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The moral reasoning abilities of Australian and Malaysian accounting students: A comparative analysis

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If national culture is a significant determinant of ethical attitudes, it is not unreasonable to expect ethical decision-making to be influenced by one’s culture. However, problems arise when the notion of right differs from one culture to another. The question addressed in this paper is whether the moral reasoning abilities of Australian and Malaysian accounting students in their final year of study differ because of their cultural upbringing. This study uses primary data collected from 34 final year accounting students (12 Australian and 22 Malaysian) enrolled in an Australian degree program. The test scores collected at the beginning and end of the academic year indicate that culture and other explanatory variables do not have an affect on students' moral judgment. The findings in this study suggest that culture as an independent variable does not influence the way accounting students analyse and resolve ethical dilemmas.

Keywords: accounting education, culture, moral reasoning

The proliferation of international business, combined with an accounting industry obsessed with growth and an ever-increasing range of services, brings with it new and unfamiliar challenges. One such challenge is the advent of internationalisation and the potential impact that culture may have on ethical decision-making. Unfortunately, little attention is paid to cross-cultural differences and ethics research. This is disappointing, in view of the increasing trend towards the globalisation of accounting, not to mention educational services. In this paper, culture is examined in light of Kohlberg’s (1969) theory of cognitive moral reasoning and development to determine whether there are differences in the way accounting students from different cultural backgrounds consider and resolve ethical dilemmas. The globalisation of business and the internationalisation of accounting and auditing standards expose accounting graduates increasingly to different cultural and ethical values. Therefore, accounting students can expect to have increased dealings with a diverse spread of cultural and moral beliefs. Understanding how people from different cultures respond to ethical dilemmas is important if multinational accounting firms expect worldwide consistency in the application of professional values and accounting concepts. The internationalisation of accounting and auditing standards is a step forward in achieving worldwide uniformity, but one should not automatically assume that accounting concepts and professional values are viewed in a like manner in different cultures. For example, the notion of independence, which is fundamental to the concept of auditing and assurance services, may be perceived differently by accountants from western countries compared to accountants from non-western countries (Cohen, Pant and Sharp 1995a).

The primary aim of this paper is to determine whether accounting students from different cultural backgrounds employ different moral schemata in the resolution of ethical dilemmas. The difference, if any, in the moral reasoning abilities of accounting students will provide a better understanding in the way accountants from different cultures analyse and make ethical decisions. The second aim of this paper to investigate the relationship, if any, between other explanatory variables such as formal education, age, and gender, with students' moral reasoning test scores. The remainder of this paper is organised as follows. First, Kohlberg's theory of cognitive moral reasoning and development is outlined to provide an understanding on how people resolve ethical problems. Second, the concept of 'cultural relativism' is considered in light of Kohlberg's theory. Third, empirical research investigating moral judgment and culture are reviewed and discussed. Fourth, the research method, the
Kohlberg's theory of cognitive moral reasoning and development

A person's ethical behaviour is underpinned by how they understand, reason, and resolve ethical dilemmas. The literature on moral reasoning is dominated by Kohlberg's (1969) theory of cognitive moral reasoning and development (CMD). Kohlberg's theory examines the cognitive processes used by individuals to resolve ethical dilemmas. The stage model, as developed by Kohlberg (1969) and revised by Rest (1979), provides a hierarchical continuum of six stages of CMD that people use in making moral judgments. Kohlberg's theory (1969, 1976, 1981) posits that individuals have identifiable cognitive skills used to resolve ethical dilemmas and these skills are then used by the researcher to identify the individual's stage of moral development. In general, the individual moves from a self-centred conception of what is right to a broader principled understanding of the importance of social contracts and principles of justice and rights. Therefore, individuals with higher stages of moral development conceptualise problems similar to moral philosophers and more principled solutions are offered to ethical problems. A brief description of the six stages of moral development is presented in table 1. For a detailed discussion of the six stages of moral development see for example, Lampe and Finn (1992); Icerman, Karcher and Kannelley (1991); Rest (1986); Bebeau, Rest and Yannoor (1985); Kohlberg, (1976, 1981).

Kohlberg (1969) argues that the essential structure of morality that defines each stage of CMD is the principle of 'justice', and at the core of justice is the distribution of rights and duties regulated by concepts of 'equality and reciprocity'. Therefore, justice is the criterion which raises one stage of moral reasoning above another. In simple terms, higher levels of moral reasoning are seen to offer more equitable or fair solutions to ethical dilemmas (Rest 1986). For instance, at stage 2, fairness is the reciprocity of exchange; at stage 3, fairness is knowing that individuals can rely on mutual loyalty and dedication to each other's welfare; at stage 4, fairness is viewed as complying with the law knowing that others will do likewise; at stage 5, fairness is based the notion of social contract; and at stage 6, the principle of fairness is formulated as a universalised principle of reciprocal role-taking (Kohlberg 1969, 1976; Rest 1986).

Moral reasoning and cultural relativism

Culture plays a significant role in the moral reasoning and ethical attitudes of individuals. National cultures affect people's norms, beliefs, attitudes, and their perceptions of right and wrong (Christie et al. 2003). Therefore, individuals from different societies have distinct conceptions of what are ethical and unethical behaviours. According to the principle of cultural relativism, the standards that guide behaviour are those established by the host country. Cultural relativism is premised on the moral norms of the society in which the behaviour takes place. Any act inconsistent with host norms is morally wrong. The cultural relativist creed, 'when in Rome do as the Romans do', is predicated on the belief that there is no single moral standard, only local moral practices that indicate what is morally acceptable behaviour.

According to principle of cultural relativism, ethics is relative to the culture in which the behaviour occurs. Therefore, what is right in one culture may not be right in another. Problems arise where there are divergent opinions within or across societies, because practices considered ethical in one culture may be condemned in another. This is particularly
important for multinational companies (or individuals operating cross-nationally) that find
themselves entangled in financially damaging conflicts. It is this lack of universality that
draws its greatest criticism. The debate on whether ethical practices should be guided by
the norms of the host culture or a guided by a universal standard that crosses all cultures is
a vexed one. Detailed consideration of these issues is beyond the scope of this paper.
However, in this paper it is important to recognise that different national cultures can impact
the way people, including accountants, perceive and resolve ethical dilemmas.

The notion of cultural relativism suggests that people interpret their experiences within the
context of their environment and an act considered morally right in one culture might be
considered morally wrong in another. One issue confronting researchers is the potential
effect that culture has on people's moral reasoning and development. Critics of Kohlberg's
theory argue that Kohlberg's reliance on the western philosophy of justice as the criterion for
defining the different stages of moral development casts doubt on the universality of the
framework (Waldmann 2000). Kohlberg's theory and the justice principle emphasise
individual orientation and responsibility, and eastern cultures emphasise relationships,
harmony and collective decisions. Therefore, what constitutes justice and how moral
dilemmas are resolved may vary from one culture to another.

However, Rest (1986) argues that different value-sets between cultures are superficial only
and that there are certain fundamental values that are common to all cultures. For example,
while people express their affection in different ways, affection has been established in all
cultures. Kohlberg (1976) similarly argues that all cultures go through the same stages of
moral reasoning, with the cultural environment impacting only the pace and depth of
movement through the stage sequence. Therefore, Kohlberg's theory is based on the notion
of universalism, which contends that the same value-set is universal to all cultures. If
Kohlberg is correct, cultural values should not affect on the way in which people analyse and
resolve ethical dilemmas.

Empirical studies undertaking cross-cultural research investigate the relationship between
culture and ethics. In particular, researchers test the hypothesis that there are differences in
the moral development of subjects from different cultures. However, few cross-cultural
studies have compared the moral reasoning abilities of accountants from different cultures
and those that have, undertake comparative analysis with the published results of American
samples. In general, the test scores of Canadian accountants' compare favourably with their
American counterparts suggesting that Canadian accountants possess higher moral
reasoning abilities than American accountants (Ponemon and Gabhart 1993; Etherington
and Schulting 1995). Yet, the levels of moral development of chartered accountants in
Ireland were not significantly different to equivalent American samples (Clarke, Hill and
Stevens 1996). In a study comparing the levels of moral development of Australian and
Chinese (mainland and Hong Kong) auditors, Australian auditors were more individualistic
and thus demonstrated higher moral reasoning scores (Tsui and Windsor 2001).

In accounting education, Thorne (1999) compared the test scores of Canadian accounting
students with the reported results of American-based research, and concluded that the
demographic associations with the test scores reported in the American literature generally
apply to Canadian accounting students. Thorne (1999) further discovered that accounting
students with English as their second language showed only marginally higher test scores
than students with English as their first language. The findings suggest that differences in
Canadian and American accounting students are not significant.

O'Leary and Cotter (2000) surveyed the ethical attitudes of Irish and Australian accounting
students and found that Irish accounting students had a higher propensity to behave
unethically than did Australian students. In a different study, students from both cultures
support business ethics as a required course for their degree (Eynon, Hill and Stevens
1996). Interestingly, students who did not support ethics in the accounting curriculum have significantly lower test scores, and therefore lower moral reasoning abilities than students who did support ethics in the curriculum. It appears that those who support ethics education need it the least.

Empirical studies in accounting ethics research focus predominantly on samples of North American accounting students and practitioners. Therefore, little is known about the moral development of accounting students in other countries, particularly countries in Asia. The lack of empirical studies in accounting practice and accounting education is a major limitation of accounting ethics research. While some research has been undertaken by accounting ethics researchers to investigate the effect of culture on moral judgment, Thorne (1999) suggests that additional work examining the moral development of accounting students from other countries is needed.

**Measuring moral judgment**

The Defining Issues Test (DIT) developed by Rest (1979) is a reliable, objective psychometric-test designed to measure a person's moral judgment. The DIT has undergone extensive reliability and validity studies with a test and re-test reliability for the P-score generally in the high 0.70s or 0.80s. Likewise, Cronbach's alpha index of internal consistency is also generally in the high 0.70s and 0.80s (Davison and Robbins 1978). Differences in the way that dilemmas are resolved are indications of their underlying moral judgment abilities. The DIT comprises a set of alternatives that present the subject with a forced choice between different considerations that they believe are important in making an ethical decision. Each item represents a different concept of fairness which correlates with Kohlberg's theory of CMD. The ranking of these items enables the researcher to determine a developmental score known as the DIT P-score. The DIT P-score is then analysed by researchers to make inferences about the subject's CMD.

The DIT P-score is expressed as a percentage that ranges from zero to one. A distinct advantage of a continuous variable, such as the DIT P-score, is the ability to identify changes in moral reasoning by measuring and comparing differences in test scores before and after treatment effects. Therefore, a higher DIT P-score is indicative of a person's ability to reason at higher stages of moral development according to Kohlberg's stage framework. A significant increase in the DIT P-score is arguably evidence of real moral development.

According to Rest (1986) the reading levels of the scenarios contained in the DIT requires a minimum of 11 to 13 years of age, and since the DIT is heavily dependent on reading skills, its application is problematic with minority groups or subjects whose first language is not English. Subjects who are not sufficiently motivated may give misleading information. In this study, international students have been admitted to the degree program on the basis of their proficiency in the English language, thus language fluency should not be a significant factor influencing test scores.

**Hypotheses**

In reviewing 20 studies that used the DIT to investigate moral reasoning levels of subjects in 15 cultures, Rest (1986) found there were more similarities between cultures than there were differences. When differences were identified, many non-western cultures achieved higher test scores than American samples but the cause of the difference is unclear. In accounting, few studies have examined the link between culture and moral reasoning which limits the generalisability of existing data (Ponemon and Gabhart 1993; Clarke, Hill and Stevens 1996; Thorne 1999; O'Leary and Cotter 2000). Therefore, the following hypothesis is expressed in the null form:
HI  The DIT P-scores of Australian accounting students will not be significantly different from the DIT P-scores of Malaysian accounting students.

The second objective of this paper is to determine whether additional explanatory variables (formal education, age, and gender) have an effect on students' DIT P-scores regardless of culture. Cognitive development research shows that formal education, and age is powerfully associated with changes in moral development (Rest 1988). Arguably, education and age are largely responsible for the transformation of moral judgment structures. Rest (1986) also found that education and age were consistently high correlates of moral development, irrespective of country studied. In accounting education research, Thome (1999) and Icerman, Karcher and Kannelley (1991), found that the number of years in accounting education was associated with increasing levels of moral development. While Shaub (1994) discovered an association between the subjects' test scores and academic success (grade point average) and gender, Shaub did not detect significant relationship with age, formal education, or work experience. According to available evidence, as the number of years of post secondary education increases, DIT P-scores also increase. However, whether moral development is a function of education or maturation is unclear (Trevino 1992). Irrespective of the cause, both time spent in education and age, are investigated as potential factors affecting moral development. The second and third hypotheses are thus stated:

H2  The DIT P-scores of accounting students at the end of the year will be significantly higher than the DIT P-scores at the beginning of the year.

H3  The DIT P-scores of accounting students are positively associated with age.

Critics of moral development theory, particularly Gilligan (1982), claim that Kohlberg's theory is gender-biased and moral reasoning studies using the DIT emphasise a justice orientation that leads to the downgrading of women's moral reasoning test scores. However, in many studies, gender has not demonstrated a consistent and clear relationship with DIT P-scores (Rest 1986; Thoma 1986; Tolleson, Merino and Mayper 1996). Contrary to these findings, the weight of existing empirical evidence in accounting ethics research suggests female accountants possess higher DIT P-scores than their male counterparts (St Pierre, Nelson and Gabbin 1990; Shaub 1994; Clarke, Hill and Stevens 1996; Thorne 1999). In spite of the anomaly in gender investigations in DIT research, the DIT P-scores of male and female accounting students are expected to be the same. The fourth hypothesis is thus stated:

H4  The DIT P-scores of male accounting students will not be significantly different from the DIT P-scores of female accounting students.

Data collection

The place of one's upbringing is arguably the major determinant of a person's cultural background. Therefore, culture in this study is defined as the subject's place of permanent residence, which in turn, is established by nationally defined borders. A definition based on permanent residence captures international students that have entered Australia on a temporary visa. Thus, their permanent place of residence and cultural upbringing remains with their home country. Therefore, students studying in Australia on temporary student visas are regarded as non-Australians for the purpose of this study. Likewise, students who indicated that Australia is their place of permanent residence are regarded as Australian for the purpose of this study.

The accounting degree program under investigation is conducted at a large city-based Australian university with a substantial population of international students. The degree program complies with the accreditation requirements of the two major professional accounting associations and graduates of the program are eligible to become members of
either association. The university operates a twinning program in Malaysia in which the Malaysian students undertake their first two years of the degree program at the Malaysian campus and then have the option of completing the final year of study at the university's Australian campus. With the majority of students electing to complete their studies in Australia, the university's Australian campus has a proportionately high number of Malaysian students in the final year of the degree program.

Invitations to participate in this study were extended to a class of final year students, in which 56 students expressed an interest to participate in this study. However, due to a change in circumstances, 47 students (15 Australian and 32 non-Australian) completed the test instrument. The majority of non-Australian students (26 from the total of 32) who agreed to participate in this study were Malaysian, with the remaining students spread across three other countries (China - 1, Indonesia - 1, and Singapore - 4). The non-Malaysian students were removed from this sample to provide a direct comparison between two distinct cultures (Australia and Malaysia) and in turn provide a meaningful analysis.

The three-dilemma version of the DIT was issued to the students in accordance with the university's ethical requirements. The same test instrument was issued and completed two times during the year (the beginning and the end of the academic year). Differences in post-test scores, if any, are indicative of moral change. The sample description and the number of useable test instruments are displayed in table 2. Of the 41 students who participated in this study, 34 provided useable pre-test instruments and 23 provided useable post-test instruments. The process resulted in a loss rate of 7 test instruments (41 - 34) during the pre-test procedure and 18 test instruments (41 - 23) for the post-test procedure. The loss rate was caused by the self-checks contained within the test instrument that determine the validity of the responses, and students failing to complete the instrument.

Results

The first objective of this paper is to determine whether the DIT P-scores of Australian accounting students are significantly different from the DIT P-scores of Malaysian accounting students. The means, standard deviations, and test statistics are reported in table 3 below. A comparison of the mean DIT P-scores between the groups indicate that Malaysian students have a marginally higher test score at the beginning of the year but finish with a lower test score at the end of the year. However, the independent sample t-tests reveals that the difference in the mean pre- and post-DIT P-scores between the Australian and Malaysian students are not statistically significant. Thus, the results fail to reject the null hypothesis and it is concluded that the moral judgment of Australian accounting students does not differ from the moral judgment of Malaysian accounting students.

Table 2: Useable test instruments

Table 3: Mean DIT P-scores (independent samples)

The purpose of the second hypothesis analysis is to determine whether accounting students (Australian and Malaysian) demonstrate a statistically significant increase in DIT P-scores during the period in which they undertake their final year of study. The means, standard deviations, and test statistics are reported in table 4. The Australian students recorded an increase in DIT P-scores of 7.41 percentage points and the Malaysian students recorded an increase of 8.61 percentage points. Using a paired sampled t-test, the increase in DIT P-scores for Australian and Malaysian students is not statistically significant. Thus, H2 is rejected and it is concluded that one year of study does not affect the DIT P-scores of Australian or Malaysian accounting students.
Age, as an explanatory variable, is examined to determine whether it is positively associated with the DIT P-scores. The means and standard deviations of the different age groups are presented in Table 5. A comparison of the age groups indicates a slight increase in the mean DIT P-score from the first to second age group but then it declines with increasing age. The declining mean DIT P-score is inconsistent with expected DIT-age trends but caution should be exercised when interpreting the raw scores given the limited number of subjects in the older age group. The ANOVA revealed that there is no significant difference among the different age groups, $F(2, 31) = 0.07, p > 0.05$. Similarly, a Pearson correlation of the data revealed that age and the DIT P-scores are not significantly positively related, $r = +0.03, n = 34, p > 0.05$, one-tailed. Thus, $H_3$ is rejected and it is concluded that the DIT P-scores in this study are not associated with age.

Table 5: Mean DIT P-scores and age

Table 6: Changes in mean DIT P-scores within the groups (paired samples)

Gender is investigated to determine whether the DIT P-scores of female accounting students differ significantly from their male colleagues. The mean DIT P-scores and standard deviations for female and male accounting students are shown in Table 6. The mean DIT P-score for male accounting students (36.67) is 6.25 percentage points higher than the mean DIT P-score for female accounting students (30.42). The independent sample t-test revealed that the difference in the mean DIT P-scores was not statistically significant. Thus, $H_4$ is not rejected and it is concluded that gender does not have a significant effect on DIT P-scores. While this finding is consistent with Rest's (1986) conclusions, it is inconsistent with empirical data in accounting education research which indicates that female accounting score higher than their male colleagues.

Table 6: DIT P-scores and gender

Discussion

The primary objective of this study is to compare the moral reasoning abilities of accounting students from different cultures. The findings show that the moral reasoning abilities, as measured by the DIT P-score, of Australian and Malaysian accounting students are not significantly different. If national culture impacts upon a person's perceptions of right and wrong, then one would expect cultural upbringing to have a significant effect on moral judgment as measured by their DIT P-scores. However, the results in this study suggest that this is not the case. Therefore, Australian and Malaysian accounting students undertaking a degree at an Australian university are not dissimilar in the way they analyze and resolve ethical dilemmas. The pre-test instrument was administered at the beginning of the academic year which means for the Malaysian students, this was soon after their arrival to Australia. At this early stage of their arrival to Australia, exposure to western culture and way of life is limited. Therefore, if culture as determined by societal values rather than educational values influences moral judgment, pre-test scores are more likely to reflect their home country's value-set. However, the difference in pre-test scores between Australian and Malaysian students were not statistically significant. Therefore, cultural upbringing does not appear to be a major determinant of DIT P-scores. The findings support Kohlberg's (1976) and Rest's (1986) assertions which state that all cultures go through the same stages of moral judgment.

The indoctrination of western values and ways of thinking originating from the exposure to western education may be an alternative explanation for the findings in this study. Malaysian students join the Australian campus in the final year of the degree program. Therefore,
Malaysian students have been exposed to two years of western education prior to the administration of the pre-test instrument. Learning western methods of accounting from a western university may have a similar effect on students’ DIT P-scores irrespective of cultural upbringing or campus location. In effect, students are trained in a western university to respond to the test instrument in the same way, that is, responses are based on values taught from the western accounting curriculum. If the test scores are influenced by the exposure to western education, then future research should compare the test scores of students from a number of national accounting programs. Such research would help determine the effect of education, western and non-western, on DIT P-scores.

Culture in this study is considered an independent variable that influences one's ethical attitudes. However, culture is a complex factor encompassing many aspects of life (McDonald 2000). Generalisations about cultures are difficult and in many cases are erroneous because of the existence of the vast number of subcultures. For instance, countries within Asia, such as Malaysia, are not a cultural unity. Malays make up a little more than half the population of Malaysia with the remainder comprising largely Chinese and Indian ethnic communities. Similarly, Australia is also considered culturally diverse society comprising a variety of European and Asian ethnic backgrounds. Therefore, another explanation for the lack of difference in test scores is that a Malaysian western subculture may exist, one that resembles Australian values, or alternatively, an Asian subculture may exist within the Australian value-set. The Malaysian participants in this study are of Chinese descent, thus belonging to what is generally regarded as the economically dominant subgroup within the Malaysian community. These students have also made a conscious decision to undertake a degree program at a western university. These factors may be indicative of a western subculture. Therefore, the Australian culture and a Malaysian subculture that encourages western education may be closer than initially believed. Not only do subcultures exist within a culture but a definition based on place of permanent residence is not always indicative of a person's upbringing. For example, students with permanent residence in Australia may not have been reared in Australia and therefore may not consider Australia as their home country or the country where their values were cultivated. The generality of the definition and the classification of students based on place of permanent residence may have important effects of the results of this study. Additional research using a more sophisticated measure of culture is required.

As stated above, empirical evidence regularly shows that DIT P-scores are positively associated with formal education and age. Icerman, Karcher and Kennelley (1991) and Thorne (1999) concluded that age and years in formal education are clear determinants of the level of moral development. They found that the number of years in accounting education is associated with increasing levels of moral development. However, the results in this study, like Shaub (1994), failed to demonstrate a relationship with formal education or age. One reason for this result could be related to time. In this study, the pre- and post-test procedures were conducted less than one year apart. This is a relatively short period and more time may be needed to see a significant change in DIT P-scores. Alternatively, gains in DIT P-scores may have already occurred from previous secondary and tertiary education, or life experiences. According to this view, moral standards have been fully developed and firmly entrenched by traditional institutions such as church and family by the time students reach university. Therefore, the university curriculum is unlikely to influence their attitudes. However, despite the claim of 'fixed attitudes', Kohlberg and his supporters believe that a person's value system is not static and is subject to continued modification through emotional, behavioural, and cognitive interventions (Kohlberg 1969; Rest 1986). In fact, Shenkir (1990) suggests attitudinal changes occur through a person's entire educational experience. Further analysis investigating the DIT P-scores throughout the degree program rather than over short time periods would be useful to determine the extent of western accounting education as a potential factor affecting DIT P-scores.
Research in accounting ethics has shown that female accounting professionals (Shaub 1994; Etherington and Schulting 1995; Clarke, Hill and Stevens 1996) and female accounting students (Shaub 1994; Thorne, 1999) score higher than their male counterparts. Shaub (1994) subsequently argues that the accounting profession will benefit by recruiting, mentoring, advancing and retaining female auditors. However, the results in this study found that the difference in test scores between female and male accounting students were insignificant. Further examination of the degree programs and educational philosophies of the respective institutions may provide insights to the varying results. The small sample limits the analysis that can be undertaken in this study, and it would therefore be valuable to examine more closely cross-cultural differences as a function of gender.

Conclusion

The growth in the globalisation of accounting firms and a corresponding increase in ethical conflicts have spurred research in cross-cultural ethics, particularly the influence that culture has on ethical decision-making and behaviour. An investigation of the cultural differences will help researchers understand the influences on ethical decision-making and provide for better guidelines of proper and ethical behaviour to be developed. Access to such information is particularly important for multinational organisations seeking to develop a firm-wide code of behaviour that also acknowledges and respects local cultural differences (Goodwin, Goodwin and Fiedler 2000). In education, a greater understanding of cross-cultural factors prepares students for the ethical complexities of the global business environment (Waldmann 2000).

While there is a growing body of literature on accounting ethics, only a small number of studies have examined the influence of culture on ethical decision-making (Goodwin, Goodwin and Fiedler 2000). Few studies have been undertaken outside America (Clarke, Hill and Stevens 1996) and even fewer studies link findings to national cultural differences (Cohen, Pant and Sharp 1995a, 1995b). Therefore, little is known about the moral reasoning abilities of accounting students. A cross-cultural comparison of moral reasoning abilities of accounting students is an important addition to the literature. Thorne (1999) contends that further research is required to develop a better understanding of the association between cultural background and moral development. The comparison of the moral reasoning abilities of Australian and Malaysian students is particularly important because of the region's importance to global commerce.

Consistent with prior research (Thorne 1999; Eynon, Hill and Stevens 1996; Etherington and Schulting 1995), the results of this study failed to find an association with culture. One might conclude that the universality of Kohlberg's framework is valid and the underlying principle that defines Kohlberg's different stages of moral development is common to all cultures. However, the area of cross-cultural differences is complex and extensive, and the author suggests that further studies comparing the moral judgment of western and non-western samples is necessary before generalisations are made. Furthermore, the students who participated in this study volunteered their contributions and by design were selected from a single university. Combined with a small sample size, that limits the generalisability of the results and may subject the findings to a self-selection bias. This paper does not attempt to give a comprehensive analysis of cross-cultural ethics research but simply to add further evidence to the debate on culture and ethical decision-making. Further research and analyses are necessary to investigate the influence of accounting education on students' moral judgment in western contexts.

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