, 1996). Overall, the determination of whether certain decisions or actions are ethical is likely to be affected by one's culture in general and dimensions of national culture specifically.

Hofstede's (1980) culture dimensions consist of power distance, uncertainty avoidance, masculinity/femininity, and individualism/collectivism. Table I presents the scores for Hofstede's culture dimensions for Egypt and the U.S. *Power distance* refers to the degree to which members of a culture accept an unequal distribution of physical and other resources. This dimension reflects the extent to which less

TABLE I
Culture dimensions (Hofstede, 1980)

Dimensions of culture	U.S.	Egypt	Difference
Power distance	40	79	(39)
Uncertainty avoidance	46	68	(22)
Individualism/collectivism	91	37	54
Masculine/feminine	70	62	8

powerful members in a country obey orders from superiors; the more they obey such orders unquestioningly, the higher the degree of power distance. *Uncertainty avoidance* depicts a people's ability to deal with the risks associated with the unknown, as well as the beliefs and institutions they have created to cope with such situations. *Masculinity* holds as important money, success, and things whereas *femininity* gives priority to quality of life and caring for others. *Individualism* refers to the tendency of people to focus on individual and immediate family interests while *collectivism* refers to a broader focus on belonging to an in-group and looking after group interests.

The U.S. differs from Egypt on all four culture dimensions, but our research focuses on two dimensions: individualism/collectivism and power distance. As seen in Table I, individualism and power distance are the two dimensions, where the U.S. and Egypt exhibit the largest differences. Egypt scored low on individualism, and hence would be considered a collectivistic country. By contrast, the U.S. scored high on individualism and would be considered an individualistic country. Further, Hofstede (1980) noted an inverse relationship between individualism/collectivism and power distance, and suggested that both were related to economic wealth. Prior research (e.g., Bailes and Assada, 1991; Harrison, 1992; Harrison et al., 1994; Ueno and Wu, 1993) has supported Hofstede's observation, and found a significant negative correlation between power distance and individualism demonstrated in the value systems of most countries: i.e., a country low on power distance would be expected to be high on individualism. In addition, the extreme differences in economic wealth between Egypt and the U.S., both historically and in the present, provide fertile ground for exploring national

cultural differences in these areas. Further discussion of individualism and power distance in the context of Egypt and the U.S. follows.

The individualism/collectivism dimension is a bipolar continuum ranging from individualism to collectivism. *Individualism* describes the inclination of individuals to pursue their personal interests and those of their immediate family (Hofstede, 1980). Members of a highly individualistic country view themselves as self-reliant, and stress individual action. As indicated by Puffer and McCarthy (1995), Americans' belief in individualism has developed for over a century. This belief stems from the fact that early immigrants to America sought a society, where personal ability rather than social status or relationships determined one's station in life. Puffer and McCarthy (1995) also indicate that the U.S.'s Judeo-Christian heritage emphasizes hard work and the accumulation of personal wealth as being virtuous and desirable endeavors. By contrast, the dominant ideology in many Muslim countries, including Egypt, is not Islam, but instead secularism mixed in with feudalism, socialism, and more recently capitalism (Chapra, 1992).

Collectivism, by comparison, describes a culture where individuals are viewed as part of a larger group (an in-group) in which the group members look after one another. Collectivistic cultures protect the interests of their members in return for their loyalty. In such cultures, morality is defined in terms of the benefits for the in-group (family, friends, employers and firms, etc), and implies the maintenance of solidarity (Triandis and Bhawuk, 1997). Collectivists tend to value the reciprocation of favors (Schwartz, 1994), and place group interests ahead of individual interests. Unlike America's focus on individualism, Egypt's culture has been dominated by ruling elites, initially colonial forces, followed by

the monarchy, which was succeeded by the Socialist and current Party leaders (Rice, 1999). As a result, Egyptians have grown accustomed to the lack of individual freedom. Only since Sadat have private enterprises been actively promoted in Egypt. Egyptians have a long tradition of emphasizing collectivism as part of their national culture, and this fact has been confirmed by Trompenaars and Hampden-Turner's research (1998).

Power distance describes the degree to which the less powerful accept an unequal distribution of power. Hofstede (1980) ranked Egypt as a high power distance country. Again, Egyptian culture with its emphasis on authority figures, previous subjugation to the monarchy and the Socialist Party elite has bred a sense of caution among its citizenry. Further, the pervasiveness of the Egyptian intelligence services has bred a legacy of high power distance in the populace and in Egyptian managers and workers (Puffer and McCarthy, 1995). Hence, subordinates in Egyptian organizations are more likely to tolerate an uneven distribution of power in the organizational chain of command. Parnell and Hatem (1999) conducted a survey of manager members of the American Chamber of Commerce in Egypt to identify the behavioral differences between Egyptian and American managers. They found that soliciting participation in decision-making is viewed positively by American managers, but viewed as a sign of leadership weakness and low integrity by Egyptian managers. Their results provide strong support for the notion that management behavior is rooted in culture.

Conducting business across national borders is difficult because such cultural misunderstandings are often deemed undiscussable (Schein, 1997). Although the parameters of ethical behavior are generally well understood within a specific organization rooted in a cultural context, national, and ethnic differences rise to the forefront when organizations cross national boundaries and attempt to work with other cultures. According to Hendry (1999), these differences may stir three types of conflicts. First, the ethical values characterizing the two national cultures may lead to opposite conclusions about what is right or wrong. Cohen et al. (1995) examined differences in the ethical decision-making of auditors in three countries who worked for the same multinational public accounting firm, and discovered

differences in the ethical judgments among those auditors, although all of the auditors were from the same firm in the same profession and subject to a firm-wide code of ethical conduct. Their results indicated that ethical values characterizing different national cultures may result in different ethical understandings among employees. Second, decision makers from different cultures may disagree as to the moral and ethical implications of a given behavior. Douglas and Wier (2005) studied the specific behavior of creating budgetary slack (to set the budget significantly below the forecast of production representing an unethical act), and found that ethical ideology was related to slack creation behavior for U.S. managers but not for Chinese managers. Their results indicated that while slack creation behavior is unethical for one culture (U.S.), Chinese managers do not perceive this issue as an ethical issue. Third, decision makers may read a common situation differently even when their national values have some degree of overlap. Douglas et al. (2006) showed that Egyptian managers working for U.S. firms were more *relativistic* and less *idealistic* than their counterparts in Egyptian firms.

In order to investigate the relationship between national culture and ethics, we chose two culturally diverse countries. Egypt is collectivistic with high power distance, whereas the U.S. is individualistic with low power distance. As discussed earlier, persons from an individualistic culture emphasize their families' and their own interests whereas persons from a collectivistic culture focus on actions that lead to the greatest benefit for members of their group.

Accordingly, we propose the following hypothesis:

H1: The assessment of the ethical content of business decisions is a function of national culture.

Competing ethical theories for business decisions

In order to make sense of such different perspectives utilized in making ethical decisions, this research utilizes several longstanding normative theories, e.g., justice, utilitarianism, relativism, and egoism. These theories potentially provide conflicting interpretations of what is ethical or unethical because of the assumptions they make about the processes under-

lying ethical behavior. Moreover, prior research (Beekun et al., 2005; Cohen et al., 1993; Hansen, 1992; Reidenbach and Robin, 1988, 1990) suggests that individuals making ethical decisions use a varying combination of ethical philosophies or theories.

Ethical theories can be further categorized as either teleological, deontological, or both simultaneously. Teleological ethics maintains that it is not actions themselves, but their outcome (e.g., good or bad) that determines whether they are ethical or not. The most ethical course of action is the one which, on balance, yields the largest proportion of good over bad consequences. Ethical philosophies that focus on outcome are referred to as consequentialist (Shaw, 1999). They take many forms, namely, egoism (happiness of the individual), utilitarianism (happiness of the majority), and relativism (happiness means different things to different individuals).

The second category, deontology, claims that “the highest norm of morality” lies in the inherent quality of man’s actions themselves, their freedom, their genuineness, and considers what is good for one man is good for all men. Justice is a deontological approach to ethics. Our research utilizes ethical approaches from each theoretical category (deontological vs. teleological) to allow for a more balanced analysis.

In this study, we focus on the deontological ethical approach of justice, and the teleological approaches of utilitarianism, relativism and egoism approach to ethics for several reasons. First, Hofstede’s individualism/collectivism and power distance dimensions can be clearly and easily related to utilitarianism, relativism and egoism by identifying the type of outcome. Who gains from an action: one person (egoism) or a group? The ruling elite or the general population (utilitarianism)? Or does it depend on how ethical standards are being defined (relativism)? Second, focusing on justice allows for an examination of differing definitions of justice and fairness, particularly when related to individualism/collectivism and power distance. For example, does justice for all mean that a collective outcome is more fair? Or does it simply lead to equal (but not necessarily fair) treatment? We describe each of the four ethical approaches used in this study in detail.

Justice

The deontological principle of *justice* revolves primarily around fairness and equality. As Weiss (1994) points out, “the moral authority that decides what is right and wrong concerns the *fair and equitable* distribution of opportunity and hardship to *all*.” Rawls (1971) elaborates on the fairness aspect of justice by stating two generally accepted principles. First, fair treatment must be accorded to all individuals. Second, positions and offices must be open to all, and must allow equal access to society’s opportunities and encumbrances (although not necessarily resulting in a uniform distribution of wealth). Additionally, the principle of justice encompasses punishment for misdeeds especially when unwarranted harm is done.

We assert that Egyptians and Americans attach different meanings to the concept of justice. The U.S., with its emphasis on individualism and its de-emphasis on power distance, can be expected to stand for justice for the common man independent of his/her socioeconomic status. The U.S. implementation of a well-developed judicial system, *habeas corpus*, and trial by jury, such programs as the Equal Employment Opportunity Commission, affirmative action policies, Project START, provides evidence of the primacy and institutionalization of such an ethical philosophy. Thus, we would argue that in comparison to the Egyptians, Americans have come to expect both equality and fairness in terms of justice. Given the differences in their respective national cultures, we expect Egyptians and Americans to differ in their assessment of the ethical content of business decisions. When justice is used, we expect the individualistic, low power distance-oriented Americans to judge business decisions as more unethical because of their emphasis on both the equality and fairness aspects of justice and on both process and outcomes in their search of the desirable ends.

H2: When applying justice criteria to judge the ethical content of an action or a decision, respondents from the U.S. will judge a decision or action as more unethical than respondents from Egypt.

Utilitarianism

Utilitarianism, in contrast, is “the moral doctrine that we should always act to produce the greatest possible balance of good over bad for everyone affected by our action” (Shaw, 1999, p. 49). Utilitarianism focuses on social improvement, and actions are deemed ethical if they result in the greatest human welfare. Although utilitarians also gauge an action in terms of its consequences, the most ethical actions are those which lead to the greatest benefit for the largest number of people. Thus, self-interest is not appropriate since actions are evaluated by how they contribute to the general good.

When utilitarian criteria are used in ethical decision making, we expect the individualistic, low power distance-oriented Americans to judge business decisions as unethical because of their emphasis on the individual equality and fairness aspects of justice in their search for desirable ends. Egyptians’ focus on collectivism and group welfare (Hofstede, 1980) supports a moral perspective which suggests that individuals should act so as to produce the greatest possible ratio of good to evil for the largest number of people. Hence, self-interest would be less important since actions are evaluated by how they contribute to the general good. With its legacy from the Nasser Era, Egypt has had a socialist streak for several decades (Rice, 1999). Thus, we would anticipate that Egyptians with their collectivist approach would be more likely than their individualist U.S. counterparts to judge an action as unethical if it violates utilitarian ethical tenets.

H3: When applying utilitarian criteria to judge the ethical content of an action or a decision, respondents from Egypt will judge an action or decision as more unethical than respondents from the U.S.

Relativism

Unlike the justice emphasis on equity and the utilitarian focus on the greatest good, relativism suggests that no universal ethical rules exist that apply to everyone (Beekun et al., 2005; Robertson et al., 2003). The use of relativism as a guiding ethical philosophy is more likely to exist in collectivistic countries. In collectivistic cultures, individuals’

identity is defined in terms of a larger group (an in-group) where group members look after one another (Hofstede, 1980, 2001; Robertson et al., 2003). Group loyalty is highly valued, and morality is identified with what benefits the whole in-group. Workplace values in collectivistic countries move responsibility away from the individual to the company (Hofstede, 2001). Differing standards are applied to members of in-groups as opposed to outsiders. The relativist perspective is less likely to be used in an individualistic culture partly because of its narrow emphasis on the interests of one’s immediate families and oneself.

However, prior research on the relationship between ethical decision-making and relativism is less clear (Beekun et al., 2005). When contrasting the U.S. with Russia, respondents from both countries were found to rely on relativism as one of their moral doctrines. The key issue is what individualists and collectivists consider as being part of their in-group: their immediate family or a larger group with whom they associate. Since both Egypt and Russia have a collectivist and high power distance orientation and were at one time proponents of socialism, we expect similar findings to Beekun et al. (2005), and hypothesize that there is likely be no difference in how ethical a decision is judged when respondents from either the U.S. or Egypt use relativism.

H4: When applying relativist criteria to judge the ethical content of an action or a decision, respondents from Egypt will not differ from US respondents when judging how ethical an action or decision is.

Egoism

Egoism asserts that an act is ethical when it advances the individual’s self-interests (Ferrell et al., 2002). Such a moral doctrine is more likely to be congruent with an individualistic culture. As indicated in Table I, Hofstede (1980) found Americans to be high in individualism, and Egyptians to be high in collectivism. Americans’ emphasis on individualism originating from the days of the first immigrants to America determined whether one survived (Puffer and McCarthy, 1995). Based on the work of Hofstede (1980), Latova and Latov (2003, p. 13)

characterized an individualistic inclination as involving “awareness of self as ‘I’, defense of private interests, duties laid on individuals, and fear of losing self-respect.” By contrast, they described a collectivist inclination as “awareness of self as ‘we’, maintenance of norms and relations, duties laid on group as a whole and the fear of losing ‘face.’”. Egyptians have been conditioned by their political and religious history to think in terms of the interests of the many rather than their individual interests.

H5: When applying egoist criteria to judge the ethical content of an action or a decision, respondents from Egypt will judge an action or decision as more unethical than respondents from the U.S.

Consistent with prior ethics research (Reidenbach and Robin, 1988), our hypotheses together suggest that Americans and Egyptians rely on more than one ethical criterion when assessing the ethical content of an action or decision. Thus, we also assert that when each specific ethical criterion is considered separately, respondents from different national cultures will vary in their assessment of the ethical content of a course of action or a decision.

Behavioral intentions of self and peers

Further, to investigate why respondents from the U.S. tended on average to judge an action or a decision as unethical in comparison to respondents from Egypt, we focused on which of the four ethical dimensions affected the U.S. and Egyptian respondents’ self-reported intention to behave (‘the probability that I would undertake the same action is’) and respondents’ assessments of what their peers’ intention to behave would be (‘the probability that my peers or colleagues would undertake the same action is’). Schein (1984) has asserted that organizational peers provide the normative structure and serve as the guides for employee decision making, and that they set the standards and serve as the referents for behavior within organizations (Jones and Kavanagh, 1996). Research indicates that one’s organizational peers serve as a referent other for ethical decision-making. Peers have been shown to exert a stronger influence than one’s managers (Jones and Kavanagh, 1996; Keith et al., 2003; Zey-Ferrell and Ferrell,

1982; Zey-Ferrell et al., 1979) and national culture on ethical decision-making (Westerman et al., 2007). The influence of peers stems from the work of Ajzen and Fishbein (1980) in the theory of reasoned action: “According to our theory, the more a person perceives that others important to him think he should perform a behavior, the more he will intend to do so” (p. 57). The theory of reasoned action states that a combination of referent-derived norms and the perceived value of outcomes will lead to behavioral intentions. The theory of reasoned action thus suggests that an individual’s intention to behave will be related to one’s consideration of the influence of peers. As a result, we anticipate that a consistency will exist in the use of ethical frameworks that underlie one’s own intentions to behave ethically and the perceived use of ethical frameworks by one’s peers. The hypotheses presented below, therefore, are based on the hypotheses developed previously in the manuscript. U.S. subjects will consistently emphasize justice in the behavioral intentions of themselves and their peers, and the Egyptians will be more likely to utilize utilitarianism and less likely to make use of egoism for self and peers behavioral intentions.

H6: When assessing the ethicality of a situation, Americans will rely on justice more than Egyptians in determining the behavioral intentions of themselves and their peers.

H7: When assessing the ethicality of a situation, Egyptians will rely on utilitarianism more than Americans in determining the behavioral intentions of themselves and their peers.

H8: When assessing the ethicality of a situation, Egyptians will not differ from Americans in their reliance on relativism in determining the behavioral intentions of themselves and their peers.

H9: When assessing the ethicality of a situation, Egyptians will rely on egoism less than Americans in determining the behavioral intentions of themselves and their peers.

Methodology

Sample

Data were collected from a convenience sample of 283 respondents in the U.S. and Egypt.

U.S.: Ninety-two (92) respondents were from the U.S. The participants included Master of Business Administration (MBA) students at a regional university as well as business professionals. MBA students were included because they are a commonly used proxy for business people and have not been found in prior research to differ significantly from business people (Dubinsky and Rudelius, 1980).

Egypt: Our Egyptian sample included 191 managers, supervisors, and group leaders working in private industries, government offices and academic institutions.

We have provided demographic data for our Egyptian and American respondents in Table II. Panel A of Table II shows the industry classification. Industry clustering does not seem to present a problem, as no industry makes up more than 12% of

TABLE II
Sample demographics

Demographic variable industry type	Respondents Egypt		Respondents American	
	No.	%	No.	%
Panel A: Industry distribution				
Accountant and CPA	9	4.7	0	0.0
Apparel and accessory	13	6.8	0	0.0
Banking	11	5.8	0	0.0
Building	9	4.7	0	0.0
Chemical	5	2.6	0	0.0
Consulting	23	12.0	7	7.5
Drugs, health	5	2.6	0	0.0
Education	12	6.3	10	10.8
Electronics and computer	8	4.2	8	8.6
Engineer	7	3.7	0	0.0
Food	12	6.3	5	5.4
General merchandise	8	4.2	1	1.1
Government	8	4.2	0	0.0
Health care	7	3.7	5	5.4
Import/export	7	3.7	0	0.0
Investment	5	2.6	0	0.0
Law	7	3.7	0	0.0
Software	7	3.7	5	5.4
Tourism	9	4.7	0	0.0
Other industries (less than 5 respondents)	19	9.9	52	55.9
Total	191	100	93	100.0
Panel B: Annual business sales (\$)				
\$5 million or less	0		53	
Over \$5 million to less than \$10 million	0		4	
Over \$10 million to less than \$50 million	0		7	
Over \$50 million to less than \$100 million	0		4	
Over \$100 million to less than \$150 million	0		2	
Over \$200 million to less than \$250 million	0		2	
Over \$250 million to less than \$500 million	0		6	
Over \$500 million to less than \$1 billion	0		6	
Over \$1 billion	0		9	
Total	0		93	

the sample. However, respondents from our Egyptian sample refused to provide us with data relating to the sales of their company (as indicated in Panel B of Table II). All subjects were asked to include their names, addresses, range of income, but few chose to do so because of their concerns about security and confidentiality.

Ethics instrument

The instrument used was Reidenbach and Robin's (1988) multi-philosophy, multi-item survey incorporating several ethical perspectives. This multi-philosophy approach enables the assessment of justice, utilitarianism, relativism, and egoism simultaneously while demonstrating improved reliability using multiple items to assess each ethical philosophy (Kerlinger, 1986). Prior validation of the instrument has provided evidence of high reliability and limited convergent validity. Further, a respondent's reaction to and evaluation of a situation depends on the nature of a decision or situation (Alexander and Becker, 1978). Thus, the evaluation of the ethical content in scenarios varies by situation. The scales have demonstrated high correlation with a univariate measure of the ethical content of situations. As a result, high construct validity appears to be present. Our survey instrument adopts all of the six scenarios developed and validated by Reidenbach and Robin (1988, 1990), as indicated in Table III. The survey also required respondents to rate the action on a 7-point Likert scale in each of six scenarios (3 marketing and 3 accounting scenarios) using the items described in Table IV.

Models

The model for testing hypotheses 1–5 in our study consisted of the following:

A dependent variable representing the degree to which the decision contained in each business scenario was judged to be ethical based on four ethics dimensions, i.e., justice, utilitarianism, relativism and egoism.

An independent variable representing the nationality of the respondent (U.S. versus Egypt).

A control variable representing scenario type as each of the six different scenarios used in our analysis described a different situation. Prior research (Cohen et al., 1996; Reidenbach and Robin, 1988) indicates that judgments may depend on the setting in which they occur.

An interaction term representing the interaction between the nationality of the respondent and the type of scenario.

The model for testing hypotheses 6–9 in our study consisted of the following:

A dependent variable representing either self-reported intention to behave or peers' intention to behave in a manner similar to the one in the ethics scenarios.

Four independent variables representing the four ethical dimensions (justice, utilitarianism, relativism and egoism).

A control variable representing scenario type as each of the six different scenarios used in our analysis described a different situation.

Results

A Repeated Measures ANOVA analysis of the model was conducted, as the respondents were asked the same question six times (once for each scenario). The multivariate *F*-test was utilized because all four dependent variables (justice, utilitarianism, relativism and egoism) were highly intercorrelated as indicated in Table V.

The model's *F*-test results for justice (see Table VIa) indicate that the overall findings are significant and stable ($F_{11, 1688} = 16.92$, $p < 0.0001$, $R^2 = 0.0993$) with respect to our ability to understand how this ethical dimension drives Egyptians and Americans to behave ethically. Similarly, the model's *F*-test results for utilitarianism (see Table VIb; $F_{11, 1688} = 17.79$, $p < 0.0001$, $R^2 = 0.1038$), relativism (see Table VIc; $F_{11, 1688} = 12.9$, $p < 0.0001$, $R^2 = 0.0775$), and egoism (see Table VI d; $F_{11, 1688} = 18.63$, $p < 0.0001$, $R^2 = 0.1083$) were significant and stable with respect to our ability to understand how these ethical dimensions drive Egyptians and Americans to behave ethically.

When the overall model for the above four ethical dimensions was evaluated, the multivariate results

TABLE III
Ethics scenarios

Accounting scenarios

Scenario #1: Sibling

CPA Z's sister, Susan, is the treasurer and a 26% stockholder of ABC Corporation. The president of ABC Corporation asked Z if he would perform the annual audit of ABC Corporation.

Action: CPA Z accepts the audit engagement

Scenario #2: Bankruptcy

Auditor N serves as the auditor for Widget & Co. Widget's market share has declined drastically, and N knows that Widget will soon be bankrupt. Another of N's audit clients is Solid Company. While auditing Solid's accounts receivable, N finds Widget & Co. owes solid \$200,000.

Action: Auditor N warns client, Solid Company, about Widget's impending bankruptcy.

Scenario #3: Merger

Auditor N is considering a merger with Auditor K. To facilitate the negotiations, K requests access to N's files of client work papers, income tax returns, and correspondence. K's clients are not aware of the proposed merger.

Action: Auditor N grants K access to the files.

Marketing scenarios

Scenario #4: Automobile

A person bought a new car from a franchised automobile dealership in the local area. Eight months after the car was purchased, he began having problems with the transmission. He took the car back to the dealer, and some minor adjustments were made. During the next few months, he continually had a similar problem with the transmission slipping. Each time the dealer made only minor adjustments on the car. Again, during the thirteenth month after the car had been bought, the man returned to the dealer because the transmission still was not functioning properly. At this time, the transmission was completely overhauled.

Action: Since the warranty was for only one year (12 months from the date of purchase), the dealer charged the full price for parts and labor.

Scenario #5: Neighborhood store

A retail grocery chain operates several stores throughout the local area including one in the city's ghetto area. Independent studies have shown that prices do tend to be higher and there is less of a selection of products in this particular store than in the other locations.

Action: On the day welfare checks are received in the area of the city, the retailer increases prices on all of his merchandise.

Scenario #6: Salesman

A young man, recently hired as a salesman for a local retail store, has been working very hard to favorably impress his boss with his selling ability. At times, this young man, anxious for an order, has been a little over-eager. To get the order, he exaggerates the value of the item or withholds relevant information concerning the product he is trying to sell. No fraud or deceit is intended by his actions, he is simply over-eager.

Action: His boss, the owner of the retail store, is aware of the salesman's actions but has done nothing to stop such practice.

(Wilks' Lambda) for each of the independent variables and control variables in the model were significant and consistent with the pattern reported in Tables VIa–d. For example, using the $mstat = exact$ parameter, the multivariate hypothesis for no overall country effect (as a proxy for national culture) was rejected (Wilks' Lambda value = 0.899, $p < 0.0001$), thus providing support for H1. Similarly, the

multivariate hypothesis for no overall effect due to differences in scenarios was rejected (Wilks' Lambda value = 0.8928, $p < 0.0001$). Further, the multivariate hypothesis for no overall effect due the interaction between national culture and differences in scenarios was rejected (Wilks' Lambda value = 0.9471, $p < 0.0001$). Hence, the overall pattern of results reported in Tables VIa–d is stable across the

TABLE IV
Ethics instrument scales

Ethical perspective	Items (7-point Likert scale – 1 to 7) ^a
Justice	Just/unjust Fair/unfair
Utilitarianism	Produces greatest utility/produces the least utility Maximizes benefits while minimizes harm/minimizes benefits while maximizes harm
Relativism	Leads to the greatest good for the greatest number/leads to the least good for the greatest number Culturally acceptable/unacceptable Individually acceptable/unacceptable Traditionally acceptable/unacceptable
Egoism	Acceptable to my family/unacceptable Self-promoting/not self-promoting Self-sacrificing/not self-sacrificing Personally satisfying/not personally satisfying

^aGenerally speaking, in the above bipolar scales, 1 = fair or just (ethical) whereas 7 = unfair, unjust (unethical)

TABLE V
Correlations among moral philosophies and intention to behave across all 6 scenarios and both countries

	2.	3.	4.	5.	6.
1. Justice	0.71***	0.84***	0.47***	0.29***	0.29***
2. Utilitarianism		0.80***	0.48***	0.40***	0.32***
3. Relativism			0.46***	0.41***	0.34***
4. Egoism				0.21***	0.14***
5. Intention to behave					0.60***
6. Intention of peer to behave					

*** $p < 0.001$

two countries and the six scenarios. Thus, H1 was supported at both the multivariate and the univariate level. Clearly, the assessment of the ethical content of business decisions is strongly affected by national culture when either the justice ($F_{1, 1688} = 67.57, p < 0.0001$), utilitarian ($F_{1, 1688} = 74.68, p < 0.0001$), relativism ($F_{1, 1688} = 30.45, p < 0.0001$), or egoism ($F_{1, 1688} = 140.03, p < 0.0001$) dimension criteria is relied upon by the respondents from Egypt and from the U.S.

Given the significant multivariate support for H1, we then proceeded to test H2–H5 with a series of t -tests (results are provided in Table VII). H2 was supported ($t = -8.04, p < 0.0001$): when using the justice criteria to judge the ethical content of an action or a decision, respondents from the U.S. judge a decision or action as more unethical than

respondents from Egypt. Hypothesis H3 was not supported ($t = -8.44, p < 0.0001$) as respondents from the U.S. judge an action or decision as more unethical than respondents from Egypt when using the utilitarian criteria. H4 was not supported as U.S. respondents relying on relativism judge an action or decision as being more unethical than Egyptian respondents ($t = -5.02, p < 0.0001$). H5 was also not supported since U.S. respondents relying on egoism judge an action or decision as being more unethical than Egyptian respondents ($t = -11.61, p < 0.0001$).

Further, to investigate why respondents from the U.S. tended on average to judge an action or a decision as unethical in comparison to respondents from Egypt, we focused on which of the four ethical dimensions affected the U.S. and Egyptian respon-

TABLE VI
Repeated Measures ANOVA for U.S. and Egypt together with all scenarios: (a) Justice, (b) utilitarianism, (c) relativism, (d) egoism

Source	DF	Sum of squares	Mean square	F value	p value
(a)					
Overall model	11	388.97	35.36	16.92	<0.0001
Error	1,688	3527.94	2.09		
Corrected total	1,699	3916.91			
Nation	1	141.22	141.22	67.57	<0.0001
Scenario type	5	211.07	42.21	20.20	<0.0001
Nation × scenario type	5	53.68	10.74	5.14	<0.001
(b)					
Overall model	11	427.65	38.88	17.79	<0.0001
Error	1,688	368.15	2.19		
Corrected total	1,699	4116.8			
Nation	1	163.22	163.22	74.68	<0.0001
Scenario type	5	235.02	47.0	21.51	<0.0001
Nation × scenario type	5	44.99	8.99	4.12	<0.01
(c)					
Overall model	11	279.91	25.45	12.9	<0.0001
Error	1,688	3329.37	1.97		
Corrected total	1,699	3609.28			
Nation	1	60.05	60.05	30.45	<0.0001
Scenario type	5	176.45	35.29	17.89	<0.0001
Nation × scenario type	5	49.83	9.97	5.05	<0.001
(d)					
Overall model	11	435.01	39.55	18.63	<0.0001
Error	1,688	3582.86	2.12		
Corrected total	1,699	4017.87			
Nation	1	297.22	297.22	140.03	<0.0001
Scenario type	5	96.47	19.29	9.09	<0.0001
Nation × scenario type	5	16.38	3.28	1.54	ns

TABLE VII
Summary of *t*-test results

	U.S.			Egypt			DF	<i>t</i> -score
	<i>n</i>	Mean	S.D.	<i>n</i>	Mean	S.D.		
Justice	558	6.13	1.53	1,146	5.51	1.47	1,702	-8.04***
Utilitarianism	558	5.84	1.47	1,146	5.17	1.55	1,702	-8.44***
Relativism	558	5.86	1.55	1,145	5.45	1.39	1,701	-5.02***
Egoism	555	4.94	1.42	1,146	4.05	1.51	1,699	-11.61***

dents' self-reported intention to behave ('the probability that I would undertake the same action is'). As indicated in Table VIIIa, a U.S. respondent's

determination whether to behave in the same (ethical) manner is significantly affected by multiple ethical dimensions simultaneously ($F_{9, 545} = 104$).

TABLE VIII

(a) Repeated Measures ANOVA for the U.S. and with Intention to behave (self) as the dependent variable,
 (b) Repeated Measures ANOVA for the U.S. and with peer’s intention to behave as the dependent variable

Source	DF	Sum of squares	Mean square	F value	p value
(a)					
Overall model	9	723.12	80.35	104.49	<0.0001
Error	545	419.07	0.77		
Corrected total	554	1142.19			
Justice	1	51.46	51.46	66.93	<0.0001
Utilitarianism	1	14.64	14.64	19.04	<0.0001
Relativism	1	29.54	29.54	38.41	<0.0001
Egoism	1	0.15	0.15	0.20	ns
Scenario type	5	10.59	2.12	2.75	<0.05
(b)					
Overall model	9	629.32	69.92	31.65	<0.0001
Error	545	1204.17	2.21		
Corrected total	554	1833.48			
Justice	1	0.73	0.73	0.33	ns
Utilitarianism	1	10.44	10.44	4.73	<0.05
Relativism	1	112.02	112.02	50.7	<0.0001
Egoism	1	11.78	11.78	5.33	<0.05
Scenario type	5	1.02	0.20	0.09	ns

49, $p < 0.0001$). At the univariate level, justice, utilitarianism and relativism have a significant impact on U.S. respondent’s intention to behave, although egoism does not ($p > 0.1$). The same pattern is observed for the respondents from Egypt in Table IXa.

However, when we examine the respondents assessments of what their peers’ intention to behave would be (‘the probability that my peers or colleagues would undertake the same action is’), we received a different pattern of results between the two countries. Although the results for the Egypt sample were consistent between self and peer-ratings of philosophical foundations of intentions to behave (see Table IXb), in the U.S. egoism ($F_{9, 545} = 5.33$, $p < 0.05$) replaced justice ($F_{9, 545} = 0.33$, $p = n.s.$) as a significant ethical philosophy judged as being utilized by one’s peers in making ethical decisions (see Table VIIIb). These results provide partial support for H6 and H7, and complete support for H8 and H9. As anticipated by H6, Americans used justice in their personal behavioral intentions – but so did Egyptians. The results also indicated that U.S. subjects used utilitarianism and relativism in deter-

mining their behavioral intentions. Surprisingly, although Americans consistently utilized utilitarianism and relativism in assessing the behavioral intentions of self and peers, egoism replaced justice as a criterion for the behavioral intention of their peers. The Egyptians, in partial support of H7, utilized utilitarianism in addition to justice. In complete support of H8, both Egyptians and Americans relied on relativism as a criterion for the own behavioral intentions or that of their peers. In complete support of H9, Egyptians did not use egoism either in their personal ethical behavioral intention or that of their peers. Overall, the Egyptians were consistent in their use of the same ethical criteria for both self and peer behavioral intentions.

Discussion

This research explored the relative influence of national culture on ethical decision-making outcomes using a multinational sample from Egypt and the U.S. There were three primary findings from

TABLE IX

(a) Repeated Measures ANOVA for Egypt and with intention to behave as the dependent variable, (b) Repeated Measures ANOVA for Egypt and with peer's intention to behave as the dependent variable

Source	DF	Sum of squares	Mean square	F value	p value
(a)					
Overall model	9	1158.88	128.76	105.39	<0.0001
Error	1,135	1386.68	1.22		
Corrected total	1,144	2545.56			
Justice	1	55.58	55.58	45.49	<0.0001
Utilitarianism	1	57.13	57.13	46.76	<0.0001
Relativism	1	74.12	74.12	60.67	<0.0001
Egoism	1	0.36	0.36	0.29	ns
Scenario type	5	16.50	3.30	2.70	<0.05
(b)					
Overall model	9	799.40	88.82	48.6	<0.0001
Error	1,135	2074.36	1.83		
Corrected total	1,144	2873.76			
Justice	1	40.31	40.31	22.05	<0.0001
Utilitarianism	1	102.94	102.94	56.33	<0.0001
Relativism	1	24.54	24.54	13.43	<0.001
Egoism	1	3.67	3.67	2.01	ns
Scenario type	5	11.65	2.33	1.27	ns

this research: (1) National culture significantly affected an individual's ethical decision outcome in all of the philosophies utilized (justice, relativism, utilitarianism, egoism); (2) U.S. respondents tended to find the ethical decision outcome in each of the study's scenarios as being more unethical than did Egyptians; and (3) Predictors of intention to behave ethically were consistent between self and peers for Egyptians (justice, utilitarianism, relativism). However, although the U.S. subjects had similarity to the results in Egypt for their self-ratings of intention to behave (justice, utilitarianism, relativism), they replaced justice with egoism when assessing the behavioral intentions of their peers. Each of these findings is discussed below.

National culture

National culture was a significant variable influencing an individual's intention to behave ethically. This finding is consistent with research asserting that one's national culture is likely to determine one's

identity and social referents (Beekun et al., 2005; Kymlicka, 1995; Westerman et al., 2007). "Cultural membership affects our very sense of personal identity and capacity. [...] [N]ational identity...provides a secure foundation of individual autonomy and self-identity." (Kymlicka, 1995, p. 105). Thus, national membership is an attachment that persons "cannot stand apart from" and "regard ... as unthinkable to view themselves without" (Rawls, 1980, pp. 544–545; 1985, p. 241; 1993, p. 31). According to this perspective, our daily activities have meaning in that they fit into a pattern of norms and behaviors, which are culturally recognized as appropriate ways of leading one's life. Hence, Egyptians and Americans would tend to conform to the norms associated with their national values as identified by Hofstede (1980).

Tolerance of unethical behavior

Specifically, our results (that respondents from the U.S. (low in power distance and individualistic)

were likely to view the decision-making outcome in the scenarios as less ethical than the more collectivistic and high power distance Egyptians) suggest that the combination of power distance with individualism may influence an individual's sensitivity towards ethical issues. After decades of semi-dictatorial rule, it may be that Egyptians have become accustomed to mute their criticisms of ethical abuses and behavior. Further, Egypt's high level of power distance implies an emphasis on not challenging the status quo or those in authority. This may explain why Egyptians have a lower "ethical" threshold, and are less willing to see dubitable decisions as unethical.

By contrast, Americans are highly individualistic and exhibit low power distance. As a result, they are more likely to stress on commonly accepted norms, principles, and rules – a common characteristic of individualistic cultures, and may be more universalistic (Trompenaars et al., 1998). Since individuals in individualistic cultures expect all members of society to follow the same rules and procedures, and since individuals in low power distance societies do not submit blindly to authority figures, they may be more likely to view aberrant behavior as unethical.

Situational effects

These results uncovered a relationship between scenario type and decision-making outcome. These results are consistent with those of previous studies in ethical decision-making (Beekun et al., 2005; Westerman et al., 2007). Our study indicated differences in two types of scenarios: accounting versus marketing. As indicated by Smith et al. (2004), accounting is a field where there is more likely to be an explicit code of ethics, and accounting practitioners and clients everywhere are aware of the substantial potential repercussions of violating these standards. This may account for the result that there are fewer significant differences in the ethical judgments made by either Americans or Egyptians with respect to the accounting scenarios (results not reported here). No explicit codes of ethics are present in marketing, however, and hence Americans with their emphasis on universalism (Trompenaars et al., 1998) and Egyptians with their lower ethical threshold differed significantly on all three marketing scenarios with respect to both ethical dimensions

being studied. Further support for this result is indicated in a study by Al-Khatib et al. (2005) of inter-country differences of consumer ethics in Arab countries. In this study, Egyptian consumers were found to exhibit lower ethical concern about passively benefiting from unethical consumer oriented situations than consumers from Oman and Saudi Arabia. These situations involved benefiting at the expense of others (i.e., retailers), and may have been elicited by consumers' negative perceptions of retailers' unethical conduct in the form of unhelpful sales clerks, high pressure sales tactics, unfair pricing, etc. – as implied by the marketing scenarios used in their research. Hence, Egyptians may have been using retailers' norms and history of inappropriate practices to neutralize their assessment of potentially inappropriate behaviors. Future efforts should investigate further how situational contexts affect one's ethical judgments.

Behavioral intentions – self versus peer

Our results were surprising in comparing the U.S. and Egypt with respect to the individual's intention to behave ethically and their assessments of the anticipated behavior of their peers. In both the Egyptian and the U.S. sample, the intention to behave ethically was a function of the same three ethical philosophies: justice, utilitarianism, and relativism. This may provide evidence for the occurrence of cultural convergence. Convergence suggests that economic activity forms the basis of moral values. Thus, as market economies emerge, they adopt capitalistic-oriented values (Robertson et al., 2001), and as per GNP per capita rises, people rely more on individualism (Hofstede, 1991). Conversely, divergence implies that national culture drives values and hence moral philosophy (Saeed et al. 2001). Therefore, emerging economies with collectivistic cultures may not change their value systems even if they adopt capitalism. The results of this research indicate that although there may exist different "tolerances" for ethical behavior between the two countries, the intention to behave ethically is being based on the same three ethical philosophies. As a result, future research may need to focus more intently on behavioral intentions or actual ethical behavior, as the process of convergence may be

creating a gap between historically rooted cognitions and the actual ethical action of individuals.

Another intriguing finding of this research was the inconsistency of the U.S. result in regards to the ethical behavioral intentions between self and peers. Although U.S. respondents profess an increased overall sensitivity to ethical issues, when asked how their peers would behave they chose egoism over justice as a driving ethical philosophy. It is possible that the peer results for intention to behave ethically may represent a more accurate assessment than the self-ratings, as research indicates that ethical behavioral judgments phrased in the first person are significantly associated to impression management (while those phrased in alternative formulations such as the third person or through the use of proxy subjects are not (Choong et al., 2002; Randall and Fernandez, 1991)). As a result, the use of justice as a moral/ethical foundation for ethical behavior may represent an impression management technique form of the social desirability response bias. Victor and Cullen (1988) have noted that empirical studies have detected a high degree of sensitivity on the part of managers to questions about ethics. Impression management refers to a conscious presentation of a false front to create a positive impression. In an effort to conform to societal norms, impression managers attempt to present themselves in a culturally favorable light, regardless of their true feelings or actual behavior (Randall and Fernandes, 1991). Thus, it may be that egoism is the reality and represents a more accurate predictor of individual ethical behavior in the United States than justice, which is more socially desirable and culturally acceptable. It is possible then, in forming their intention to behave, that U.S. respondents being highly individualistic, would prefer more to do things for themselves and would tend to rely more on the egoism ethical dimension. Further, one could argue that in spite of the transient nature of the new Egypt, the collectivist core of its culture would suggest that justice for the referent's in-group would take precedence over justice for individuals. And the imposed nature of collectivism in Egypt stresses the *equality* or *need* aspects of justice, rather than the equity aspect of justice (which may actually operationalize to reinforce egoism as opposed to justice) (Shaw, 1999). As discussed previously, persons from an individualistic culture (the U.S.)

emphasize their own interests whereas persons from a collectivistic culture (Egypt) focus on actions that lead to the greatest benefit for members of their group.

Implications and limitations

The predominance of national culture as a primary guiding influence independent of which ethical criterion is used when making decisions cannot be understated. National culture norms represent robust sources of self-identity that individuals are reluctant to renounce (Kymlicka, 1989). Simultaneously, the decision to act ethically seems to be a function of multiple ethical dimensions concurrently. In this regard, the current business emphasis to establish ethical codes of conduct but also to provide diversity training in the national cultural norms and values of the trainees may aid companies in establishing parameters that serve to guide individual ethical decision-making across national borders.

In interpreting the results of this study, we need to consider the following study limitations. First, our sample was a convenience sample and relatively small. However, small samples make significance more difficult to achieve (Steel and Torrie, 1976) and our findings of significant differences may indicate the presence of large real differences. Second, sample sizes for the two countries were unequal, and this may have affected the results. However, the statistical analysis techniques utilized were conservative and adjusted for differences in sample size. Finally, the utilization of business students in the U.S. sample – even though with business experience – might potentially impact the external validity of our results. They may not be, adequately, the representative of populations in each country.

Future research is necessary to develop a more complete understanding of the antecedents to ethical decision-making. Our research advances this important task, indicating the importance of national context on an individual's ethical decision-making. Theory needs to be further developed and empirically tested to generate a more complete understanding of ethical decision-making and to enhance the effects of ethical training and interventions in a multicultural, diverse global environment.

Acknowledgments

The authors gratefully acknowledge the helpful comments received from Amal Said and Ryan McIntyre.

References

- Adler, N.: 2002, *International Dimensions of Organizational Behavior* (Southwestern, Cincinnati, OH).
- Ajzen, I. and M. Fishbein: 1980, *Understanding Attitudes and Predicting Social Behavior* (Prentice Hall, Englewood Cliffs, N.J.).
- Alexander, C. S. and H. J. Becker: 1978, 'The Use of Vignettes in Survey Research', *Public Opinion Quarterly* **42**, 93–104.
- Al-Khatib, J., A. K. Dovie and S. J. Vitell: 1995, 'Consumer Ethics in Developing Countries: An Empirical Investigation', *Journal of Euro-Marketing* **4**, 87–109.
- Al-Khatib, J., S. J. Vitell, R. Rexeisen and M. Rawwas: 2005, 'Inter-Country Differences of Consumer Ethics in Arab Countries', *International Business Review* **14**, 495–516.
- Bailes, J. and T. Assada: 1991, 'Empirical Differences Between Japanese and American Budget and Performance Evaluation Systems', *The International Journal of Accounting* **26**, 131–142.
- Beekun, R., J. Westerman and J. Barghouti: 2005, 'Utility of Ethical Frameworks in Determining Behavioral Intention: A Comparison of the U.S. and Russia', *Journal of Business Ethics* **61**, 235–247.
- Brown, A. and M. Humphreys: 1995, 'International Cultural Differences in Public Sector Management: Lessons from a Survey of British and Egyptian Technical Education Managers', *International Journal of Public Sector Management* **8**(3), 5–23.
- Chapra, M. U.: 1992, *Islam and the Economic Challenge* (International Institute of Islamic Thought, Herndon, VA).
- Choong, P., S. J. Ho and R. McDonald: 2002, 'An Examination of the Effects of Social Desirability Bias on Business Ethics: Research Results', *International Journal of Management* **19**(1), 3–9.
- CIA Factbook (in Arabic): 2002 (Public Enterprise Office, Cairo, Egypt).
- Cohen, J., L. Pant and D. Sharp: 1992, 'Cultural and Socioeconomic Constraints on International Codes of Ethics: Lessons from Accounting', *Journal of Business Ethics* **11**(9), 687–700.
- Cohen, J., L. Pant and D. Sharp: 1993, 'Culture-Based Ethical Conflicts Confronting Multinational Accounting Firms', *Accounting Horizons* **7**3, 1–13.
- Cohen, J., L. Pant and D. Sharp: 1995, 'An Exploratory Examination of International Differences in Auditors Ethical Perceptions', *Behavioral Research in Accounting* **7**, 37–64.
- Cohen, J. R., L. W. Pant and D. J. Sharp: 1996, 'A Methodological Note on Cross-Cultural Accounting Ethics Research', *International Journal of Accounting* **31**, 55–66.
- Douglas, P. and B. Wier: 2005, 'Cultural and Ethical Effects in Budgeting Systems: A Comparison of US and Chinese Managers', *Journal of Business Ethics* **60**, 159–174.
- Douglas, P., H. R. HassabElnaby and B. Wier: 2006, 'An Investigation of Ethical Position and Budgeting Systems: Egyptian Managers in US and Egyptian Firms', *Journal of International Accounting, Auditing, & Taxation*. Forthcoming.
- Douglas, P. C., H. HassabElnaby, C. S. Norman and B. Wier: 2007, 'An Investigation of Ethical Position and Budgeting Systems: Egyptian Managers in US and Egyptian Firms', *Journal of International Accounting, Auditing and Taxation* **16**(1), 90–109.
- Dubinsky, A. J. and W. Rudelius: 1980, 'Ethical Beliefs: How Students Compare with Industrial Salespeople', in R. P. Bagozzi (ed.), *Proceedings of the American Marketing Association Educators Conference* (AMA, Chicago), pp. 73–76.
- Ferrell, O., J. Freadrich and L. Ferrell: 2002, *Business Ethics*. (Houghton Mifflin Company, Boston, Mass).
- Hansen, R.: 1992, 'A Multidimensional Scale for Measuring Business Ethics: A Purification and Refinement', *Journal of Business Ethics* **11**, 523–534.
- Harrison, G.: 1992, 'The Cross-Cultural Generalizability of the Relation Between Participation, Budget Emphasis and Job Related Attitudes', *Accounting, Organization and Society* **17**, 319–339.
- Harrison, G., L. McKinnon, S. Panchapakesan and M. Leung: 1994, 'The Influence of Culture on Organizational Design and Planning and Control in Australia and The United States Compared with Singapore and Hong Kong', *Journal of International Financial Management and Accounting* **5**, 242–261.
- Hendry, J.: 1999, 'Universality and Reciprocity in International Business Ethics', *Business Ethics Quarterly* **9**3, 405–420.
- Hofstede, G.: 1980, *Culture's Consequences: International Differences in Work-Related Values* (Sage, Beverly Hills, CA).
- Hofstede, G.: 2001, *Culture's Consequences*. (Sage, Thousand Oaks, CA).
- Hofstede, G. H.: 1991, *Cultures and Organizations: Software of the Mind*. (McGraw-Hill, New York, London).
- Husted, B. W.: 2000, 'The Impact of National Culture on Software Privacy', *Journal of Business Ethics* **26**3, 197–211.

- Jones, G. E. and M. J. Kavanagh: 1996, 'An Experimental Examination of the Effects of Individual and Situational Factors on Unethical Behavioral Intentions in the Workplace', *Journal of Business Ethics* **15**, 511–523.
- Keith, N. K., C. E. Pettijohn and M. S. Burnett: 2003, 'An Empirical Evaluation of the Effect of Peer and Managerial Ethical Behaviors and the Ethical Predispositions of Prospective Advertising Employees', *Journal of Business Ethics* **48**, 251–265.
- Kerlinger, F.: 1986, *Foundations of Behavioral Research* (Holt, Rinehart, and Winston, New York, NY).
- Kymlicka, W.: 1989, *Liberalism, Community and Culture*. (Oxford University Press, Oxford).
- Kymlicka, W.: 1995, *Multicultural Citizenship* (Oxford University Press, Oxford, UK).
- Latova, N. V. and I. V. Latov: 2003, 'The Russian Economic Mentality in the World Context', *Sociological Research* **42**(1), 7–28.
- Messick, D. M. and M. H. Bazerman: 1996, 'Ethical Leadership and the Psychology of Decision Making', *Sloan Management Review* **37**(2), 9–22.
- Parnell, J. and T. Hatem: 1999, 'Cultural Antecedents of Behavioral Differences Between American and Egyptian Managers', *Journal of Management Studies* **36**(2), 399–419.
- Pratt, J., L. C. Mohrweis and P. Beaulieu: 1993, 'The Interaction Between National and Organizational Culture in Accounting Firms: An Extension', *Accounting, Organizations and Society* **18**, 621–628.
- Puffer, S. and D. J. McCarthy: 1995, 'Finding the Common Ground in Russian and American Business Ethics', *California Management Review* **37**(2), 29–46.
- Randall, D. and M. Fernandes: 1991, 'The Social Desirability Response Bias in Ethics Research', *Journal of Business Ethics* **10**, 805–817.
- Rawls, J.: 1971, *A Theory of Justice* (Harvard University Press, Cambridge, MA).
- Rawls, J.: 1980, 'Kantian Constructivism in Moral Theory', *Journal of Philosophy* **77**(9), 515–572.
- Rawls, J.: 1985, 'Justice as Fairness: Political Not Metaphysical', *Philosophy and Public Affairs* **14**(3), 251–276.
- Rawls, J.: 1993, *Political Liberalism* (Columbia University Press, New York, NY).
- Rawwas, M., S. Vitell and J. Al-Khatib: 1994, 'The Impact of Terrorism and Civil Unrest on Consumer Beliefs', *Journal of Business Ethics* **13**, 223–231.
- Reidenbach, R. E. and D. P. Robin: 1988, 'Some Initial Steps towards Improving the Measurement of Ethical Evaluations of Marketing Activities', *Journal of Business Ethics* **7**, 871–879.
- Reidenbach, R. E. and D. P. Robin: 1990, 'Toward the Development of A Multidimensional Scale for Improving Evaluations of Business Ethics', *Journal of Business Ethics* **9**, 639–653.
- Rice, G.: 1999, 'Islamic Ethics and the Implications for Business', *Journal of Business Ethics* **18**(4), 345–358.
- Robertson, C. J., J. A. Al-Khatib, M. Al-Habib and D. Lanoue: 2001, 'Beliefs about Work in the Middle East and the Convergence Versus Divergence of Values', *Journal of World Business* **36**(3), 223–244.
- Robertson, C. J. and W. F. Crittenden: 2003, 'Mapping Moral Philosophies: Strategic Implications for Multi-national Firms', *Strategic Management Journal* **24**, 385–392.
- Saeed, M., Z. U. Ahmed and S. Mukhtar: 2001, 'International Marketing Ethics from an Islamic Perspective: A Value-Maximization Approach', *Journal of Business Ethics* **32**, 127–142.
- Schein, E. H.: 1997, *Organizational Culture and Leadership* (Jossey-Bass, San Francisco, CA).
- Schein, E. H.: 1984, 'Coming to a New Awareness of Organizational Culture', *Sloan Management Review* **25**, 3–16.
- Schwartz, S. H.: 1994, 'Are There Universal Aspects in the Structure and Content of Human Values?', *Journal of Social Issues* **50**(4), 19–45.
- Shaw, W. H.: 1999, *Business Ethics* (Wadsworth Publishing Company, Belmont, CA).
- Smith, K. J., J. A. Davy and D. Easterling: 2004, 'An Examination of Cheating and Its Antecedents among Marketing and Management Majors', *Journal of Business Ethics* **50**, 63–80.
- Steel, R. D. and J. H. Torrie: 1980, *Principles and Procedures of Statistics: A Biometrical Approach*, 2nd Edition, (McGraw-Hill, New York).
- Transparency International: 2005, Corruption Perceptions Index CPI. http://www.transparency.org/policyresearch/surveys_indices/cpi/2005.
- Triandis, H. C. and D. P. S. Bhawuk: 1997, 'Culture Theory and the Meaning of Relatedness', in P. C. Earley and M. Erez (eds.), *New Perspectives on International Industrial/Organizational Psychology* (The New Lexington Press, San Francisco, CA).
- Trompenaars, F. and C. Hampden-Turner: 1998, *Riding the Waves of Culture: Understanding Diversity in Global Business* (McGraw-Hill, New York, NY).
- Ueno, S. and F. Wu: 1993, 'The Comparative Influence of Culture on Budget Control Practices in the United States and Japan', *The International Journal of Accounting* **28**, 17–39.

- Victor, B. and J. Cullen: 1988, 'The organizational bases of ethical work climates', *Administrative Science Quarterly* **33**, 101–125.
- Weiss, J. W.: 1994, *Business Ethics* (International Thompson Publishing, Belmont, CA).
- Westerman, J., R. Beekun, Y., Stedham and J. Yamamura: 2007, 'Peers versus National Culture: An Analysis of Antecedents to Ethical Decision Making', *Journal of Business Ethics* forthcoming.
- Zey-Ferrell, M. and O. C. Ferrell: 1982, 'Role Set Configuration and Opportunity as Predictors of Unethical Behavior in Organizations', *Human Relations* **35**, 587–604.
- Zey-Ferrell, M., K. M. Weaver and O. C. Ferrell: 1979, 'Predicting Unethical Behavior among Marketing Practitioners', *Human Relations* **32**, 557–569.

Rafik I. Beekun
Managerial Sciences Department 28,
University of Nevada, Reno,
NV 89557-0206, U.S.A.
E-mail: beekun@unr.nevada.edu

Ramda Hamdy
College of Commerce,
Cairo University,
Cairo, Giza 12211, Egypt
E-mail: ramdahamdy@hotmail.com

James W. Westerman
Department of Management,
Appalachian State University,
ASU Box 32089, Boone, NC 28608, U.S.A.
E-mail: westermanjw@appstate.edu

Hassan R. HassabElnaby
Department of Accounting,
University of Toledo,
Toledo, OH 43606, U.S.A.
E-mail: hassan.hassabelnaby@utoledo.edu

Copyright of *Journal of Business Ethics* is the property of Springer Science & Business Media B.V. and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.

Copyright of *Journal of Business Ethics* is the property of Springer Science & Business Media B.V. and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.