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Importance of Religious Beliefs to Ethical Attitudes in Business

Cover Page Footnote

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INTRODUCTION

The crucial role of ethical behavior by participants in a market-based economic system has been long recognized. Writing more than two hundred years ago Adam Smith, who is often referred to as the “father of modern economics,” said in *An Inquiry into the Nature and Causes of the Wealth of Nations* that, [E]very man, *as long as he does not violate the laws of justice*, is left perfectly free to pursue his own interest his own way...¹ The ethical failures that destroyed high-profile firms such as Enron, WorldCom and Arthur Andersen have dramatically shown the destructiveness of unethical behavior. More recently, the role of ethical failures in contributing to the global financial crisis of 2008-2009 has demonstrated that the viability of the entire global economic system relies upon market participants observing certain basic ethical standards. The complexity of financial and other markets and the rate at which market innovation proceeds make it extremely difficult, if not impossible, for opportunistic behavior to be effectively controlled through regulation alone. Therefore, for a market system to function effectively, a moral and ethical underpinning is necessary.

Partly in response to the ethical failures that have plagued business in recent years, there has been a resurgent interest in spirituality and religion in the workplace, after a long period in which “...religion and spirituality have been literally exorcised from modern forms of institutional organization.”² In 1997, *Business Ethics Quarterly* devoted a special issue to the subject of religion and business ethics.³ In 1999, the Academy of Management created a “Management, Spirituality and Religion” interest group with the stated purpose “to encourage professional scholarship between management, spirituality and religion.”⁴ In 2004, *Business and Professional Ethics* published an issue focusing on Christian perspectives on business ethics.⁵ Academic journals such as *Business Spirit Journal* and *Journal of Management, Spirituality and Religion* are devoted to exploring the intersection of religion and business affairs. A number of scholarly articles have addressed the issues of workplace spirituality⁶ and the integration of

¹ Adam Smith, *Wealth of Nations* (Random House, Inc., 1937), 651, emphasis added.

² David Kim, Dan Fisher and David McCalman, “Modernism, Christianity, and Business Ethics: A Worldview Perspective,” *Journal of Business Ethics Online First* 90 (2009), <http://www.springerlink.com/content/8q091572275r4307/fulltext.pdf> (accessed March 29, 2009), p. 1.

³ *Business Ethics Quarterly*, 7 (1997).

⁴ The Academy of Management, 2003

⁵ *Business and Professional Ethics Journal*, 23 (2004).

⁶ See Anusorn Singhapakdi, Janet K. Marta, Kumar C. Rallapalli, and C. P. Rao, “Toward an Understanding of Religiousness and Marketing Ethics: An Empirical Study,” *Journal of Business Ethics* 27 (2000): 305-19; Kam-hon Lee, Dennis P. McCann and Mary Ann Ching,

religion with business practice.⁷ Appeals have been made in scholarly articles to explicitly recognize the existence of divinely revealed moral standards as the basis of business ethics.⁸

In this paper we revisit the role of religion as a determinant of ethical attitudes, using a broad-based survey of business leaders that probed the importance of religious faith to them and related this information to their degree of acceptance or disapproval of ethically questionable situations.

LITERATURE

Religion is one of the more frequently mentioned determinants of the moral values that underpin ethical standards. The major world religions have moral teachings and in various ways indicate disapproval of unethical actions. Most of them teach that an omniscient God observes human actions and holds people accountable for their actions. Therefore, it is logical to assume that adherents to a religion would be less tolerant of unethical behavior.

This assumption has been called into question, however, by high-profile CEOs such as Bernard Ebbers of WorldCom and Ken Lay of Enron who were outspoken Christians at the time that the corporations that they directed were being destroyed by the consequences of unethical business practices. Also, some empirical research has failed to find a strongly positive relationship between religious belief and ethical attitudes. For example, Clark and Dawson⁹ find that the religious, defined as those who have high scores on the Intrinsic/Extrinsic Revised Scale of religiousness developed by Gorsuch and McPherson,¹⁰ have lower levels of ethical sensitivity. Kidwell, Stevens and Bethke in a survey of 50 male and 50 female business managers detect no significant differences in the ethical judgments of respondents based on either frequency of church attendance

“Christ and Business Culture: A Study of Christian Executives in Hong Kong,” *Journal of Business Ethics* 43 (2003): 103-10; and George Gotsis and Zoi Kortezi, “Philosophical Foundations of Workplace Spirituality: A Critical Approach,” *Journal of Business Ethics* 78 (2007): 575-600.

⁷ See Martin S. J. Calkins, “Recovering Religion’s Prophetic Voice for Business Ethics,” *Journal of Business Ethics* 23 (2000): 339-52; Edwin M. Epstein, “Religion and Business – The Critical Role of Religious Traditions in Management Education,” *Journal of Business Ethics* 38 (2002): 91-6; and Andrea Werner, “The Influence of Christian Identity on SME Owner-Managers’ Conceptualisations of Business Practice,” *Journal of Business Ethics* 82 (2008): 449-62.

⁸ See Mark S. Schwartz, “God as a Managerial Stakeholder?,” *Journal of Business Ethics* 66 (2006): 291-306 and Kim et al. (2009).

⁹ James W. Clark and Lyndon. E. Dawson, “Personal Religiousness and Ethical Judgements: An Empirical Analysis,” *Journal of Business Ethics* 15 (1996): 359-72.

¹⁰ Richard L. Gorsuch and Susan E. McPherson, “Intrinsic/Extrinsic Measurement: I/E Revised and Single-Item Scales,” *Journal for the Scientific Study of Religion* 28 (1989): 348-54.

or religious preference.¹¹ Agle and Van Buren surveyed 233 MBA students and 68 Executive MBA students and find only weak and inconsistent support for a positive relationship between religious qualities and favorable attitudes toward corporate social responsibility.¹² Brammer, Williams and Zinkin (2006) working from a sample of over 17,000 individuals from more than 20 countries and representing several major world religions find “no stark general preference for a broader model of corporate social responsibilities among those expressing a religious affiliation than those with no such affiliation.”¹³ Kurpis, Beqiri and Helgeson in a survey of students at a religiously-affiliated university find that commitment to moral self-improvement is “...a better predictor of perceived importance of ethics, ethical problem recognition, and ethical behavioral intentions” than is religiosity as defined by responses to the question: “How important are religious beliefs in your life?” with responses measured on a 9-point scale ranging from “Extremely Unimportant” to “Extremely Important”.¹⁴

On the other hand, a number of studies find a positive relationship between religion and ethical standards. For example, Terpstra, Rozell and Robinson, in studying the ethical attitudes of undergraduate business students, find that religious beliefs may be an important determinant of ethical attitudes.¹⁵ Smith and Oakley likewise find that business students for whom religion is “very important” have stronger ethical standards when reacting to hypothetical business scenarios.¹⁶ Conroy and Emerson find that students who attend church regularly are less tolerant of unethical behavior described in vignettes relating to business situations.¹⁷ Kennedy and Lawton randomly surveyed students at a Baptist university, a Catholic university, and two public universities and find that more religious students, defined as those “...whose scores on the three religious scales

¹¹ Jeaneen M. Kidwell, Robert E. Stevens and Art L. Bethke, “Differences in Ethical Perceptions Between Male and Female Managers,” *Journal of Business Ethics* 6 (1987): 489-93.

¹² Bradley R. Agle and Harry J. Van Buren, “God and Mammon: The Modern Relationship,” *Business Ethics Quarterly* 9 (1999): 563-82.

¹³ Stephen J. Brammer, Geoffrey A. Williams and John Zinkin, “Religion and Attitudes to Corporate Social Responsibility in a Large Cross-Country Sample,” *Journal of Business Ethics* 71 (2006): 229-43, p. 235.

¹⁴ Lada Helen V. Kurpis, Mirjeta S. Beqiri and James G. Helgeson, “The Effects of Commitment to Moral Self-improvement and Religiosity on Ethics of Business Students,” *Journal of Business Ethics* 80 (2007): 447-63.

¹⁵ David E. Terpstra, Elizabeth J. Rozell and Robert K. Robinson, “The Influence of Personality and Demographic Variables on Ethical Decisions Related to Insider Trading,” *The Journal of Psychology* 127 (1993): 375-89.

¹⁶ Patricia L. Smith and Ellwood F. Oakley, “The Value of Ethics Education in Business School Curriculum,” *College Student Journal* 30 (1996): 274-83.

¹⁷ Stephen J. Conroy and Tisha L. N. Emerson, “Business Ethics and Religion: Religiosity as a Predictor of Ethical Awareness among Students,” *Journal of Business Ethics* 50 (2004): 383-96.

(conservatism, fundamentalism, and intrinsic religiousness) were more than one standard deviation above the mean,” are less likely to engage in unethical behavior than are non-religious students.¹⁸ In experiments, Bloodgood, Turnley and Mudrack find that business school students who frequently attend worship services are less likely to cheat than students who attended infrequently.¹⁹ In a survey of business professionals, Longenecker, McKinney and Moore discover that respondents for whom religion is highly or moderately important demonstrate a higher level of ethical judgment than those for whom religion held little or no importance.²⁰ Through personal interviews in Mainland China and Hong Kong, Lam and Shi find that Christianity is “most favorable to higher ethical standards.”²¹ Wong finds that, among Malaysian Christians, those with a higher level of religiousness (as evidenced by church attendance and personal devotions) have more favorable ethical attitudes than the less religious.²² In a study using data from over 63,000 individuals from 44 countries, Parboteeah, Hoegl and Cullen find that while knowledge of religion has no effect on willingness to justify ethically questionable behaviors, commitment to religion and the practice of religion does make people less willing to justify such behavior.²³

¹⁸ Ellen J. Kennedy and Leigh Lawton, “Religiousness and Business Ethics,” *Journal of Business Ethics* 17 (1998): 163-75.

¹⁹ James M. Bloodgood, William H. Turnley and Peter Mudrack, “The Influence of Ethics Instruction, Religiosity, and Intelligence on Cheating Behavior,” *Journal of Business Ethics* 82 (2007): 557-71.

²⁰ See Justin G. Longenecker, Joseph A. McKinney and Carlos W. Moore, “Religious Intensity, Evangelical Christianity, and Business Ethics: An Empirical Study,” *Journal of Business Ethics* 55 (2004): 373-86. This study makes use of the data set used in Longenecker, et al. but more than doubles the size of the sample by employing a second wave of the survey. In addition, the Longenecker, et al. study grouped respondents who indicated that religion was of high or moderate importance to them together, and compared their responses to those for whom religion was of little or no importance. In this study we code religious importance such that higher integer values reflect higher levels of importance (i.e. high = 4, moderate = 3, low = 2, and no = 1). This study also uses an ordered probit model to analyze the data which is superior in some respects to the statistical methods used in Longenecker, et al.

²¹ Kit-Chun Lam and Guicheng Shi, “Factors Affecting Ethical Attitudes in Mainland China and Hong Kong,” *Journal of Business Ethics* 77 (2007): 463-79.

²² Hong Meng Wong, “Religiousness, Love of Money, and Ethical Attitudes of Malaysian Evangelical Christians in Business,” *Journal of Business Ethics* 81 (2007): 169-91.

²³ K. Praveen Parboteeah, Martin Hoegl and John B. Cullen, “Ethics and Religion: An Empirical Test of a Multidimensional Model,” *Journal of Business Ethics* 80 (2007): 387-98.

DATA

In order to study the ethical attitudes of business professionals, surveys were mailed to a random sample of 10,000 business leaders (as identified by a major business periodical publisher) in 1993 and 2001, respectively. Survey respondents were asked to “rate” the acceptability of behavior presented in 16 different ethically charged scenarios. Acceptability ratings were on a Likert-type scale ranging from never acceptable, “1,” to always acceptable, “7”. Respondents were also asked a variety of questions to elicit demographic and firm/employer related information.

Response rates were roughly 19 and 12 percent, respectively, with 1877 responses in 1993 and 1234 responses in 2001. The total sample includes responses from 3111 professionals. Due to omitted responses to various questions, the total usable sample is somewhat smaller and varies across vignettes from 2415 to 2508. That response rates would be relatively low is to be expected for a survey dealing with sensitive ethical issues. In surveys with very large sample size response rates such as those reported above are generally considered adequate.²⁴

Table 1. Summary of Responses to Vignettes

Vignette	Brief Description	Mean	Std.	
			Dev.	N
A	Pad expense account	1.344	0.895	2500
B	Exceed legal limit of pollution	1.432	0.925	2503
C	Recommend bad stock	1.566	1.053	2508
D	Underreport income for tax	1.725	1.331	2507
E	Bribe to foreign official	2.932	1.729	2490
F	Hire employee to get secret	3.450	1.967	2488
G	Collusion to reduce comp.	2.463	1.806	2485
H	Bribe to purchasing agents	3.038	1.737	2487
I	Insider stock purchase	1.650	1.386	2486
J	Promotion of friend over other	3.383	1.689	2459
K	Safety design flaw cover-up	2.059	1.379	2446

²⁴ A common method of testing for possible non-response bias is to compare the results of surveys returned early with those returned later, on the assumption that early respondents might be more interested in or aware of the issues, and that later respondents would be more similar to non-respondents. For the 1993 survey, the half of the responses returned first were compared with the half returned later, and for the sixteen vignettes only two exhibited significant differences. For the 2001 survey, the responses of the first one-third, the second one-third and the last one-third were compared, and no significant differences were detected. These results provide evidence that the responses received were representative of the entire sample, although we realize that being able to generalize our results to the entire population of business professionals in the United States is somewhat limited.

L	Acct manipulation to conceal fin. facts	3.604	1.890	2442
M	Hire male employee	2.751	1.737	2455
N	Deceptive advertising	2.590	1.759	2459
O	Cigarette campaign challenge health concern	3.053	2.050	2415
P	Free software, violation of ©	2.157	1.544	2449

Descriptive statistics for each of the 16 vignettes are presented in Table 1. The mean level of acceptability of the ethically charged situations described in the 16 vignettes ranges from a low of 1.344, indicating a relatively low level of acceptance, for vignette A (padding expense account) to a high of 3.604, indicating a relatively high level of acceptability, for vignette L (accounting manipulations).

Table 2. Characteristics of Respondents in Study

Characteristics of Respondents	Percentage of Sample	N
Religious Importance		2523
High importance	43.4	
Moderate importance	36.3	
Low importance	16.2	
No importance	4.1	
Christian	86.2	2523
Number of Employees in Firm		2523
Under 20	28.3	
20-49	9.9	
50-99	7.1	
100-249	8.8	
250-499	6.9	
500-749	3.8	
750-999	2.5	
1000-10,000	18.5	
Over 10,000	14.1	
Age of Respondent		2523
Under 21	0.2	
21-30	7.5	
31-40	22.4	
41-50	34.2	
51-60	25.1	
61-70	8.3	

Over 70	2.3	
Male	84.9	2523
Respondents from 2001 Wave	40.0	2523

Descriptive statistics for the respondent characteristics used in the model estimation are presented in Table 2. On the whole, respondents reported relatively high levels of religious importance. Over three-fourths of the sample (79.7%) reported that they placed a moderate or high level of importance on religion – with 43.4% reporting a high level. Only 4.1% reported that they placed no importance on religion at all. The sample was also largely Christian with 86.2% of respondents characterizing themselves as Christians. Further, survey respondents were largely male (84.9%). They ranged in age from 20s to 70s with the majority in the 31-60 age range (81.8%). Respondents were employed at firms in varying sizes. Over a quarter of respondents (28.3%) worked at relatively small firms – that is, firms with under 20 employees. Nearly half of the sample (45.3%) worked at firms with under 100 employees. While many respondents worked at relatively small firms, a significant number worked at relatively large firms with nearly a third (32.7%) at firms with 1000 or more employees – 14.1% of which are employed at firms with over 10,000 employees. Finally, 40% of responses were collected in the 2001 wave of data collection with the remainder collected in 1993 wave.

METHODOLOGY

The survey instrument employed in this study asked respondents to “rate” the acceptability of each of 16 vignettes depicting ethically questionable behavior. Respondents were asked to use a seven-point Likert-type scale (ranging from never acceptable, “1,” to always acceptable, “7”). As a result, our dependent variable takes on ordered integer values. By using an ordered probit model for our analysis we account for the ordinal and discrete (as opposed to cardinal and continuous) nature of our data. This type of estimation procedure provides consistent and efficient estimates of the relationship between the vignette “acceptability” responses and the individual characteristics of the respondent.

The independent variables used to explain the variation in the ordered response dependent variable are the demographic variables elicited at the end of the

questionnaire. More specifically, following Maddala,²⁵ the underlying response model is:

$$Y = B'x_i + v_i \quad (i = 1, 2, \dots, n)$$

where Y is the underlying response variable, B is a vector of parameter estimates that correspond to the vector of explanatory variables, x_i , and v_i is the residual. The independent variables include the self-reported importance of religion to the respondent and whether the respondent reported him/herself as a Christian (either Catholic or Protestant). We also control for the following: size of the respondent's firm, respondent's age and gender, and the wave of data collection.

RESULTS

In the present study, we find that business professionals who considered their religious faith to be highly important to them are significantly less accepting of ethically questionable behavior. For all sixteen vignettes, we estimate a significant inverse relationship between the acceptability of the ethically questionable behavior depicted in the vignettes and the degree of religious importance. This result is significant at the 1% level for all vignettes. A respondent's self-reported Christian affiliation was a much less significant predictor of ethical attitudes. For only three vignettes (A, D, P) was a Christian affiliation a significant predictor of attitudes – where those self-reporting as Christians were significantly less accepting of the ethically questionable behavior depicted in the vignettes. Thus, it appears that the fervor with which persons hold their religious beliefs is a more significant predictor of ethical attitudes than the specific beliefs.

Other important predictors of respondents' perception of acceptability include the respondents' age and gender. Age is a significant predictor of ethical perceptions and is inversely related (i.e. older respondents are less accepting of the ethically charged scenarios) to acceptability of the ethically questionable behavior for twelve (A, C, D, E, F, G, H, I, K, L, N, and P) of the vignettes. Males tended to be more accepting than females of the behavior described in the vignettes (B, E, F, J, K, M, and N), but interestingly were significantly less accepting of the behavior depicted in two of the vignettes (G and P).

Finally, the size of the firm (measured by the number of employees) at which the respondent works is also a significant predictor of their ethical attitudes. For seven of the vignettes (B, D, H, I, J, M, and P), respondents working at larger firms tended to be significantly less accepting of the ethically questionable behavior in the vignettes than were their counterparts at smaller

²⁵ Gangadharrao Soundaryarao Maddala, *Limited-Dependent and Qualitative Variables in Econometrics*, (New York: Cambridge University Press, 1983), 47.

firms. Further, some of the responses did vary across time, but not in a consistent direction. All of the aforementioned findings are after controlling for differences across time.

Table 3. Ordered Probit Analysis of Relationship between Ethical Evaluation of Vignettes, Religious Importance, and Characteristics of Respondents

	Results by Vignette			
	A	B	C	D
Religious Importance	-0.218** (0.033)	-0.100** (0.031)	-0.120** (0.030)	-0.303** (0.029)
Christian	-0.175* (0.078)	0.157 (0.080)	0.054 (0.074)	-0.146* (0.070)
Age	-0.149** (0.027)	-0.014 (0.024)	-0.168** (0.024)	-0.150** (0.024)
Male	0.152 (0.083)	0.284** (0.080)	-0.010 (0.069)	0.080 (0.070)
Size of Business	-0.010 (0.009)	-0.029** (0.009)	0.014 (0.008)	-0.026** (0.008)
2001 Survey Wave	-0.017 (0.063)	-0.177** (0.058)	-0.006 (0.054)	0.026 (0.054)
Observations	2500	2503	2508	2507

	Results by Vignette			
	E	F	G	H
Religious Importance	-0.199** (0.026)	-0.165** (0.025)	-0.120** (0.027)	-0.163** (0.025)
Christian	-0.022 (0.063)	-0.051 (0.062)	-0.100 (0.065)	-0.046 (0.062)
Age	-0.046* (0.020)	-0.136** (0.020)	-0.130** (0.021)	-0.162** (0.020)
Male	0.238** (0.062)	0.255** (0.060)	-0.482** (0.061)	0.055 (0.060)
Size of Business	-0.004 (0.007)	-0.012 (0.007)	-0.012 (0.007)	-0.037** (0.007)
2001 Survey Wave	0.074 (0.047)	0.212** (0.046)	0.099* (0.048)	0.113* (0.046)
Observations	2490	2488	2485	2487

	Results by Vignette			
	I	J	K	L
Religious Importance	-0.086** (0.031)	-0.096** (0.025)	-0.157** (0.027)	-0.151** (0.025)
Christian	-0.101 (0.075)	0.084 (0.062)	0.126 (0.068)	0.091 (0.063)
Age	-0.160** (0.024)	-0.013 (0.020)	-0.062** (0.022)	-0.193** (0.020)
Male	-0.137 (0.071)	0.416** (0.061)	0.373** (0.068)	0.083 (0.060)
Size of Business	-0.035** (0.009)	-0.032** (0.007)	0.006 (0.008)	-0.013 (0.007)
2001 Survey Wave	0.052 (0.057)	0.029 (0.046)	-0.153** (0.050)	-0.004 (0.046)
Observations	2486	2459	2446	2442

	Results by Vignette			
	M	N	O	P
Religious Importance	-0.070** (0.026)	-0.171** (0.026)	-0.085** (0.026)	-0.182** (0.027)
Christian	0.113 (0.065)	-0.106 (0.063)	0.090 (0.065)	-0.131* (0.066)
Age	-0.019 (0.020)	-0.083** (0.020)	-0.039 (0.021)	-0.073** (0.021)
Male	0.710** (0.067)	0.154* (0.062)	0.101 (0.063)	-0.175** (0.063)
Size of Business	-0.040** (0.007)	-0.008 (0.007)	0.004 (0.007)	-0.051** (0.008)
2001 Survey Wave	-0.033 (0.047)	0.134** (0.047)	-0.225** (0.048)	-0.063 (0.050)
Observations	2455	2459	2415	2449

Standard errors reported in parentheses

Key: * significant at 5%; ** significant at 1%

DISCUSSION AND SUMMARY

This paper is an advance over much other research into the issue of religion and business ethics in that it involves a very large sample of business professionals. Previous research has often relied upon very small sample sizes, or has focused on surveying students whose experience in facing ethical issues in the workplace is likely to be severely limited. In view of the ambiguity and mixed results of previous research, the robustness of our results in this study is remarkable. In each of sixteen vignettes describing a wide variety of ethical dilemmas, religious importance was found to be a highly significant (at the .01 level) determinant of ethical attitudes.

A theoretical rationale for the influence of religion on ethical attitudes is presented in an important article by Weaver and Agle.²⁶ They begin with a framework for ethical decision-making developed by Rest.²⁷ Within that framework are four stages of ethical decision-making: recognition of the ethical issue (moral sensitivity); ethical decision (moral judgment); intention to act on the moral judgment (moral intention); and finally actual behavior (moral behavior). According to Weaver and Agle, religion can have an influence on any or all of these stages.

The mechanism through which religion works to affect ethical sensitivity and actions in Weaver and Agle's theory is through religious role expectations that have been internalized as a religious self-identity. The moral teachings of a religion circumscribe certain actions and attitudes and so act to establish a role of ethical behavior that is expected of adherents to that religion. These role expectations, "when internalized through repeated social interaction, contribute to a person's self-identity as an adherent of a specific religion."²⁸ That is, the repeated social interactions of religious people with others of their religion tend to establish the person's self-identity.

This influence of religious role expectations is, however, "moderated by religious identity salience and religious motivational orientation."²⁹ People may differ in the importance that they ascribe to their religious identity, that is, in the centrality of religion to their self-identity. Persons for whom their religious identity is extremely important will tend to suffer emotional discomfort if they depart from the ethical teachings of their religion and are likely to adhere more strictly to ethical standards. With regard to religious motivations, these have been

²⁶ Gary R. Weaver and Bradley R. Agle, "Religiosity and Ethical Behavior in Organizations: A Symbolic Interactionist Perspective," *Academy of Management Review* 27 (2002): 77-97.

²⁷ James R. Rest, *Moral Development: Advances in Research and Theory* (New York: Praeger, 1986).

²⁸ Weaver and Agle (2002), 80.

²⁹ Weaver and Agle (2002), 77.

described by Allport as being either intrinsic or extrinsic.³⁰ Persons with intrinsic religious orientation view their religion as central to their existence and attempt to live out its implications in all areas of their lives even when adherence to the tenets of the religion may involve costs. Persons with extrinsic religious orientation tend to view religion in terms of its usefulness in making social contacts, giving status, providing solace and security, etc. Alternatives to religious participation may well be available to those with extrinsic orientation for attaining the benefits associated with religion. Naturally, those with intrinsic religious orientation are likely to adhere more strictly to the ethical standards arising out of their religion than are those with extrinsic religious orientation.

A recent qualitative study of business managers in Germany and the United Kingdom sheds further light onto how religious commitment may work to affect ethical attitudes and behavior.³¹ Werner conducted in-depth interviews with twenty one owner-managers of small and medium businesses (10 in Germany, 11 in the UK). Those interviewed considered themselves practicing Christians and were from conservative Protestant denominations. Based upon these interviews, Werner found five different Christian conceptual frames that seemed important influences on the ethical positions of the respondents.

One of these concepts is the Christian idea of calling or vocation. Respondents who considered that God had called them to a particular occupation or type of business naturally were concerned that the business should be conducted in an ethical manner and for the good of the community. A second Christian concept was that of stewardship. Respondents who considered themselves as stewards of resources or responsibilities entrusted to them by God tended to feel a strong sense of responsibility or accountability for how the resources were used or how the responsibilities were carried out. This would likely affect a wide range of issues, from relationships with employees to care for the environment. A third concept was that of witness. Respondents who mentioned this as a motivating factor expressed a desire not to take any actions that would reflect unfavorably upon the person's religious commitment, or, conversely, to attempt to act in ways that would reflect favorably upon it. A fourth Christian concept mentioned was that of holiness. Respondents considered that, because of their relationship with a holy God, their lives should be conducted with integrity and moral purity. Finally, respondents identified general Christian moral tenets such as reliability and trustworthiness as guides for their behavior in

³⁰ See Gordon W. Allport and J. Michael Ross, "Personal Religious Orientation and Prejudice," *Journal of Personality and Social Psychology* 5 (1967): 432-43 and Gordon W. Allport, "The Religious Context of Prejudice," *Journal for the Scientific Study of Religion* 5 (1966): 447-57.

³¹ Werner (2008).

business relations. Also mentioned was the belief that since human beings are created in the image of God they should all be treated with respect.³²

While there obviously are wide varieties of religious experience, differences in levels of religious commitment, and various motivations for adherence to a religion, both theoretical and empirical work indicate that religion is an important determinant of ethical attitudes. Our empirical results provide strong evidence that it is the importance of religion in a person's life much more than mere religious affiliation that has a significant effect on ethical attitudes.

³² Ibid.

APPENDIX

- A. An executive earning \$100,000 a year padded his expense account by about \$3,000 a year.
- B. In order to increase profits, a general manager used a production process which exceeded legal limits for environmental pollution.
- C. Because of pressure from his brokerage firm, a stockbroker recommended a type of bond which he did not consider to be a good investment.
- D. A small business received one-fourth of its gross revenue in the form of cash. The owner reported only one-half of the cash receipts for income tax purposes.
- E. A company paid a \$350,000 "consulting" fee to an official of a foreign country. In return, the official promised assistance in obtaining a contract which should produce \$10 million profit for the contracting company.
- F. A company president found that a competitor had made an important scientific discovery which would sharply reduce the profits of his own company. He then hired a key employee of the competitor in an attempt to learn the details of the discovery.
- G. A highway building contractor deplored the chaotic bidding situation and cutthroat competition. He, therefore, reached an understanding with other major contractors to permit bidding which would provide a reasonable profit.
- H. A company president recognized that sending expensive Christmas gifts to purchasing agents might compromise their positions. However, he continued the policy since it was common practice and changing it might result in loss of business.
- I. A corporate director learned that his company intended to announce a stock split and increase its dividend. On the basis of this information, he bought additional shares and sold them at a gain following the announcement.
- J. A corporate executive promoted a loyal friend and competent manager to the position of divisional vice president in preference to a better-qualified manager with whom he had no close ties.
- K. An engineer discovered what he perceived to be a product design flaw which constituted a safety hazard. His company declined to correct the flaw. The engineer decided to keep quiet, rather than taking his complaint outside the company.
- L. A comptroller selected a legal method of financial reporting which concealed some embarrassing financial facts which would otherwise have become public knowledge.
- M. An employer received applications for a supervisor's position from two equally qualified applicants but hired the male applicant because he thought that some employees might resent being supervised by a female.

- N. As part of the marketing strategy for a product, the producer changed its color and marketed it as "new and improved," even though its other characteristics were unchanged.
- O. A cigarette manufacturer launched a publicity campaign challenging new evidence from the Surgeon General's office that cigarette smoking is harmful to the smoker's health.
- P. An owner of a small business firm obtained a free copy of a copyrighted computer software program from a business friend rather than spending \$500 to obtain his own program from the software dealer.