Sweat or threat? a look into the ethics of sweatshops

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Citation

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Sweat or Threat?
A Look into the Ethics of Sweatshops

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An Honors Thesis in partial fulfillment of the requirements for the degree Bachelor of Science in Business Administration in Marketing

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Introduction

Often times, in today’s modern and ever-changing world, individuals are faced with situations that present clouded truths of the happenings in the business world. They must uncover the realities of these situations, most times ending in methods dependent on ethical decision making. Although not many studies are being done on this issue, people must act based on situational, cultural, or even self-invoking factors. But how do these individuals decide to act in a particular manner? Is it their character, morals, societal appeal, religion, simply their own conscience, or other factors? Many companies have recently been presented with problems within their workforce, dealing with the ethical use of time, money, and other aspects. Take, for example, the issue of bribery in international affairs. Even though companies under the FCPA (Foreign Corrupt Policies Act) are forbidden to use bribery as a form of business, many are finding their employees utilizing this method illegally. This, along with a multitude of other cases, shows the importance of instilling the philosophy of ethical thinking and ethical judgments. Researchers must look into the process of ethical decision making in order to express the importance of this idea.

Although there has been an increased focus on ethics in business organizations, there is still a daunting lack of resources within the theoretical and empirical examinations of ethical decision making. The academic world has presented some models to theoretically explain this issue. Some are based on marketing ethics, organizational settings, or empirical examinations. While moral issues are at the center of ethical decision making, those moral issues vary in terms of moral intensity. Its issue-contingent model and behavior add significantly to the understanding of moral processes (Jones 1991). These moral issues can be very difficult to define and explain, considering each individual develops differing approaches to the situations. An ethical decision can be defined as a decision that is both legal and morally acceptable to the larger community (Jones 1991). Although Jones is able to define an ethical decision, Ferrell and Gresham (1985), Trevino (1986) and Dubinsky and Loken (1989) were not able to supply definitions for ethical and unethical. Extensive discussions covering the difficulty of defining issues as these, in fact, have been completed. But, to the average individual, absolute support of their own definitions is impossible.

Of particular interest to this paper is the concept of moral intensity in certain ethical decision making situations. One could assume that the six dimensions of moral intensity (magnitude of consequences, social consensus, probability of effect, temporal immediacy, proximity, and concentration of effect) all affect the moral decision making of an individual. While many people assume that their actions come naturally as a result of their teachings, experience, and knowledge of the situations, they are in fact affected by these six dimensions. Moral intensity is generally expected to increase (monotonically) if there is an increase in any one (or more) of the dimensions, and vice versa, assuming that the remaining components continue at a constant magnitude (Jones 1991). With that being said, a threshold of all components must be reached before moral intensity can vary at significant levels. With these dimensions, researchers can look into the meaning and magnitude of each, and the outcome of each according to the situation. As situations occur, one could assume that individuals immediately look to the consequences of their actions. In the same way, they look to the people that will be affected as well as to societal approval. Each of these affect the way people look at making ethical decisions. This paper will explore how people are affected by the dimensions of moral intensity and if moral intensity is an adequate judge of ethical decision making processes.
The issue contingent model, presented later, will examine the separate aspects which fall under the category of moral intensity, in order to better explain how multiple environmental factors vie for attention in the mental encoding process.

The purpose of this paper is to examine how people view ethical or unethical situations using two dimensions of moral intensity in particular. The situations presented will include aspects of sweatshops that some individuals have not considered. These sweatshops, both domestic and international, will be presented in certain scenarios to gauge the opinions and view the ethical/unethical actions of those in question. Creating an understanding of these dimensions and how they affect individuals is very important for the world of ethics. The research in this paper will assist companies in dealing with and understanding the motives behind unethical decisions, as well as learning how to teach their employees how to implement ethical decisions into their daily work.

When given the words “ethics” and “sweatshops,” many people are unable to pair the two words together. The distaste of some for the unethical treatment of workers can greatly affect the study of moral intensity. However, with other factors held constant, their opinions and attitudes will be studied accordingly. Some view sweatshops in a positive light, creating jobs for those unable to find others and supplying families with an adequate income. Goldberg (2001) argues sweatshops are a good thing and that the “anti-sweatshop movement is a war on development” and concludes that “labor-intensive apparel factories overseas are helping raise the standard of living by providing thousands of jobs in impoverished countries that would not be available otherwise.” Although he approaches the idea of sweatshops in a positive light, still others see sweatshops as a business that regularly violates wage, child labor, safety or health laws designed to protect employees from exploitation (Redden and Beyer 1993). This situation can be seen as one that is subjective and open to one’s own interpretation. Therefore, using sweatshops for research on moral intensity is one that will adequately supply conclusions to the study.

Again, the purpose for this paper is to provide empirical research to the issue of ethical decision making processes using two moral intensity dimensions and comparing those to consumers’ changing purchasing patterns. In this study, participants were given two articles explaining the actions of fictional companies that are forbidden by law. After reading the articles, the respondents were asked to rate their opinions to the statements listed on a 7-point Likert scale. These questions, in addition to the questions on cognitive model of development given before the article, were used to study the possibility of the effects of magnitude of consequences and proximity on the purchasing patterns of consumers.

**Literature Review**

The literary compositions on the decision making process have brought to light many issues concerning the ethics behind those decisions. The theoretical and empirical explanations of these processes in organizations help explain how individuals come to those conclusions. The incidents of insider trading on Wall Street, car repair overcharges, and bribery in organizations as well as others have brought ethics in business into the spotlight. Within these few studies, models have been presented of basic theoretical models, while others focus on marketing ethics and even empirical contributions and organizational settings.
There are issues that have been recently suggested of the validity of the moral intensity construct. The basis of this construct is dependent on logic, analogy, and observations from prior research. Schwab (1980) commented on its validity:

*construct validity is often a sequential process. The scientist typically begins with a construct, probably ill defined. She/he suspects (hypothesizes) that this construct is related to other constructs in some sort of theoretical model which is probably also ill defined. At this point, a measure of the construct is typically developed.* (1980:9)

Arguments have been raised that the only claim for the moral intensity construct is content validity. This is supported by three factors: (1) moral intensity varies from issue to issue, (2) individuals can make judgments of moral intensity, and (3) these judgments, although often subject to error and systematic bias are sufficiently accurate for a person to make critical distinctions. According to Schwab there is another approach to construct validation and that is the elaboration of the theoretical framework. He explains that this approach serves two purposes: (a) the theorized inter-construct linkages provide clarification of the construct of interest and serves as input for subsequent establishment of validation procedures and (b) empirical testing of the hypothesized relationships among constructs can strengthen the case for construct validity of the focal construct (Schwab, 1980).

This paper will discuss, in particular, the issue contingent model based on research by J.R. Rest (1986). His model presents a four-component model for ethical behavior and decision making. These include the moral agent (1) recognizing there is a moral issue, (2) making a moral judgment, (3) resolving to place moral concerns ahead of other concerns (establishing moral intent), and (4) acting on those moral concerns. This model expresses support of the idea of moral intensity in ethical decision making processes. Moral intensity has been shown to only focus on the moral issue, not the moral agent or the organizational context. As later discussed, there are multiple aspects to moral intensity, of which each could drastically change the attitude toward a moral act.
The recent models by Trevino (1986), Dubinsky and Loken (1989), Ferrell and Gresham (1985), and Hunt and Vitell (1986), are based off of the model presented above. While each of these have their own characteristics adding to their conclusions, none of them adequately account for differences in ethical issues (Jones 1991). In Figure 2, presented below, there is a combination of all the models with the base of Rest’s model. This synthesis of the ethical decision-making model shows that none of the previous models explicitly include characteristics of the moral issue itself as either an independent variable or a moderating variable. Thus, ethical decision making is issue contingent, meaning that the characteristics of the moral issue itself (moral intensity) are the determinants of ethical decision making and behavior (Jones 1991). Even though each of the previous models have something different about them, they each present similar theories in reference to the ethical decision making process and moral intensity.

Looking at the model, one is able to recognize the decision making process proposed by each researcher. Hunt and Vitell (1986) proposed the theory of marketing ethics, beginning with environmental factors and personal experiences that affect the existence of an ethical problem, alternatives, and consequences. Dubinsky and Loken (1989) approach this model based on the theory of reasoned action. They believe that behavioral beliefs and outcome evaluations affect one’s attitude toward ethical and unethical behavior. Also, normative beliefs and motivation to comply affect subjective norms toward unethical and ethical behavior. In turn, these attitudes and subjective norms lead to intentions to engage in ethical or unethical behavior. While Rest made the moral issue an explicit element, Trevino (1986) and Ferrell and Gresham (1985) left it implicit, and Dubinsky and Loken (1989) did not even include it in their model. Four of the five
models contain a moral judgment stage, although each differs in its placement. For Rest (1986) and Trevino (1986), the critical element is the cognitive moral development, whereas for Hunt and Vitell (1986), and Dubinsky and Loken (1989) it is within the moral evaluation stage. The only model that does not recognize a moral judgment stage is by Ferrell and Gresham (1985). This is clearly an important aspect of the ethical decision making process, as is establishing moral intent, which changes with each researcher as well.

Figure 2. Synthesis of Ethical Decision-Making Models

Although each of these models present comprehensive views of the ethical decision making process, the empirical research to support these views is absent. Therefore, the research presented in this paper will examine the connection between the impact of the dimensions of moral intensity and the ethical decision making process. The ethicality of each situation will be observed based on each dimension, with all others held constant.
Hypotheses

According to Jones (1991), there are six dimensions of moral intensity, two of which will be studied extensively in this paper. The six dimensions are the following: (1) magnitude of consequences, (2) social consensus, (3) probability of effect, (4) temporal immediacy, (5) proximity, and (6) concentration of effect. This multidimensional construct addresses the fact the moral intensity captures the extent of issue-related moral imperative in a situation (Jones 372).

Jones (1991) describes the magnitude of consequences as being the sum of harms (or benefits) done to victims (or beneficiaries) of the moral situation. Moral issues are presented constantly in business organizations and have the possibility of a positive effect on individuals’ moral decisions. In a most common sense understanding, this construct can be observed as having a positive effect on individuals when stronger consequences are enforced. For example, an act that causes 1,000 people to suffer a particular injury is of greater magnitude of consequence than an act that causes 10 people to suffer the same injury (Jones 1991). Fritzsche and Becker (1983) discovered a positive link between serious consequences and ethical responses. When faced with a moral decision, individuals might tend to look closely at the consequences presented as a result of their actions. The following hypothesis was formulated:

H1: As the magnitude of consequences increases, the purchasing patterns of individuals will be negatively affected.

The fifth dimension of moral intensity, labeled as proximity, can be defined as the feeling of nearness that the moral agent has for victims (beneficiaries) of the evil (beneficial) act in question. Compare, for example, layoffs in a person’s work to layoffs in a remote plant. The layoffs in a person’s own office place would have greater moral proximity. The intuitive reasons supporting this construct include social, cultural, psychological, and physical aspects of an individual. People are more susceptible to be affected by the actions and decisions affecting those closer to them, rather than those who are distant. These aspects help to explain the feelings of people when those they care for are being affected. In any type of sales situation, good relationships between buyer and seller are key to a successful business deal. This is simply because people are more willing to work with those they are close to, no matter the aspect addressed. Empirically, the notion of proximity is supported by the obedience experiments presented by Milgram (1974). This tested “when and how people would defy authority in the face of a clear moral imperative (1974).” The outcome of these experiments showed that increased proximity of the teacher and learner resulted in reduced incidence of complete obedience. Therefore, the social, cultural, psychological, and physical aspects overtook the ethical decision making. Although each of these aspects can be separately analyzed, this paper will examine them collectively based on their conceptual similarities.

H2: As the proximity of effect of an issue increases, the purchasing patterns of individuals will be negatively affected.
Methodology

Sample

A questionnaire was used for the data collection method for this study. The survey, which was administered through an online link, was sent to students and faculty of the Sam M. Walton College of Business and the Fulbright Arts and Sciences College at the University of Arkansas. Data was also collected at select businesses and schools in Joplin, MO. Of the nearly 400 surveys delivered, 116 responded for a response rate of roughly 29%.

In reference to the sample demographics of the 116 respondents, 63% were female. A large majority of the respondents (54%) were 21 years of age or younger, with the next highest group being between the ages of 22 and 34. In general, the respondents seem to be well-educated, with a combined 87% of respondents having attained some college or a bachelor’s degree.

Measures

The key variables measured in this study were two components of moral intensity (magnitude of consequences and proximity) against the purchasing patterns for each of the vignettes presented to the respondents. The questionnaire was displayed in the following format: 1) introductory statement and participant informed consent, 2) questions regarding the respondents’ demographic information including gender, age, level of education, and location of residence, 3) information regarding the article and instructions for answering the following questions, and 4) questions pertaining to cognitive model of development, magnitude of consequences, proximity, and purchasing patterns in a randomized order.

Controls. The controls for this study included the demographic information: gender, age, level of education, and cognitive model of development. Gender was controlled for because the relationship between gender and ethical decision-making has appeared to be more complicated that otherwise thought. The social desirability response bias appears to be a driving force of that relationship. Gender has an indirect effect on decision making and thus, must be controlled to avoid this response bias (Dalton and Ortegren, 2011). Age was also controlled for since the stage of a person’s moral development is directly correlated with their age (Kohlberg, 1969). As the stages themselves increase along more stable and general standards, so too does the moral behavior become more consistent along the spectrum of age (Kohlberg, 1969). The level of education was controlled for because decision-makers with more education possess a higher “allocative efficiency,” thus allowing them to have stronger analytical skills in the realm of ethical decision making (Huffman, 1974). Lastly, the cognitive model of development was also controlled for because those who have a negative opinion toward those committing unethical practices in the workplace will have an enhanced perception of the unethical situations within sweatshops, internationally and domestically.

Moral Intensity. Of the six dimensions of moral intensity proposed by Jones (1991), two of them were employed in this study: 1) magnitude of consequences, the sum of harms (or benefits) done to victims (or beneficiaries) of the moral situation and 2) proximity, the feeling of nearness that the moral agent has for victims (beneficiaries) of the evil (beneficial) act in question. In order to measure the degree of moral intensity, the vignette consisted of situation-specific articles. These articles presented two fictional companies who were employing the use of unethical practices,
thus identified by some as sweatshops. Related questions were designed by Rawski, Anand, and Guerber (2011) and later adapted by Tan (2011). The questions related to the magnitude of consequences included but were not limited to “All things considered, the charges of this issue are not acceptable” and “Working conditions in sweatshops have serious consequences for people.” Questions measuring the respondents’ proximity to the situation included but were not limited to “I empathize with the victim in this situation” and “I do not feel close to the victim.” These questions, measured on a 7-point Likert scale, allowed the respondents to place their feelings along a numerical scale, thus generating quantitative data. Thus, those feeling strongly in agreement with an issue ranked higher on the scale.

*Purchasing Patterns.* A prominent part of this study was to measure how respondents were affected by the ethical situation noted in the articles. This included their purchasing patterns as a result of their feelings toward the situation. This study recorded their responses in reference to changes, or lack thereof, in their purchasing patterns, based upon their feelings toward the fictional companies involved. The items used to measure the respondents’ changes in purchasing patterns included but were not limited to “My purchases from Guatemala (U.S.) help the workers,” “I will purchase fewer products made in Guatemala (U.S.),” and “My shopping habits will not change after reading this article.” All of the statements were measured using a 7-point Likert scale. A high score on these statements demonstrates that the respondents agree strongly with the statements. Those statements that were reverse-coded were analyzed and recorded as such.
Results

In order to compare the magnitude of consequences and proximity for each country, two t-tests were run. Table 1 displays information regarding the magnitude of consequences and Table 2 displays the information of proximity.

TABLE I
T-TEST: MAGNITUDE OF CONSEQUENCES

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mag Consequences – Guatemala</td>
<td>116</td>
<td>4.46</td>
<td>0.417</td>
<td>0.039</td>
</tr>
<tr>
<td>Mag Consequences – U.S.</td>
<td>116</td>
<td>4.38</td>
<td>0.341</td>
<td>0.032</td>
</tr>
</tbody>
</table>

One-Sample Test

Test Value = 0

<table>
<thead>
<tr>
<th></th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mag Consequences – Guatemala</td>
<td>115.360</td>
<td>115</td>
<td>0.000</td>
<td>4.461</td>
</tr>
<tr>
<td>Mag Consequences – U.S.</td>
<td>138.236</td>
<td>115</td>
<td>0.000</td>
<td>4.381</td>
</tr>
</tbody>
</table>

One-Sample Test

Test Value = 0

95% Confidence Interval of the Difference

<table>
<thead>
<tr>
<th></th>
<th>Lower</th>
<th>Upper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mag Consequences – Guatemala</td>
<td>4.38</td>
<td>4.54</td>
</tr>
<tr>
<td>Mag Consequences – U.S.</td>
<td>4.32</td>
<td>4.44</td>
</tr>
</tbody>
</table>


**TABLE II**  
T-TEST: PROXIMITY

### One-Sample Statistics  
Test Value = 0

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Std. Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proximity - Guatemala</td>
<td>116</td>
<td>5.2</td>
<td>0.964</td>
<td>0.089</td>
</tr>
<tr>
<td>Proximity - U.S.</td>
<td>116</td>
<td>5.04</td>
<td>1.082</td>
<td>0.100</td>
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</tbody>
</table>

### One-Sample Test  
Test Value = 0

<table>
<thead>
<tr>
<th></th>
<th>t</th>
<th>df</th>
<th>Sig. (2-tailed)</th>
<th>Mean Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proximity - Guatemala</td>
<td>58.151</td>
<td>115</td>
<td>0.000</td>
<td>5.204</td>
</tr>
<tr>
<td>Proximity - U.S.</td>
<td>50.213</td>
<td>115</td>
<td>0.000</td>
<td>5.043</td>
</tr>
</tbody>
</table>

### One-Sample Test  
Test Value = 0

<table>
<thead>
<tr>
<th></th>
<th>95% Confidence Interval of the Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Lower</td>
</tr>
<tr>
<td>Proximity - Guatemala</td>
<td>5.03</td>
</tr>
<tr>
<td>Proximity - U.S.</td>
<td>4.84</td>
</tr>
</tbody>
</table>
The results show that there is not a significant difference between the variables. As shown in Table I, the mean of the Magnitude of Consequences – Guatemala is slightly higher than that of the U.S. The same results occurred within Table 2, with the mean .16 higher for Guatemala. In order to test further the means of magnitude of consequences and proximity, two sets of regressions must be used.

Magnitude of consequences and proximity were used as the dependent variables against the purchasing patterns in each test. The controlled variables including gender, age, education, and cognitive model of development, were recorded first (Model 1), followed by the dependent variables (Model 2). Results are shown below.

**TABLE III:**
PURCHASING PATTERNS: GUATEMALA

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>-.19*</td>
<td>-.10</td>
</tr>
<tr>
<td>Age</td>
<td>-.23*</td>
<td>-.22</td>
</tr>
<tr>
<td>Education</td>
<td>.33**</td>
<td>.30**</td>
</tr>
<tr>
<td>CMD</td>
<td>-.16</td>
<td>-.06</td>
</tr>
<tr>
<td>Magnitude of Consequences – Guatemala</td>
<td></td>
<td>-.21*</td>
</tr>
<tr>
<td>Proximity - Guatemala</td>
<td></td>
<td>-.14</td>
</tr>
</tbody>
</table>

*p< 0.05

**TABLE IV:**
PURCHASING PATTERNS: U.S.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>-.16</td>
<td>-.10</td>
</tr>
<tr>
<td>Age</td>
<td>.08</td>
<td>.10</td>
</tr>
<tr>
<td>Education</td>
<td>.08</td>
<td>.07</td>
</tr>
<tr>
<td>CMD</td>
<td>.06</td>
<td>.11</td>
</tr>
<tr>
<td>Magnitude of Consequences – U.S.</td>
<td></td>
<td>.07</td>
</tr>
<tr>
<td>Proximity – U.S.</td>
<td></td>
<td>-.14</td>
</tr>
</tbody>
</table>

*p< 0.05

**p< 0.01
Results from the regression analyses in Tables III and IV indicate different relationships for both variables. With the variables gender, age, education and cognitive model of development being held constant, the magnitude of consequences is shown to be a good indicator of purchasing patterns for the case of Guatemala. However, the relationship between magnitude of consequences and purchasing patterns within the U.S. is not statistically significant at the .05 significance level. Therefore, H1, which states that as the magnitude of consequences increases, the purchasing patterns of individuals will be negatively affected, cannot be fully supported.

The results were slightly different for the variable of proximity. The relationship between proximity and purchasing patterns within Guatemala proved to not be statistically significant. As shown in Table IV, the same is not verified for the U.S at the .05 significance level. Since H2 states that as the proximity of effect of an issue increases, the purchasing patterns of individuals will be negatively affected, H2 cannot be supported.

Discussion and Conclusions

This study was primarily used to assess two factors of moral intensity, magnitude of consequences and proximity, as well as the changes in consumer purchasing patterns concerning the use of sweatshops domestically and internationally. Within the study, personal ethical values were evaluated in order to determine what an individual believes about morality and right and wrong. Overall, the results of this study, in fact, support the notion that magnitude of consequences and proximity of a situation affect a consumer’s purchasing patterns to some degree. This study intended to differentiate the relationships between these variables within situations occurring in the U.S. and Guatemala. Specifically, the results suggest that the magnitude of consequences, but not proximity, has a positive relationship with the purchasing patterns of consumers when the situation in question is placed in Guatemala. Inversely, the variables of magnitude of consequences and proximity were not significant enough to evaluate a direct correlation when the company involved was in the U.S. Further explanation of this phenomenon will be presented later in this section.

The reason that H1 and H2 are not supported fully may be primarily due to the structure of the survey. Each respondent received the survey consisting of the same questions. First, respondents were asked to identify, on a 7-point Likert scale, their reactions to statements on the cognitive model of development. Each respondent was then asked to read a fictional article on a company based in Guatemala with questions regarding the cognitive model of decision making, magnitude of consequences, proximity, and purchasing patterns following. The same format was used for the article and questions referencing the U.S. based company. Since each respondent was given both articles and sets of questions, they were conditioned to answer the U.S. questions comparative to their Guatemala answers. Therefore, this flaw in the research caused the data from the U.S. questions to be insignificant. In saying this, data from the Guatemala information was found to be significant and showed a positive relationship with magnitude of consequences, but insignificant with the dimension of proximity.

H1 is supported by the fact that consumers are affected somewhat by magnitude of consequences of the situation involved. There are multiple ways to measure magnitude of consequences, one being a construct of three sub-components: physical, economic, and psychological impacts (Stein and Ahmad, 2009). This can be used to assess the magnitude of
consequences of one’s own situation. In this instance, the magnitude of consequences was measured by assessing an individual’s feelings toward the treatment of the workers in sweatshops, the level of harm involved, and the adverse effects of the workers when exposed to unfair working conditions. Other research has shown that when moral dilemmas are faced, serious consequences are more likely to prompt ethical behavior than are modest consequences (Fritzsche and Becker, 1983). Also, support has been found for a positive link between serious consequences and the ethical responses of managers to vignettes containing moral dilemmas (Fritzsche, 1998). These and the results of this study support the idea that as the magnitude of consequences for the workers increased, the purchasing patterns of the respondents were negatively affected. Therefore, the magnitude of consequences can be confirmed as a positive link between purchasing patterns and ethical judgment, as supported by data from the Guatemalan context.

The statistical evidence for H2 is supported by neither of the situations. While the structure of the survey might have created a divergence in the data, the research suggests that as proximity increases, the purchasing patterns of individuals will be negatively affected. This may include all aspects of proximity – social, cultural, psychological, and physical. Further research may supply a more in-depth observation of the effects of each aspect. Jones (1991) suggests that intuitively people care more about other people who are close to them along all the various components of social, cultural, psychological, and physical proximity. This could create problems concerning the idea of empathy rather than proximity. Mencl and May (2009) completed a study investigating the effects of proximity and empathy on ethical decision making. They concluded that when information regarding the closeness between the decision maker and those affected is weak (i.e. physical proximity) then the information regarding the severity of harm has a significant impact on the way the alternatives are evaluated (Mencl and May, 2009). Therefore, had proximity been studied according to each of the components, different results may have been presented. Jones combined these variables in his study as well since they are conceptually similar (1991).

This study was intended to advance the knowledge of academic scholars as well as businessmen and women of the effects of moral intensity on ethical decision making. Magnitude of consequences and proximity can greatly affect the feelings of those who are subjected to the act involved or simply the idea of others being subjected to that act. Ethical decision making is a key concept in today’s business world and business professionals are constantly challenged to uphold company values. This study hopes to provide insight into the thought processes of consumers in reference to ethics of companies from which their products come. Further research is encouraged in order to expand the knowledge of the effects of moral intensity on ethical decision making.
Appendix

A newspaper article presents information referencing claims of unfair working conditions in textile factories. These fictional factories, SACO in Guatemala and Cloth Art in the United States, are being reviewed for reasons of alleged unsafe and unfair working conditions. The employees are not allowed to go outside and are forced to work until given a break, which usually lasts for only a few minutes. The factories are also being reviewed for apparently giving their employees scripts if they are ever asked questions. Otherwise, they also condition their employees to lie or not even speak to reporters about their working conditions. These employees have no choice but to work there because of the slow economy and low options of employment. The futures of these factories are in contention and the results of the reviews will be released in the near future.

Appendix A: Cognitive Model of Decision Making

*Personal sense of ethics*

1. Ethical treatment in the workplace is an important issue.
2. Ethical standards must be upheld in the workplace.
3. There should be heavy punishment for those not abiding by ethical standards.
4. I uphold ethical standards in the workplace.
5. I uphold ethical standards in school.
6. I believe upholding ethical standards directly correlate with success.
7. It is difficult for me to imagine myself not upholding ethical values.
8. All businesses should be expected to uphold the same ethical standards, no matter the business or industry.

1 – Strongly Disagree _______________ 7 – Strongly Agree

*Need for ethical propriety* (*Questions are reverse-worded.*)

1. We must take steps to ensure that we are doing the right thing when handling this issue.
2. Our response to this situation must meet high ethical standards.
3. It is imperative that our response be ethically correct.
4. This issue requires some form of investigation.*
5. It is important that we do the right thing regarding this issue.
6. It is important to make an ethical choice regarding this issue.

1 – Strongly Disagree _______________ 7 – Strongly Agree
Appendix B: Moral Intensity Factor

Magnitude of Consequences (*Questions are reverse-worded.)

1) All things considered, the charges of this issue are not acceptable.*
2) The overall harm caused by these working conditions is not small.*
3) Most people would have considered the situation depicted above as unacceptable.
4) Working conditions in sweatshops have serious consequences for people.
5) Working conditions in sweatshops can significantly harm people.*
6) The consequences of working conditions in sweatshops are very dangerous.
   1 – Strongly Disagree _______________ 7 – Strongly Agree
7) I believe that the level of harm that will result from the depicted situation will be minor-severe.
   1 – Minor _______________ 7 - Severe
8) I believe that the level of harm that will result from the depicted situation will be insignificant-significant.
   1 – Insignificant _______________ 7 - Significant

Proximity (*Questions are reverse-worded.)

1) I feel for the victim in the situation.
2) I empathize with the victim in this situation.
3) I do not feel close to the victim.*

   1 – Strongly Disagree _______________ 7 – Strongly Agree

Appendix C: Purchasing Patterns Factor

Buying Pattern (*Questions are reverse-worded.)

1. Nothing should be changed since the company is creating jobs for people in Guatemala.
2. Clothing factories in Guatemala help the economy.
3. My purchases from Guatemala help the workers.
4. I will no longer purchase products made in Guatemala.*
5. I will purchase fewer products made in Guatemala.*
6. My shopping habits will not change.

   1 – Strongly Disagree _______________ 7 – Strongly Agree
Bibliography


