

## Sex & gender in ethical decision making: A critical review and recommendations for future research

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### **Abstract:**

Though researchers have attempted to understand how biological sex impacts ethical decision making for over thirty years, their efforts have yielded few notable theories and key empirical findings. These less than impressive outcomes can be attributed to many atheoretical attempts through what amounts to no more than vote counting (i.e., who commits more (un)ethical acts, men or women). In an effort to inspire more profoundly scientific investigation of the role of sex in ethical decision making, I set out to review the most grounded theoretical frameworks addressing it, to highlight their key commonalities, differences, and limitations, and to propose directions for future researchers to consider. This effort resulted in identification of three primary theories—moral reasoning/orientation, self-stereotyping, and pragmatism—and two related ones on which future research should be based: gender-identity and neuroscience. The gender identity and neuroscience literatures offer tremendous potential for explaining and predicting sex differences in ethical decision making. Better theories, hopefully, will lead to the development and delivery of more effective interventions to diminish the tremendous costs we all experience for unethical behavior in our societies.

**Keywords:** Decision Making | Ethics | Gender

### **Article:**

Who are more ethical, men or women? Attempts to address this age-old question empirically have produced all three possible outcomes--men, women, or neither appearing more ethical than the other (McGee, 2012). Though some have not ruled out a null relationship between biological sex and ethical cognitions and conduct (Kish-Gephart, Harrison, & Treviño, 2010), most literature reviews find that men are slightly more inclined to "stretch" moral boundaries than women (Franke, Crown, & Spake, 1997; O'Fallon & Butterfield, 2005) suggesting the sexes do differ in some ways when it comes to ethical decision making (EDM).

Two issues have limited previous efforts to confirm mediators and moderators of sex differences in EDM. First, researchers predominantly have considered sex or gender as a control variable or on post-hoc basis to explain variance in ethical phenomena (e.g., Detert, Treviño, & Sweitzer, 2008; Wiltermuth, 2011), approaches that fall short of rigorous tests of sex differences in EDM. Second, because scholars typically suspect that psychological and sociological factors drive sex differences in EDM, they have paid little attention to how physiological factors could play a role. The purpose of this paper is to promote greater understanding of sex differences in EDM by addressing both issues. Specifically, I review the three general theories that have been previously offered and tested to explain differences in moral cognition and behavior between the sexes. I then outline key similarities, differences, and limitations in these theories and empirical tests thereof. Finally, I propose new directions and questions for future researchers to consider.

## THE PSYCHOLOGY OF SEX & GENDER IN ETHICAL DECISION MAKING

Most, if not all, proposed and tested explanatory mechanisms for sex-related differences in EDM are psychological in nature. In this section, I review the three major theories.

### Moral Reasoning and Orientation

Lawrence Kohlberg's (1969, 1976) theory of cognitive moral development has had great influence on theories of ethical perceptions and conduct for the past few decades and continues to do so (e.g., Umphress & Bingham, 2011). He argued that moral reasoning is a cognitive ability that develops over six potential stages, which he grouped into three levels. The first level, pre-conventional, describes moral reasoning based on consequences, either avoiding punishments (stage 1) or obtaining rewards (stage 2). Next comes conventional which describes moral reasons based on consensus (i.e., following others' expectations, including social norms; stage 3) and conformity to rules (i.e., law and order; stage 4). Post-conventional, the most advanced level, involves moral reasoning based on independent standards deduced from perceived social contracts (stage 5) or universal ethical principles (stage 6). Though Kohlberg's framework does not address sex differences in EDM explicitly, early tests thereof suggested that females and males tend to operate at the same level (conventional) but have different modal stages of moral development, stage 3 and stage 4 respectively (see Poppen, 1974).

Carol Gilligan (1982) challenged the notion of males being somewhat morally superior, instead arguing that men and women have different moral orientations (i.e., voices). Specifically, she argued that women have a care-based moral orientation that places high priority on relationships and others' needs whereas men have a justice-based orientation that emphasizes fairness and equity more. In their meta-analytic review, Jaffee and Hyde (2000) concluded that Gilligan's theories were generally, but not overwhelmingly, supported.

### Moral Self-Stereotyping

According to social role theory, societal role assignments and self-selection into social roles are the primary determinants of behavioral differences between the sexes (Eagly, 1987; Wood & Eagly, 2002). This more sociological viewpoint conflicts with the psychological perspective underlying Gilligan's (1982) arguments that maintains that childhood experiences determine

gender identity and sex-specific behavioral tendencies. In their meta-analytic review of the literature on ethical perceptions of business practices, Franke, Crown, and Spake (1997) developed competing hypotheses based on these two perspectives arguing that gender differences in EDM would persist across the lifespan if they are determined developmentally (i.e., through childhood socialization processes) but would diminish if they are informed by social roles. They found more support for the latter than the former.

### Moral Pragmatism

Moral orientation and self-stereotyping provide limited explanations of why women regularly emerge as more ethical in EDM research. Kray and Haselhuhn (2012) recently addressed this issue more directly by theorizing that males are more morally pragmatic than females. Morally pragmatism involves making ethical evaluations based more on practical consequences or decision-makers active goals than ethical principles like hypernorms (Donaldson & Dunfee, 1994). They based this theory on findings that males more easily disengage morally and justify immoral behavior than females (Bandura, Barbaranelli, Caprara, & Pastorelli, 1996). They confirmed their theory with four experiments finding that (1) men were more likely to endorse buyers hiding intentions for a property from sellers than women, (2) activating goals that made lying more instrumental also induced men to endorse lying more than women, (3) men engage in moral hypocrisy more than women, and (4) only men who believed negotiation skill to be an innate trait (i.e., experience higher ego threat in negotiations) expressed more accepting attitudes towards unethical negotiation tactics.

## INTEGRATION AND LIMITATIONS

The fact that only three theories about gender differences in EDM have emerged over the past 30 years suggest that scholars have done relatively little theorizing about them. In an effort to draw attention to this gap in and promote more efforts to address this topic, I now compare these theories and discuss the common limitations thereof.

### Comparison of Extant Theories

Key similarities. Though distinct, moral orientation, self-stereotyping, and pragmatism theories have a number key similarities and themes. Empirical findings related to all three suggest that women regularly emerge as more ethical than men. Given that this effect emerges more among undergraduate and MBA students than working adults and that people seem to become more ethical with age, it appears that men improve their ethics more than women over time. This improvement does not bridge the gap, though, because the female ethical advantage persists across age groups and cultures (Peterson, Albaum, Merunka, Munuera, & Smith, 2010).

Interesting contrasts. Two aspects of the reviewed theories appear somewhat incongruous, though not necessarily contradictory. First, the role of rules in EDM has received limited, but sufficient attention to constitute a theme. Indeed, stage 4 of Kohlberg's cognitive moral development model specifically pertains to the acceptance and following of rules. Though early researchers found that males were more rule-oriented than females, Franke et al. (1997) found that females were actually less tolerant of rule breaking.

Second, business in society and academia has garnered a reputation as being unethical. Business students engage in more cheating than students in other disciplines (McCabe, Butterfield, & Trevino, 2006) and regular corporate scandals create perceptions of corporations as breeding grounds for immoral behavior (Litowitz, 2003). Consistent with these perceptions, Kennedy and Kray (2013) found that students perceived a need to compromise their ethics to enter the business world and that women were less likely to do so. These perceptions and outcomes stand in stark contrast with consistent findings that time spent working in the business world actually leads to increased ethicality, particularly among men (Franke et al., 1997).

### Common Limitations in the Extant Literature

All the empirical research reviewed directly or indirectly relies on ethical judgments and intentions to assess ethicality. The use of such measures originates in Rest's (1986) original rationalistic model and extensions thereof (Jones, 1991). In this model, EDM occurs over a four step process, individuals: (1) recognize an ethical situation, (2) make an ethical judgment, (3) form ethical intentions, and (4) engage in ethical behavior. This model has been challenged on two primary grounds. One is that it presumes that cool rational thinking (i.e., System 2 processes) drive ethical decisions. As reviewed previously, psychologists have shown that automatic reflexive affective responses (i.e., System 1 processes) play a larger, and in some cases, potentially exclusive role in EDM (Haidt, 2007, 2010; Narvaez, 2010). The other is that attitudes and behaviors do not correlate perfectly. Even if individuals can properly assess ethical situations and claim that they would act in a particular manner, neither they nor we have guarantees their actions will follow suit. Other factors may particularly complicate the link between expressed attitudes and intentions, and behavior.

In particular, social desirability and self-deception may be more influential factors in imagined and hypothetical scenarios than when individuals face real temptations to deviate from ethical norms. Though researchers reporting differences between the sexes typically do not report having controlled for social desirability, doing so can make differences between men's and women's ethical attitudes disappear (Bernardi & LeComte, 2008). Given that social desirability has also emerged as a confound of between-sex differences in other perceptual and attitudinal measures (Hebert et al., 1997; Sutton & Farrall, 2005), this issue raises the potential paradox that men are more honest about their dishonesty and women are less; a possibility that complicates determining who the "fairer" sex is. Moreover, the role of social desirability in EDM may be complex as responding in a way that is perceived as expected rather than natural may lead to more or less ethical behavior (e.g., Milgram, 1974).

### FUTURE DIRECTIONS AND RECOMMENDATIONS

Inconsistencies and limitations in previous studies as well as recent developments open up many opportunities to advance theories and methods to increase understanding of this topic.

#### Opportunities for Advancing Theory

Understanding how men and women differ in EDM may require integration of theories that explain fundamental differences between the sexes. Wood and Eagly (2002: 700) summarize these differences as follows:

Essentialist perspectives emphasize the basic, stable sex differences that arise from causes that are inherent in the human species such as biologically-based evolved psychological dispositions. In contrast, social constructionist perspectives emphasize the variation in sex differences across social contexts that emerges from the meanings of male and female within particular contexts.

Both perspectives lend potential insight into sex differences in EDM.

The fairer sex or the fairer gender? Gender is a socially constructed concept that refers to the personality traits and role behaviors associated with one sex or the other (Helgeson, 1994a). Psychologists formerly described these sex-related traits and roles as masculinity and femininity, but now refer to them to agency and communion respectively. "In their simplest forms, agency reflects a focus on or orientation toward the self, and communion reflects a focus on or orientation toward others" (Helgeson, 1994b: 413). Some scholars have drawn on theories which differentiate gender from sex to explain and predict sex-based differences in EDM. In particular, they have expected women to be more ethical due to their more communal and expressive natures, and for men to be less so due to their more agentic and instrumental dispositions (e.g., Kennedy & Kray, 2013: 2). Going forward, researchers should take this approach a step further because gendered personality involves more nuanced facets than "agency" and "communion" (Helgeson, 1994a). Indeed, personality dimensions differing between men and women include aggression, competition, empathy/caring, and attitudes toward work (Bem, 1974; Helmreich & Spence, 1978; Spence & Helmreich, 1978). These facets may be useful for understanding why sex correlates with unethical decisions in some contexts, but not others. EDM in competitive situations, for example (Steinel & De Dreu, 2004), should prove particularly informative as men appear to be more sensitive to competitive threats than women (Van Vugt, De Cremer, & Janssen, 2007). In this vein, future investigators should specifically consider how the dark and unmitigated forms of gendered personality traits that others have associated with antisocial behaviors (Helgeson, 1994b; Saragovi, Koestner, Di Dio, & Aubé, 1997; Spence, Helmreich, & Holahan, 1979) can influence EDM.

Reconsidering biological differences. The essential-differences perspective contends that fundamental innate differences will emerge strictly based on genetics. This perspective has been both explicitly and implicitly rejected by sociologists and social psychologists who have concluded that men and women are more fundamentally similar than they are different (Wood & Eagly, 2002). Despite the soundness of the research supporting the similarity hypothesis (Hyde, 2005), recent developments in neuroscience suggest that biological differences deserve reconsideration because they are much deeper than previously understood.

Female and male human brains have different physical structures and utilize different neural pathways for processing similar information (Holloway, Anderson, Defendini, & Harper, 1993). Though these structural differences were initially suspected to explain differences in cognitive performance (e.g., the degree of lateralization of visuospatial functions; De Lacoste-Utamsing &

Holloway, 1982), they also appear to impact how the sexes process ethical decisions. For instance, recent fMRI imaging shows that even when men and women make similar behavioral evaluations of moral stimuli, they engage different neural systems in generating those evaluations (Harenski, Antonenko, Shane, & Kiehl, 2008). Structural differences in neural pathways alone may not explain different attitudes or decisions, however.

Neuroscientists have also used the ability to manipulate sex-related hormones, in particular oxytocin, testosterone, and vasopressin, to demonstrate how they influence social cognition. Consistent with expectations, testosterone undermines cooperation by provoking counterproductive (i.e., self-defeating) egocentrism (Wright et al., 2012) whereas oxytocin promotes interpersonal trust (i.e., suppresses betrayal aversion) (Baumgartner, Heinrichs, Vonlanthen, Fischbacher, & Fehr, 2008; Kosfeld, Heinrichs, Zak, Fischbacher, & Fehr, 2005). Surprisingly, however, growing evidence suggest that these sex hormones affect male and female brains differently. Initially, experimenters testing the effect of sex-related hormones on cognition and behavior initially reported mostly results with respect to one sex (Rilling et al., 2014). The fact that this practice most often involved reporting results for the sex not associated with the hormone (i.e., the effects of oxytocin on men and the effects of testosterone on women) suggested that there are differential effects. When examined explicitly, researchers have consistently found that these hormones provoke different neural activation patterns in women than in men (Domes et al., 2010; Fischer-Shofty, Levkovitz, & Shamay-Tsoory, 2013; Rilling et al., 2014). Given that these activation patterns also led to different behavioral outcomes, hormones may have substantial explanatory power when it comes to sex differences in EDM.

### Opportunities for Superior Methods

Researchers studying sex and gender differences in EDM have produced a variety of inconsistent results. Most notably, women regularly, but not always emerge as more ethical than men. Methods remain another likely reason for some of these inconsistent outcomes. There are three ways in which future researchers can improve their methods for studying the roles of sex and gender in EDM to produce more definitive results.

**Hypernorms versus general sensitivity.** Franke et al. (1997) found more agreement in ethical perceptions between men and women for ethical situations about which high consensus exists (e.g., stealing). This finding suggests that women may have a broader range of what they consider unethical than men. If so, interesting questions remain regarding men's and women's perceptions of hypernorms (Donaldson & Dunfee, 1994), the generally accepted standard for what is and is not ethical in the business literature. To my knowledge, little if any of the previous research of sex differences in EDM explicitly invoked hypernorms to demonstrate the universal ethicality of their stimuli or dependent variables. Examining previously used materials through this lens may reveal that the findings of women as more "ethical" are somewhat overstated. Kray and Haselhuhn (2012) provide a rather unique starting point for considering this issue as their experiments involved scenarios that involved behaviors that were both clear (e.g., lying about a material fact) and debatable (e.g., not disclosing plans for a property) violations of hypernorms.

**Controlling for social desirability.** Differences in socially desirable responding could underlie many if not most of the reported differences in EDM between men and women, as limited

evidence suggests (Bernardi & LeComte, 2008). If so, this would paint a potentially interesting and, even, paradoxical reality as it suggests that men are more honest about their dishonesty and women less so. However, more data is needed and controlling for social desirability should be part of any study examining sex differences in EDM. Behavior versus perceptions and intentions. What matters most in organizations and societies is how ethically individuals behave. Though behavior is the gold standard in psychological research, EDM researchers have mostly measured ethical perceptions and intentions rather than behavior. Using self-report scores on these dimensions could be a valid indicator of ethicality as some researchers have shown similar patterns for these types of measures and actual behavior (Pierce, Kilduff, Galinsky, & Sivanathan, 2013; Wang, 2007). Nevertheless, such findings are limited in number and more compelling findings are needed before concluding that perceptions and intentions are valid proxies for actual behaviors. Moreover, researchers have implemented numerous simple behavioral paradigms for that EDM researchers can freely use (e.g., Gino & Ariely, 2012; Gino & Margolis, 2011; Gino & Mogilner, 2013; Gino & Pierce, 2010; Mazar, Amir, & Ariely, 2008; Pierce et al., 2013). Hence, I encourage future researchers to use behavioral dependent variables whenever possible.

## CONCLUSIONS

The extant literature provides many reasons to believe that there are real differences between men and women when it comes to ethical decision making. For example, it appears that women are slightly more ethical than men are. Whether these findings will result in practical applications that will improve real-life EDM remains to be seen. For that to occur, much more needs to be understood about these differences and a number of interesting questions provoked by current theories and empirical evidence need to be answered first. Though many candidate mediators have been identified such as reasoning styles (McGillicuddy-De Lisi, De Lisi, & Van Gulik, 2008), priorities (Terpstra, Rozell, & Robinson, 1993), values (Forsyth, 1980; Schwartz & Rubel, 2005), stereotypes (Franke et al., 1997), and physiology, the exact mediators between biologically assigned sex and EDM have been yet to be demonstrated. Similar efforts should be made to identify key moderators and activators thereof (cf. Bowles, Babcock, & McGinn, 2005). In addition, questions remain regarding why the apparent female ethical advantage decreases with age. Moreover, little is known, but much could potentially be learned from women who demonstrate unethical tendencies, men who do the opposite, and members of both sexes, who break the rules and laws to protect others. In short, there remains a great deal of fertile ground for future researchers to till. My hope is that the present review encourages them to do so.