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MASTER'S THESIS

**RESEARCH ON EFFECTS OF ACCOUNTING
COURSES ON STUDENTS' ACCOUNTING
ETHICS PERCEPTION IN TURKEY**

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ABSTRACT

RESEARCH ON EFFECTS OF ACCOUNTING COURSES ON STUDENTS' ACCOUNTING ETHICS PERCEPTION IN TURKEY: AN APPLICATION ON TWO AACSB ACCREDITED BUSINESS SCHOOLS

MERVE DİKİCİOĞLU

The thesis focuses on effects of ethics subjects mentioned during accounting and other courses in management curriculum on students' accounting ethics perception at the first and final classes. The research is carried on students of Business School of İstanbul University and Business School of Bilkent University. These two business schools have AACSB accreditation meaning they should give high importance to accounting and business ethics education.

In this research, survey method including six scenarios' questions and eleven questions related to students' school and demographic characteristics is used. 259 students attended the survey and to analyze the results, statistical methods which are multifactor ANOVA test and percentage analysis are used.

After examining survey results, it is observed that final year students of all sample and both schools are more ethics sensitive than the first year students. Factors which are class level difference, ethics importance given by schools and ethics warning are significantly effective on all students' ethical attitudes for questions related to professional ethics. However, class level difference, father job and family income have significant effect on students' choices for personal ethics questions. On the other hand, although demographic factors are significantly effective on first year students' ethical attitudes, factors related to school and ethics education become more effective on senior year students rather than demographic ones.

As a result, ethics education and attitudes of school administration and instructors towards accounting ethics and individual ethics create more significant effect on students' ethical attitudes rather than their demographic properties. Therefore, the significance of ethics education cannot be denied.

Keywords: Accounting, Ethics, Education, AACSB, Turkey

ÖZ

TÜRKİYE’DE MUHASEBE DERSLERİNİN ÖĞRENCİLERİN MUHASEBE ETİĞİ ALGISINA ETKİLERİ ÜZERİNE BİR ARAŞTIRMA: AACSB AKREDİTASYONLU İKİ İŞLETME FAKÜLTESİ ÜZERİNE BİR UYGULAMA

MERVE DİKİCİOĞLU

Bu tez, muhasebe ve işletme fakültesi müfredatındaki diğer derslerde bahsedilen etik konularının birinci ve dördüncü sınıflarda bulunan öğrencilerin muhasebe etiği algısı üzerindeki etkilerine odaklanmaktadır. Araştırma, İstanbul Üniversitesi İşletme Fakültesi ve Bilkent Üniversitesi İşletme Fakültesi öğrencileri üzerinde uygulanmıştır. Bu iki işletme okulu AACSB akreditasyonuna sahiptir ve bu durumdan dolayı muhasebe ve işletme etiği eğitimine büyük önem vermeleri gerekmektedir. Bu araştırmada, altı senaryo sorusu ile öğrencilerin okul ve demografik özelliklerine ilişkin on bir soru içeren anket yöntemi kullanılmıştır. Ankete 259 öğrenci katılmış ve sonuçları analiz etmek için çok faktörlü ANOVA testi ve yüzde analizi istatistiksel yöntemleri kullanılmıştır.

Anket sonuçları incelendikten sonra, tüm örneklemin ve her iki okulun son sınıf öğrencilerinin birinci sınıf öğrencilerine kıyasla etik konusunda daha duyarlı oldukları görülmektedir. Sınıf düzeyi, okulların etiğe verdiği önem ve etik uyarısı gibi faktörler tüm öğrencilerin mesleki etik ile ilgili sorulara yönelik etik tutumlarında önemli ölçüde etkilidir. Bununla birlikte; sınıf düzeyi, baba mesleği ve aile geliri gibi faktörler öğrencilerin bireysel etik soruları üzerinde önemli bir etkiye sahiptir. Ayrıca, demografik faktörler birinci sınıf öğrencilerinin etik tutumlarında önemli ölçüde etkili olmasına rağmen, okul ve etik eğitimiyle ilgili faktörler son sınıf öğrencileri üzerinde daha etkilidir.

Sonuç olarak; okullardaki etik eğitimi, okul iradesi ve öğretim elemanlarının muhasebe etiğine ve genel etiğe yönelik tutumları, öğrencilerin muhasebe etik algıları üzerinde demografik faktörlerden daha anlamlı bir etki yaratmaktadır. Bu sebeple; genel, iş ve muhasebe meslek etiği eğitiminin önemi asla reddedilemez.

Anahtar Kelimeler: Muhasebe, Etik, Eğitim, AACSB, Türkiye

PREFACE

The aim of this research is to investigate how accounting ethics courses or ethics subjects mentioned during accounting and other business courses affect first and final year students' accounting ethics perception. During the literature review part, it is seen that studies done in Turkey on accounting ethics mainly focus on how ethics and accounting courses affect students' accounting ethics perception, perception of academics towards accounting ethics and methods of teaching accounting ethics. Although it is the case, there is not enough research on accounting ethics and effectiveness of courses on students' accounting ethics perception and they are solely done to a group of students taking the same course, students at one specific vocational high school or university, and number of studies on this subject is limited. But this study focuses on the effects of accounting ethics courses, ethics mentioned during accounting courses and other business courses on students' accounting ethics perception.

However, the study will include the first and final year students of Business School of İstanbul University and Business School of Bilkent University. Both business schools are accredited by AACSB meaning they should place emphasis on accounting ethics education. That is why; this study will also figure out the effects of accounting ethics education on students' ethics performances of two AACSB accredited business schools in Turkey.

During my graduate education and master process, I thank my advisor, Assoc.Prof.Dr. Turgay SAKİN, who did not withhold his help, guided with his knowledge, tolerance and understanding. I also would like to extend my thanks to instructors of Business School of İstanbul University and Business School of Bilkent University who contributed my education and helped me during my master's thesis. In addition, I would like to express my deep gratitude to my mother and family who did not withhold their support from me throughout my education and whole life.

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LIST OF ABBREVIATIONS

AAA	: The American Accounting Association
AACSB	: The Association to Advance Collegiate School of Business
AICPA	: The American Institute of Certified Public Accountants
GPA	: Grade Point Average
IAAER	: The International Association for Accounting Education and Research
IAASB	: The International Auditing and Assurance Standards Board
IAESB	: The International Accounting Education Standards Board
IES	: International Education Standards for Professional Accountants
IESBA	: The International Ethics Standards Board for Accountants
IFAC	: The International Federation of Accountants
IMA	: The Institute of Management Accounting
IPSASB	: The International Public Sector Accounting Standards Board
ROA	: Return on Asset
SPEs	: Special Purpose Entities
TÜRMOB	: The Union of Chambers of Certified Public Accountants and Sworn- in Certified Public Accountant

INTRODUCTION

Ethics is a philosophical concept which includes universal moral principles helping people distinguish what is morally good or not and morally right and wrong. It is different from morals because they do not originate from any specific culture and group. Since it includes universal moral rules, they are acceptable and applicable to everyone around the world and they can be used to solve complex and uncertain issues in any circumstances. Therefore, the existence of ethics in all areas of life ensures that all basic dynamics that make up society work systematically and it helps the establishment of social welfare.

In professional life, having principles acceptable and applicable by every member of organization is significant to govern the organization, profession and its members fairly and ethically. Ultimately, profession members do their work professionally and objectively.

Accounting profession requires professional ethics to be applied properly and impeccably. That is why; five fundamental principles of accounting ethics which are integrity, objectivity, professional competence and due care, confidentiality and professional behavior are issued by IESBA (The International Ethics Standards Board for Accountants) so as to give guidance to accountants.

Need and importance of the accounting profession as a result of the development of economic and business life in the world and our country required the accounting profession to be performed under an organized structure. Therefore, IFAC (International Federation of Accountants) has issued international standards that provide international consistency in the accounting profession for audit and assurance, ethics, education, and public sector auditing. However, in order to increase quality and consistency in accounting standards around the world, IFAC founded international standard-setting boards. They are International Auditing and Assurance Standards Board (IAASB), International Accounting Education Standards Board (IAESB), International Ethics Standards Board for Accountants (IESBA) and International Public Sector Accounting Standards Board (IPSASB). From these boards, IAESB has issued International Education Standards for Professional Accountants to improve professional knowledge and competencies of accountants and students based on

ethical values. In Turkey, TÜRMOB (The Union of Chambers of Certified Public Accountants and Sworn- in Certified Public Accountants) as a member of IFAC is responsible to implement these standards to ensure the accounting profession in Turkey fulfill these international standards.

As a result of growth in the businesses, country economy, globalization and increase in disruptive potential for ICT in financial reporting, ethics education has become an indispensable rule for professional accountants to continue their profession based on ethical principles and rules. Therefore, IAESB has set standards for accounting and accounting ethics education to guide accountants when they encounter ethical problems. At that point, accounting ethics education starting from university years is significant for candidates of the accounting profession to learn and tackle possible ethical issues during their professional life. Moreover, it will contribute protection of trust to the accounting profession, firms and country economy.

In this study, consisting of three parts, definition of ethics and its difference from moral, norms, values and the law, ethical theories, importance of professional ethics and accounting are discussed in the first part.

In the second part, importance of ethics education, accounting ethics education, literature related to accounting ethics education and information related to international and national organizations which contribute accounting ethics education and accounting ethics education in Turkish universities are given.

Finally, in the last part, information related to a survey conducted to first and final year students in Business School of İstanbul University and Business School of Bilkent University to determine ethical attitudes of students towards the accounting profession and personal ethics are provided, and analysis of results are done based on factors having effect on students' ethics perception.

PART ONE

GENERAL CONCEPTS RELATED TO ETHICS AND ACCOUNTING ETHICS PROFESSION

In this part of the study, definition of ethics and its difference from moral, norms, values and the law are explained using definitions and examples. However, philosophical approaches related to ethics are discussed.

The aim of this study is to figure out how professional and personal ethics are important to students of business schools. In order to make profound analysis, general concepts and definitions related to ethics and professional ethics should be known. Therefore, knowledge in this part is significant to make comprehensive analysis while evaluating research results.

1.1. Definition of Ethics And Concepts Related to Ethics Term

Ethics is defined as “*moral principles that control or influence a person’s behavior*” (Oxford Learner’s Dictionaries) and ethics is also “*a branch of philosophy that deals with moral principles*” (Oxford Learner’s Dictionaries). In other words, ethics examines moral principles with philosophical methods and approaches. And it works on being moral using logical concepts.

However, even if it is related to moral principles, it is slightly different from common morals. In daily life, people try to apply a simple set of moral and cultural rules to govern their behaviors; but in some complex cases, these rules may not work because it is needed to look from a different perspective for these particular situations. Such complex situations ought to be examined using an ethical theoretical framework to find rational solutions (Clements, w. date: 13). At such points, the importance of ethics and ethical reasoning cannot be disregarded.

That condition is not only valid for peoples’ daily life activities, but also professions and work environment that people should evaluate the effects of their actions on the welfare of others and themselves using an ethical framework. In the accounting sphere which requires ethical reasoning in lots of situations, these others refer to stakeholders.

1.1.1. Ethics and Moral

Ethics and morals are related to beliefs about what is right and wrong (Cambridge Online Dictionary). Even though these two terms are used interchangeably in daily life, there are significant differences between these terms. First of all, moral is mainly related to attitudes and behaviours in terms of local traditions; on the other hand, ethics includes universal rules that are acceptable and applicable to anyone around the world (Mahmutoğlu, 2009: 4). For instance, codes of conduct for a variety of professions or organizations are guidelines of behavior in the work environment and professions. As an example, International Code of Ethics for Professional Accountants which is released by IESBA (International Ethics Standards Board for Accountants) simply states five fundamental principles of ethics for accountants as integrity, objectivity, professional competence and due care, confidentiality and professional behavior that are applicable and acceptable for every accountant in the world.

However, another important distinction is that while ethics is the study of moral judgments, moral is judgments related to a particular person's behaviours, thoughts, beliefs or character (Mintz and Morris, 2017: 7). As it is mentioned, ethics is a branch of philosophy dealing with moral principles; on the other hand, moral is subjective and not a study.

1.1.2. Norms, Values and the Law

Norms are described as “*standards of behaviors that are typical of or accepted within a particular group or society*” (Oxford Learner's Dictionaries). It is actually a set of standards embedded by society or group. But “*ethics deals with well-based standards of how people ought to act, does not describe the way people actually act, and is prescriptive, not descriptive*” (Mintz and Morris, 2017: 8). Ethics does not comprise instructions that people should act and it is not shaped by social beliefs and traditions.

When values are examined, it is seen that values are criteria that people evaluate other people, themselves and events, choose and justify their own actions

(Schwartz, 1992: 1). In other words, values are judgments based on self-interest and personal thoughts. Nevertheless, ethics does not comprise self-interest or personal criteria. It considers the best interests of the others and includes universal standards acceptable and applicable by everyone around the world.

Moreover, the law means “*a set of rules, enforceable by the courts, which regulate the government of the state and govern the relationship between the state and its citizen and between one citizen and another*” (Hames and Ekern, 2018: 3). It is a set of rules imposed by governments to regulate state and society. Even though the law becomes legal and is accepted by society, it is still subjective because the law is only accepted by a group of people in a country. On the other hand, it does not include all conditions related to society. There can be unclear facts or uncertain legal issues that are needed to be solved based on ethical reasoning. In brief, ethics is more than a set of rules that comprises solutions of uncertain facts and complex legal issues.

1.2. Ethics Theories

Ethics theories go beyond 2500 years ago when famous Greek philosopher Aristotle lived. Various ethics theories providing a guideline to decide right or wrong behaviours for specific conditions exist. But for the study of accounting ethics, teleology, deontology, justice, and virtue ethics which are more applicable to this subject are discussed.

1.2.1. Teleological Approach

According to the teleological approach, “*all rational human actions are teleological in the sense that we reason about the means of achieving certain ends*” (White, w.date: 11). It means that if any action ends in a desired way, this action is right. However, it is hard to say anything about decisions unless the act is attempted.

The teleological approach is separated as egoism and utilitarian approach. Egoism defines all of the desires of human beings are as self-directed (Sober, 2013: 129). Based on this approach, if any action maximizes an individual’s self-interest in consequence, it is acceptable. Since this approach does not consider the well-being of other people, individuals and companies that take egoist actions are believed to be

unethical and short-oriented by others. However, according to the utilitarian approach, if any action does not provide goodness, benefit and happiness, it cannot be considered as ethical even if intention has goodwill. And it should provide benefit to the maximum number of people (Umud, 2018: 12). For instance, lying is considered as wrong action, but the utilitarian approach accredits if it will produce the best results, lying is acceptable. There are many examples that many company owners or board members disclosed bad financial results and lied to stakeholders. At the beginning, they thought that lying could stop losing credibility and increased stock prices would change the bad situation. But in the end, many of them faced with bad consequences. Such events show that it is difficult to rely on the utilitarian approach solely because in some situations, it is hard to decide the benefits and costs of certain actions.

1.2.2. Deontological Approach

Not concerning the consequences of actions, it is a duty to do right things according to the deontological (duty-based) perspective. This approach only gives guidance about right and wrong actions so this guidance includes universal norms that are acceptable and applicable for all people based on rational reasoning.

“For example, the right of female employees to equal wages for equal work implies that employers have a duty not to discriminate on the basis of gender; a belief that people deserve some minimum living standard may lead to the formulation and enforcement of a minimum wage; and respect for the intrinsic value of the ecosystem may lead to a moral duty of recycling” (Staveren, 2007: 23).

The example indicates that the deontological approach is grounded in human-reasoning rather than divine commandment. Immanuel Kant who is a secular supporter of deontological approach believes human beings have a unique capacity for rationality. Therefore, before taking action, only considering obligation and thinking rationally will lead to doing the right thing (Shakil, 2013).

1.2.3. Justice Approach

This approach emphasizes treating all humans equally. Aristotle believes that *“equals should be treated equally and unequals unequally”* (Hames and Ekern, 2018: 31). In this sense, justice demands that each person should obtain what is worthy for them. But it is hard to determine reasons of equalities and inequality. Even if it is accepted that all equals should be treated equally and unequals unequally, without asking about equality and inequality of what, it is hard to apply this approach to unclear, complex situations because people can be equal in many terms, but it is also possible that they are unequal (Urhan, 2016: 104). Although it is the case, this approach emphasizes the importance of rights and fairness.

1.2.4. Virtue Approach

For this approach, the important thing is the character of a person. And before judging an unethical behavior, a person's morality is taken into account. *“Most virtue ethics theories take their inspiration from Aristotle who declared that a virtuous person is someone who has ideal character traits”* (Athanasoulis, w.date). Once these traits are established, they become stable. But this theory does not consider the reality that people might change their behavior, personality and morality in the future. Therefore, it is hard to judge someone's unethical behavior just looking at their character.

1.3. Professional Ethics And Accounting

Professional ethics is defined as *“...the standards and moral conduct that govern the profession and its members”* (Encyclopedia, w.date) As it is stated before, ethics includes universal rules which are applicable and acceptable by anyone around the world. And it is needed to solve complex and uncertain issues in any circumstances. Professional ethics is come out to solve complex issues and give guidance to behave professionally and properly in business life.

As being a profession, accountants rely on codes of conduct to present ethical behavior and do accounting job professionally. *“Accounting ethics is a body of good practices that is based on good conscience which accounting professional bodies*

promote” (Hybrid Accountant, w.date). For accounting, the importance of ethics cannot be denied. It requires proper preparation and presentation of financial information without manipulation because it is impossible to understand not only the financial situation of a company but also the economic situation of a country without proper financial information. However, accounts are responsible to stakeholders who are “...shareholders, employees, customers, suppliers, governments, other organizations, and society at large” (Grimsley, w.date). Any kind of manipulation, fraud or considering self-interest ruins the accounting profession because almost all society relies on accurate information provided by accountants.

There are many accounting scandals that show how manipulation of financial records harms company and country economies. However, the majority of literature related to accounting ethics explains those scandals demonstrating how harmful they are to organizations and the country economy. For instance, Enron which was U.S’s biggest energy company went bankrupt due to not following accounting rules and code of conduct. It hid its losses extracting them from financial reports and created so-called “...special purpose entities (SPEs) to access capital or hedge risk. By using SPEs such as limited partnerships with outside parties, a company is permitted to increase leverage and ROA without having to report debt on its balance sheet” (Thomas, 2002). As a result, it gave a strong image to the company that increased the value of stocks.

Moreover, Enron paid \$52 million to the company’s auditors, Arthur Andersen, for audit and consulting services in 2000 that made Enron the second largest client of the firm. And instead of being independent and objective, Arthur Anderson created close relations with the company and hid reality. As a result, they could not hide the reality anymore and the company bankrupted in 2001 that caused 4500 people in U.S and 85000 people in the world to become unemployed. Moreover, bad results of this situation can be listed as investors lost billions of dollars in a few days, trust to economy is de destroyed, Arthur Anderson lost its credibility and stock market encountered significant stock value loss (A Global Ethic Now). This case is the biggest evidence that even infraction of accounting ethics rules in a company can be harmful not only a company but also economy of a country.

Another biggest scandal which is explained in detail and believed the second largest fraud case after Wallstreet surpassing Enron is Worldcom scandal. As Enron, director of accounting attempted fraudulent accounting practices by “1. *Booking ‘line costs’ for interconnectivity with other telecommunications companies as capital expenditures rather than operating expenses.* 2. *Inflating revenues with bogus accounting entries from ‘corporate unallocated revenue accounts’*” (Mintz and Morris, 1991: 108). At the end, Wordcom went bankrupt in 2002 when its auditor, Arthur Anderson, was convicted of ignoring manipulated reports of Enron.

As a result, in June 2002, Worldcom went bankrupt with 107 billion dollars that caused market values of telecommunication companies to decrease by 4 trillion dollars (Şenel and Arslan, 2019: 296). These two examples demonstrate that even one audit firm and accountants of companies can induce harm to all stakeholders in the world and world economy when they do not follow code of ethics in accounting. There are many similar examples in the world. In Turkey, İmar Bank, Eti Bank, Pamuk Bank, Kent Bank and Emlak Bank are the ones which attempted deceptive accounting practices that caused harm to the country’s economy.

The thing important here is that laws, punishments and rules are not enough in some situations. For instance, for above big accounting scandals, accountants and auditors of the firms were very intelligent, knowledgeable at their profession and the law. And they all knew that when their deceptive practices are understood, they would be sentenced by the law. But it still could not prevent them from attempting unethical practices at their profession. That is why; the importance of professional ethics for accountants and code of ethics for the profession cannot be denied.

Moreover, when the fundamental reasons of those deceptive accounting practices are examined, it is observed that unethical behaviors of company managers, financial managers, accountants and auditors cause them. The main cause of their unethical behaviors is related not to understand the importance of accounting profession to society. However, external and internal reasons prompt people to behave unethically in their profession.

Internal (personal) reasons include misinterpretation of ethical codes, being selfish, ethical dilemmas and professional illiteracy. Misinterpretation of ethical codes arises from the situation that a member of the profession may not distinguish difference between personal ethical codes and cultural values because culture in which the individual grows up, family and educational factors can cause bias. Moreover, when personal interests preclude ethical values and social interests, a member of profession acts in an unethical and selfish way although he knows his behavior is wrong.

On the other hand, *“ethical (moral) dilemmas are situations in which the decision-maker must consider two or more moral values or duties but can only honor one of them; thus, the individual will violate at least one important moral concern, regardless of the decision”* (Kvalnes, 2019: 11). A member of profession may be irresolute at a solution of unclear work while he considers about professional ethical values (Karaman, 2015: 17). He may justify himself by giving reasons even if his behavior is wrong. Also, it is hard to choose right action since what is right or wrong may be unclear in some situations. Therefore, before solving a situation, it is needed to consider who will get harmed at the end (İşgüden and Çabuk, 2006: 63).

Lastly, professional illiteracy induces unethical behaviors because when an accountant who does not have enough knowledge about his profession, his work satisfaction will decrease and this situation will increase his mistakes. As his number of mistakes increases, he will present unethical behaviors in order not to lose his job or prove himself. That is why, a member of the profession should overcome his professional illiteracy so as not to prompt unethical behaviors.

When external reasons are considered, there are many external factors that push individuals to behave unethically. For instance, negative corporate culture of a firm may promote unethical behaviors like Enron and Worldcom. At such situations, accountants should do their job professionally and follow the code of ethics.

Another reason causing unethical behaviors is unfair competition. Unfair competition can be defined as dishonest, deceptive and illegal rivalry. If corporate culture of a firm incentives unfair competition, employees may attempt unethical

behaviors not to lose their job and prove themselves. However, low salary and mutual distrust cause dissatisfaction and unethical behaviors.

As it is seen, there are various factors that can prompt accountants to behave unethically. In order to resist against these factors, accountants should have responsibilities about their job and follow professional ethics rules. Otherwise, consequences can be catastrophic to their company, country and even the world as it is mentioned before.



PART TWO

ACCOUNTING ETHICS EDUCATION AND ORGANIZATIONS CONTRIBUTING ACCOUNTING ETHICS EDUCATION

In this part, the importance of ethics education, accounting ethics education and literature related to accounting ethics education are discussed. After that, information related to international and national organizations which contribute accounting ethics education is given. Information in this part will conduce to understand and evaluate the results of the research better.

2.1. Education And Ethics

Aristoteles states that “*educating the mind without educating the heart is no education at all*”. Significance of this quotation is realized especially when highly educated scientists, doctors, engineers, politicians and other profession members try to find ways to kill masses of humans and animals or compel them to emigrate to other countries for their interests throughout history and today’s so-called civilized world. This situation demonstrates that today’s education system in the world lacks imposing ethical values to individuals. Educating people well does not mean for countries to reach the level of contemporary civilization. In order to achieve this goal, teachers and education curriculums should impose ethics to generations.

“Ethics in education is a subject which must be under debate primarily. Education tries to affect and develop people during their life. But ethics is the reply which human tries to answer the questions ‘What should I do?’, ‘How should I live?’. In this mean, there is a compulsory relation between education and ethics. Ethics is closely interested in methods and techniques which are used by teachers. At the same time, methods and techniques which are used by teachers influence knowledge, ability, and attitude of students too. For all that, a teacher must know where, what time, how and for what he will use these methods and techniques. Basic of the science of education and ethics discipline is human. This adduct both education and ethics together. So ethics can interfere every grade of education” (Ilgaz and Bilgili, 2006: 199).

In brief, education helps people to develop themselves, but ethics shapes their life affecting their actions and thoughts. It is also emphasized that teacher is an important factor in education imposing ethical values to students by choosing right teaching methods and techniques. However, it should be noticed that a student cannot

learn or have ethical values by just reading from books or taking lessons related to ethics. Ethics is a concept which interferes with every grade of education and is achieved by teachers who know where, what time, how and for what they will use these methods and techniques (Ilgaz and Bilgili, 2006: 199). In short, ethics is a dynamic concept which is achieved by action of instructors. It means that a teacher has power to change the destiny of lives and a country by educating and imposing ethical values to students by their actions.

2.2. Accounting Ethics Education

IESBA (International Ethics Standards Board For Accountants) issued five fundamental principles of accounting ethics in the revised Code of Ethics for Professional Accountant in 2005. These five principles which all accountants should comply are integrity, objectivity, professional competence and due care, confidentiality and professional behavior. And in the website of IESBA, these terms are briefly explained as:

“Integrity: A professional accountant should be straightforward and honest in all professional and business relationships”.

“Objectivity: A professional accountant should not allow bias, conflict of interest or undue influence of others”.

“Professional Competence and Due Care: A professional accountant has a continuing duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional services based on current developments in practice, legislation and techniques. A professional accountant should act diligently and in accordance with applicable technical and professional standards when providing professional services”.

“Confidentiality: A professional accountant should respect the confidentiality of information acquired as a result of professional and business relationships and should not disclose any such information to third parties without proper and specific authority unless there is a legal or professional right or duty to disclose.”.

“Professional Behavior: A professional accountant should comply with the relevant laws and regulations and should avoid any action that discredits the profession” (IESBA, w.date).

Above five fundamental principles are come out to give guidance to accountants when they face with complex situations. Accounting scandals all over the

world show that even if above principles are easily understandable, they are unfortunately forgotten or not applied properly due to external and internal reasons. At that point, the importance of accounting ethics education to impose these principles to accountants cannot be denied. Under this scope, accounting ethics education is described as efforts made for accounting profession members to have skills of ethical reasoning, ethical awareness and solving ethical conflicts and dilemmas. The main purpose of accounting ethics education is to minimize unethical attitudes and behaviors of accountants in real life accounting cases (Çavuşoğlu and Kutluk, 2016: 110).

“Professional accounting associations, such as American Accounting Association (AAA), American Institute of Certified Public Accountants (AICPA) and Institute of Management Accounting (IMA) formerly known as the National Association of Accountants, have emphasized the importance of integrating ethics into the accounting curriculum” (Sisaye and Lackman, 1994: 79).

However, International Education Standards (IES) 4 which is related to “Initial Professional Development – Professional Values, Ethics and Attitudes” was released by International Accounting Education Standards Board (IAESB) emphasizes the importance of integrating ethics into accounting curriculum. Before explaining IES 4 in detail, it would be better to mention literature related to accounting ethics education because IES 4 was prepared based on academic studies and conduct.

In literature, many studies related to accounting ethics education mainly focus on ethical training of accountants and effectiveness of education using qualitative and quantitative methods. In order to measure effectiveness of accounting ethics education or understand the condition of the training in any particular program, quantitative data is collected using ethical scenarios, case studies or surveys. For instance, O’Leary and Stewart (2013) conducted a research that tries to explain the relation between teaching methodologies and learning styles during accounting education based on the idea that although there is an increasing emphasis on accounting ethics training, ethical attitudes are not improving. The researchers conducted research on 137 final year accounting students who are taking auditing course. They are evaluated using 5 vignettes pre and post instruction methods which are lecture, tutorial and group assignment. Results

show that although all means of teaching are effective, the effect gets stronger when students' learning styles truly match with teaching method.

In the article, based on Kolb's experimental learning model, a simple two categories which are active learners and passive learners are formed for accounting students. Active learners are defined as:

"Participatory learners, who like to research topics first, either alone or in a group, come up with answers from their own experience and then reflect on the instructor's viewpoint and reaction thereto. ... Passive learners like to be instructed, given the answers by their instructor, the accepted 'expert' on the topic area, and then reflect upon this" (O'Leary and Stewart, 2013: 228).

For this research design, active learners who assessed group assignments are more effective than lectures and tutorials, and for passive learners, it is vice versa. However, for active and passive groups, overall results indicated students' ethical decision makings improved after exposing students to different learning methods.

Fisher, Blanthorne and Kovar (2007) conducted a study on 279 accounting instructors to figure out whether it is necessary for students to take accounting ethics education and the best way of accounting ethics teaching. They found that 95% of instructors think that students should take accounting ethics course and case analysis is the best teaching method. On the other hand, learning from lecture slides, answering questions from textbooks and moral exemplars are less effective means. In the article, whether a stand-alone ethics course or integration throughout the curriculum are discussed using different point of views. Some researchers support stand-alone course because it ensures all ethical concepts are covered and contributes to the integration of ethics material across the curriculum. Nonetheless, integrating ethics across the curriculum is also found acceptable by academicians because it helps students to see ethics as a part of the profession rather than an isolated issue and they will have more opportunity to incorporate much of what they learn into other business courses. Integration can be seen as a good way of accounting ethics education, but it is hard to ensure that whether instructors will devote adequate time to ethical issues. However, there is another opinion that a standalone ethics course which instructors can cover all

ethics subjects and students can learn effectively can be offered at the end of the curriculum after learning general ethics issues during other courses (Fisher, Blanthorne and Kovar, 2007: 14).

Moreover, a collective study done by Bampton and Maclagan (2005) looks at skepticism about teaching accounting ethics by the teachers, accountants and students' point of views. It is found that academics list reasons as:

“Not enough teaching hours to allow incorporation (55.6%), covered in other modules/courses(38%), not confident that they have necessary skills (19.8%), shortage of support materials (17.5%), issues better covered in professional training (17.5%), lack of interest from academic staff (16.7%), students not interested (10.3%), no major ethical issues in management accounting (8.3%) and will have no impact on students (2.4%)” (Bampton and Maclagan, 2005: 291).

For accounting practitioners,

“35.3% of practitioners disagreed with the view that accounting educators have helped the profession to confront and solve moral and ethical dilemmas; 22.1% of the practitioners disagreed with the statement that the accounting faculty at most universities are [sic] qualified to teach ethics and professionalism; 20% of the practitioners disagreed with the view that individuals could learn ethical behavior and professionalism in a classroom setting; 12.3% of the practitioners disagreed with the view that ethical behavior and professionalism should be an important part of the majority of courses in the accounting curriculum; 3.1% of the practitioners disagreed with the view ethical behavior and professionalism should be taught at all levels of education” (Bampton and Maclagan, 2005: 292).

On the other hand, students who are skeptic on this issue assert that ethics issues should be taught at family rather than school and students have established moral beliefs before they come to college (Bampton and Maclagan, 2005: 292). But the authors of article spell out that common point of participants who are skeptic about accounting ethics education is having “...little or no experience of studying or teaching the subject, or have simply not given it much thought” (Bampton and Maclagan, 2005: 293) This study is important to understand reasons of not giving too much importance to integration of accounting ethics courses or subjects to accounting curriculums all over the world. Above prejudices towards ethics education also reveals that even though accounting ethics courses are given during education years, there are some

flaws and deficiency either in teaching methods that do not alert to much interest or adequacy of ethics courses.

Likewise, Breaux, Chiasson, Mauldin and Whitney (2010) explored whether or not ethics education in accounting curricula affects recruiters' hiring decisions of entry-level accountants. They chose survey method which has two phases. The first phase includes two types of students who have excellent education and professional character, but one group of them took accounting ethics course and another did not take accounting ethics course. Moreover, the second phase of research investigates criteria which are more important during the recruiting process. Results of both phases demonstrate that employees do not give importance to ethics courses in curriculum when hiring inexperienced accountants. This study supports skepticism related to accounting ethics education. Yet, it does not still mean that ethics education is unnecessary. Aforementioned above, there are some missings related to accounting ethics education.

On the other hand, Özkan (2014) compared academicians' perspective on accounting ethics education getting conduct with a sample of academicians from USA (10 academicians) and Turkey (15 academicians). Results show that although nine academicians from USA agree the accounting ethics course is necessary, only two Turkish academicians support this idea. Also, it is seen that all academicians working at American universities either took accounting ethics education or attended ethics workshops, but only one Turkish academician took an accounting ethics course and none of Turkish academicians has attended ethics workshops. Moreover, three American instructors prefer reading books and articles related to accounting ethics education, but none of Turkish instructors prefers reading material related to ethics subject. Lastly, although all American academicians state that they can give lectures on accounting ethics course, none of Turkish instructor thinks he/she can give lecture on accounting ethics course. This study demonstrates that after scandals, giving importance to ethics education in the USA improved lecturers' thoughts on accounting ethics education. On the other hand, Turkish instructors are sceptical on this issue since they do not have sufficient background on accounting ethics. This study can be a good example that having a good background on accounting ethics education reduces

prejudices towards accounting ethics education and contributes ethical decision making of students, academicians and recruiters.

Furthermore, in the study conducted by Yalçın (2019), the attitudes of students who are taking accountings education towards ethics are compared with the ones who are at different programs. As a result, it is seen that students receiving accounting education are more sensitive and conscious to ethical values and as students' class degree increases, their ethics awareness increases as well. In this study, whether or not students took a separate accounting ethics course or accounting ethics issues are explained during class hour are not mentioned. But it is emphasized that students have knowledge of ethical values in accounting.

Likewise, another study done by Kurnaz and Gümüş (2010) in Dumlupınar University School of Applied Sciences supports the idea that accounting students do not favor unethical attitudes towards professional and accounting ethics. And it is figured out that high class students have more ethics awareness and sensitive to unethical issues than lower classes. However, it is seen that bad economic conditions of students affect their ethical decision negatively and girls are more sensitive to unethical situations.

Furthermore, Green and Weber (1997) explore the right time to teach ethics so as to increase effectiveness of accounting ethics education. Results show that accounting curriculum does not contribute much to ethical developments of accounting students during the junior year because data demonstrated that there is not a significant difference between first year accounting students and first year non-accounting students. Nevertheless, a significant difference is observed between senior year accounting students and senior year non-accounting students (Green and Weber, 1997: 787). Final year accounting students who are taking auditing course were much more sensitive to ethical issues. Researchers think that since senior year accounting students are exposed to the AICPA Code of Conduct during auditing class, it has a significant effect on ethical decision making of students. On the other hand, in the article, they mention a study done by Arlow and Ulrich in 1980. According to this study, after 4-year work experience, students' personal ethics scores decreased (Green

and Weber, 1997: 787). Based on this research, it can be said that accounting ethics education should continue during professional life as well.

Another study focusing on the accounting professional ethics perception of students shows that taking a business ethics course does not affect students' perception toward professional ethics (Uyar, Kahveci and Yetkin, 2015: 237-247). They also figured out that students give importance to abide by ethical rules and think that accounting profession legitimacy will increase as long as accountants abide by accounting ethics rules. Furthermore, students favor accounting ethics training during education years and professional life that vocational training and workshops are used as means of accounting ethics education.

2.3. International Regulations For Accounting Ethics Profession Education

2.3.1. American Accounting Association

American Accounting Association was previously founded in 1916 as the American Association of University Instructors in Accounting and its present name was adopted in 1936. As being the largest community of accountants in academia, the foundation promotes accounting education, research and practice. It aims to have further the discipline and profession of accounting by expanding knowledge and idea development, promoting effective learning, informing and influencing policy and practice and advancing faculty careers (AAA). The association promotes researches on accounting and helps publish them. However, it leads accounting knowledge to spread through society and assists to improve accounting standards. In 1986, the association suggested to include ethics as a part of college and university education of professional accountants (Loeb, 1994: 817). On the other hand, in order to support accounting ethics education in universities and raise awareness to this issue in both the academic and professional world, The American Accounting Association established Professionalism and Ethics Committee in 2014. The committee conducts symposiums on accounting ethics research annually to contribute the development of this issue in the accounting sphere (Jeffrey, 2016: 136).

Moreover, based on an article written by Langenderfer and Rockness in 1990, an ethical decision making model is formed as a name of The American Association (AAA) Model. This model includes seven step process for ethical decision making. Step 1 starts with realizing facts about the case and step 2 is recognizing ethical issues in the case. Then, step three is identifying norms, principles, and values related to the case. In the fourth step, actions needed to be taken are considered. Regarding aforementioned context, in the fifth step, the best action which is consistent with principles and values identified in step 3 is decided. Then, in step 6, possible outcomes related to action are thought and in the final step, the decision is taken.

AAA tries to improve and spread the knowledge of accounting ethics by symposiums held by the Profession and Ethics Committee, and by the publications, it contributes to accounting ethics education.

2.3.2. International Federation Of Accountants (IFAC)

Having more than 175 member and associate organizations in 130 countries and representing approximately three million professional accountants, International Federation of Accountants is a global organization which “...*supports the development, adoption, and implementation of high-quality international standards*” (IFAC). From Turkey, Expert Accountants’ Association of Turkey and Union of Chambers of Certified Public Accountants of Turkey are members of the organization.

The organization has international standards that provide international consistency in the accounting profession for audit and assurance, ethics, education, and public sector accounting. However, final report of IFAC shows that;

“100 percent of member organizations have incorporated some requirements of the 2010 International Education Standards, and 20 percent have adopted them fully. 98 percent have established investigative and disciplinary systems. 91 percent have adopted International Financial Reporting Standards for all or most public interest entities. 84 percent have established quality & assurance review systems” (IFAC).

This report importantly points out the existence of high collaboration of accounting associations around the world to adopt international standards for audit and assurance, ethics, education, and public sector accounting.

In order to increase quality and consistency in accounting standards around the world, IFAC founded international standard-setting boards which are;

- The International Auditing and Assurance Standards Board (IAASB)
- The International Accounting Education Standards Board (IAESB)
- The International Ethics Standards Board for Accountants (IESBA)
- The International Public Sector Accounting Standards Board (IPSASB)

2.3.3. The International Accounting Education Standards Board (IAESB)

The International Accounting Education Standards Board is an independent organization which aims to improve professional knowledge and competencies of accountants and students based on ethical values. In the IAESB's January 2012 Terms of Reference, the organization's objective is defined as:

- "Establishing a series of high-quality standards and other publications reflecting good practice in the education, development, and assessment of professional accountants",
- "Promoting the adoption and implementation of the International Education Standards",
- "Developing education benchmarks for measuring the implementation of the International Education Standards",
- "Advancing international debate on emerging issues relating to the education, development, and assessment of professional accountants" (McPeak ,Pincus and Sundem, 2012: 744).

In order to sustain its activities, IEASB has the Consultative Advisory Group consisting of academicians and representatives of the International Association for Accounting Education and Research (IAAER) and of accounting examination organizations. This group works to establish and improve high-quality accounting education standards, follow and analyze required changes in accounting education, come up with different ideas and forecast future accounting education. However, IAESB has a goal to bring up professional competent accountants who are highly

knowledgeable on their sphere. Therefore, the organization has established the International Education Standards for Professional Accountants (IESs) to make accounting education consistent around the world. As it is mentioned before, all 130 member organizations around the world have fulfilled some requirements of the 2010 International Education Standards, and 20 percent have totally adopted them (IFAC). This achievement is the result of high collaboration and strong organization which has force to issue authoritative pronouncements although there is diversity in cultures, education, legal and accounting education system. Beginning from 2002, The Education Board started releasing International Education Standards for Professional Accountants and its final eighth standard was issued in 2006. These standards are listed as:

“IES 1: Entry Requirements to a Program of Professional Accounting Education”

“IES 2: Content of Professional Accounting Education Programs”

“IES 3: Professional Skills and General Education”

“IES 4: Professional Values, Ethics and Attitudes”

“IES 5: Practical Experience Requirements”

“IES 6: Assessment of Professional Capabilities and Competence”

“IES 7: Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence”

“IES 8: Competence Requirements for Audit Professionals”

Although the last standard was issued in 2006, it is consistently improved. In the website of IAESB, 2019 Handbook of International Education Pronouncement which has revised and redrafted IES 1-8 takes place. And it is emphasized that new education standards focus on enhancing accountancy’s technology and skepticism skills regarding the digital age. The IAESB has provided support materials to enhance professional accountants in these fields. According to IAESB Chair Anne-Marie Vitale, *“These revised standards support the continued enhancement of quality financial reporting as the disruptive potential for ICT increases and the importance of*

demonstrating professional skepticism is heightened” (IAESB). The digital age has developed complex accounting programs which not only ease preparing financial reports but also hiding malpractice in accounting. Under the scope of rising disruptive potential for ICT, the importance of accounting ethics education and IES 4 which consists of professional values, ethics and attitudes in accounting increase as well.

2.3.3.1. IES 4: Professional Values, Ethics And Attitudes

IES 4 which is issued by IAESB includes education standards related to professional values, ethics and attitudes. The purpose of the standard is to ensure that professional accountants and members of IFAC are educated and equipped with professional values, ethics and attitudes. It is emphasized that professional accountants have very big responsibility because society has high expectations from accountants. That is why; member bodies are responsible of ensuring that their members have continuing understanding of professional ethics principles and constraints which prevent them to do their job professionally. At this point, educators have also a great responsibility that they need to understand the difference between teaching professional ethics principles and instilling ethical attitudes since even though developing ethical behavior begins early in the education, it is a life-long learning. However, it is emphasized that ethics education should impose commitment to “...*the public interest and sensitivity to social responsibilities, continual improvement and lifelong learning, reliability, responsibility, timeliness, courtesy and respect and laws and regulations*” (IAESB, 2008: 46).

On the other hand, accounting ethics education programs should cover content of;

- “the nature of ethics”,
- “differences of detailed rules-based and framework approaches to ethics, their advantages and drawbacks”,
- “compliance with the fundamental ethical principles of integrity, objectivity, commitment to professional competence and due care, and confidentiality”,
- “professional behavior and compliance with technical standards”,
- “concepts of independence, skepticism, accountability and public expectations”,

- “ethics and the profession: social responsibility”,
- “ethics and law, including the relationship between laws, regulations and the public interest”,
- “consequences of unethical behavior to the individual, to the profession and to society at large”,
- “ethics in relation to business and good governance; and”,
- “ethics and the individual professional accountant: whistle blowing, conflicts of interest, ethical dilemmas and their resolution” (IAESB, 2008: 46-47).

Above framework for accounting ethics education is significant because accounting education programs all around the world will teach these fundamental concepts to students that helps standardization of accounting ethics education programs and impose general concept of code of professional accounting ethics to candidates of accounting profession.

In IES 4, teaching professional values, ethics and attitudes are also mentioned. It is stated that it would be better to present concepts as a separate subject at first and as students progress, integrating subjects will be appropriate. As it is mentioned in the literature review part above, studies show that as the level of class increases, students’ awareness to ethical issues also increases. However, it is prominent that teaching concepts to students as a separate subject will make sure educators and professional bodies that students have covered all the subjects related accounting ethics. Also, their observation and analysis skills will be stronger at upper level classes since they have the knowledge of fundamental concepts. On the other hand, it is suggested that

- “(a) the use of teaching materials such as multi-dimensional case studies;”
- “(b) role playing;”
- “(c) discussion of selected readings and videos;”
- “(d) analysis of real life business situations involving ethical dilemmas;”
- “(e) discussion of disciplinary pronouncements and findings; and”
- “(f) seminars using speakers with experience of corporate or professional decision making” (IAESB, 2008: 47-48)

are methods to teach to and develop professional ethical behavior for students.

Accounting ethics education is a life learning concept which should continue during the workplace as well. And as it is mentioned in the literature review part, ethical sensitivity decreases as time passes if there is no ethical training during professional life. Therefore, IES 4 draws attention to this issue stating that member bodies should periodically organize training programs in which trainees will have the opportunity to examine application of professional ethics in the work environment. During these training programs, trainees should identify and discuss ethical issues and conflict of interest related to *“professional accountants’ job responsibilities, confidentiality of information, the structure and purpose of professional associations (including lobbying activities on behalf of members), the variety of ways in which professional accountants can face conflicts of interest”* (IAESB, 2008: 48) with their supervisors and colleagues.

2.3.4. International Ethics Standards Board For Accountants (IESBA)

The IESBA is an independent board that sets up ethical standards for professional accountants. However, the organization conducts international debates worldwide on ethical issues and supports implementation of favored ethical practices. Most importantly, the board published The International Code of Ethics for Professional Accountants which defines fundamental ethics standards for professional accountants in detail. As it is stated before, these principles are integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The code consists of four parts which are “Complying with the Code, Fundamental Principles and Conceptual Framework”, “Professional Accountants in Business”, “Professional Accountants in Public Practice” and “International Independence Standards for Audit and Review Engagements and Assurance Engagements”. Part 1 includes fundamental principles and conceptual framework for professional accountants in detail giving examples. Part 2 and 3 explain *“...professional activities, interests and relationships, that could be encountered by professional accountants in business and public, which create or might create threats*

to compliance with the fundamental principles” (IESBA, 2018: 33). Eventually, part 4 describes

“(a) Facts and circumstances, including professional activities, interests and relationships, that create or might create threats to independence;”

“(b) Potential actions, including safeguards, that might be appropriate to address any such threats; and”

“(c) Some situations where the threats cannot be eliminated or there can be no safeguards to reduce the threats to an acceptable level” (IESBA, 2018: 119).

In brief, the code includes fundamental principles; assists identification, evaluation of and addressing to threats in order to comply with fundamental principles of ethics. However, requirements of each principle are explained in detail. For instance, integrity requires an accountant to be honest in his professional life. In order to comply with the principle, accountant should not be associated with malpractices in reports and information especially when he believes it contains false or misleading statement and prevents to reach required information. However, objectivity requires accountant to have professional and objective judgment which is purified from bias, conflict of interest and influence of others. When it comes to professional competence and due care, it requires accountants to get professional knowledge and skill with adequate training and be careful and timely while performing their work. And confidentiality requires accountant to be careful of environmental threats that involve getting financial information about the company and maintain confidentiality of information. But if there is something illegal or prevents accountant to comply with ethical principles, it requires account to disclose information to legal bodies (IESBA, 2018: 19). Lastly, professional behavior requires accountant to comply with ethical principles and law. He/she should not involve in any activity that prevents integrity, objectivity and reputation of accounting profession (IESBA, 2018: 22).

2.3.5. American Institute Of Certified Public Accountants (AICPA)

Having more than 429.000 members in 122 countries, AICPA is the world’s largest accounting profession association. Its’ foundation is back to 1887 and AICPA’s

mission is, *“Powering the success of global business, CPAs, Chartered Global Management Accountants and specialty credentials by providing the most relevant knowledge, resources and advocacy, and protecting the evolving public interest. To achieve this mission, the AICPA engages in many activities”* (AICPA). These activities include creating standards for audits, sustaining educational materials and guidance to its members, improving the Uniform CPA Examination and enforcing and monitoring compliance with the professional standards (AICPA).

AICPA created a touchstone of professional ethics via publishing AICPA Code of Professional Conduct in 1966 and it was edited in 1988. It includes ethical principles in accounting and explains unethical behaviors and attitudes. All professional accountants are required to obey the principles which are responsibilities, the public interest, integrity, objectivity and independence, due care and scope and nature of the services.

2.3.6. The Association To Advance Collegiate Schools Of Business

Since 1916, AACSB is a global nonprofit association which attempts to improve the quality of business education around the world. AACSB requires ethics education to take place during management degree curricula. In 2004, AACSB published a business ethics task force recommendation report in which AACSB calls business schools to give ethics education that helps students develop a deep understanding of business challenges and professional ethics. In the report, four broad AACSB themes which are the responsibility of business in society, ethical decision making, ethical leadership and corporate governance are identified.

First, the responsibility of business in society theme requires students to understand business and society are interdependent and have a symbiotic relationship. It evaluates this relationship from the moral perspectives of corporate executives. Decisions of executives affect all society and miscommitment to business responsibility destroys trust in business and markets.

However, AACSB accredited business schools should promote students to make ethical decisions and understand its importance. Regardless of their position in organizations in future, students will face ethical dilemmas so preparing students to make ethical decision should be the key component of business schools. And the third theme asserts that;

“Managers and supervisors demonstrate ethical leadership by being open, fair, trustworthy, and caring with employees; by communicating about ethics and values; by role modeling ethical conduct; by focusing on means as well as ends in reward systems; and by disciplining unethical conduct when it occurs” (AACSB, 2004: 11).

Therefore, it is expected from students to understand features of ethical leadership and learn about scandals and results of unethical behaviours by making connections with Sarbanes-Oxley Act and national law.

Lastly, learning about principles and responsible corporate governance will be an important factor to present ethical behavior. That is way; AACSB requires business schools to teach;

- “The role and responsibilities of the governing board of directors”,
- “The role and responsibilities of the audit committee”,
- “An understanding of internal controls, the role and responsibilities of management, and critical monitoring activities such as internal auditing”,
- “Elements of an effective code of conduct”,
- “Understanding of U.S. Federal Sentencing Guidelines and Sarbanes-Oxley, the U.K. Cadbury Code, the King Report from South Africa, and similar regulations and recommendations from other parts of the world”,
- “Components of an effective corporate compliance program”,
- “The role and responsibilities of independent public accountants, counsel, and regulatory bodies” (AACSB, 2004: 14).

AACSB supports business schools to integrate and renew business ethics education to business school curricula. Also, it provides support via Ethics Education Resource Center which is web-based program “...including published articles, guidelines for meeting AACSB accreditation standards, examples of effective

practices, conferences and seminars schedules, and tools” (AACSB, 2004: 15); AACSB publications and educational events such as conferences and seminars; and discussions, joint programs for curriculum development in order to promote ethics education.

2.4. National Regulations For Accounting Ethics Profession Education

2.4.1. The Law Of Accounting Profession With A Law Number Of 3568

In the law with a number of 3568, rules which should be obeyed by accounting profession members are stated.

“The objectives of this Law are to ensure the healthy and reliable functioning of operations and transactions in enterprises to audit and evaluate the results of the operations within the framework of the relevant legislation, to present the actual facts to the use of the concerned persons and authorities, to regulate the fundamentals concerning the establishment, organization, operations, activities and the elections of the principle organs of ‘Certified Public Accountancy’ and ‘Sworn-in Certified Public Accountancy’ and the Chambers of Certified Public Accountants and Sworn -in Certified Public Accountants. The brief name of the Union is TÜRMOB” (The Law of Accounting Profession, 1989: Article 1).

The law is set up to regulate accounting profession and aims work discipline, professional reliance and ethics. For instance, in article 3, unauthorized employment of the professional titles which are “Certified Public Accountant” and “Sworn-in Certified Public Accountant” are prohibited and chambers are required to inform such violations to the Public Prosecutor. And it is important that in order to become member of the profession, general conditions are:

“a. To be a citizen of the Republic of Turkey.”

“b. To be competent in exercising the civil rights.”

“c. Not to be deprived of public rights.”

“d. Not to be sentenced for offences against state security, offences against Constitutional order and the functioning of this order, offences against national defense, offences against secrets of the state and espionage, embezzlement, official

corruption, bribery, theft, swindling, fraud, breach of confidence, fraudulent bankruptcy, bid rigging, corruption in performance of an obligation, laundering the value of assets gained via an offense or smuggling, irrespective of being sentenced to one or more years of imprisonment for intentional offences or granted amnesty, although the periods specified in Article 53 of Turkish Criminal Code have been passed.”

“e. Not to be penalized by expulsion from the government service consequent to an investigation.”

“f. Not to possess conditions incompatible with the honor and dignity of the profession” (The Law of Accounting Profession, 1989: Article 4).

Being member of the accounting profession requires high responsibility and personal reliance. It is not an ordinary job which anyone can do because any violation in the profession can destroy public interest, confidence and economy. Therefore, to be an accountant, a person should have a clear background that he/she has not attempted to activities of violation of “...state security, espionage, embezzlement, official corruption, bribery, theft, swindling, fraud, breach of confidence, fraudulent bankruptcy, bid rigging, corruption in performance of an obligation, laundering the value of assets gained via an offense or smuggling” (The Law of Accounting Profession, 1989: Article 4) and any kind of crime.

On the other hand, individuals who become sworn-in certified public accountant take oath that they obey Turkish law, professional ethics, honesty, care and independence according to the article 11. And they are prohibited to cooperate or employ people who are prohibited to perform accounting profession. However, confidentiality is important that professional accountants should not expose customer secrets and in any case of violation, they are denounced to competent authorities.

Article 45 states prohibitions in the profession. For instance, Sworn-in Certified Public Accountants should not engage in business activities with their relatives or their firms and they are prohibited to make advertisement and take fee under minimum fee. If any offense is realized, they are penalized with Turkish Penal Code and discipline penalties such as warning, reproach, temporary suspension of professional activities, cancellation of the “sworn-in” title and expulsion from profession.

2.4.2. Regulations Done By Union Of Chambers of Certified Public Accountants of Turkey

The Union of Chambers of Certified Public Accountants of Turkey (TÜRMOB) which includes 81 local chambers of CPAs and Chambers of Sworn-in CPAs was founded in 1989 so as to maintain activities to develop the profession, sustain ethical standards, represent the profession and prepare regulations to fulfill its duties. On 18 October 2001, TÜRMOB published a regulation named Moral Principles for Professional Accountants with the official newspaper with a number 24557. It has 23 articles and they are related to accounting ethics. They are listed below.

- Professional Expertise (Article 4)
- Bookkeeping and Preparing Financial Statements (Article 6)
- Obeying Accounting Principles (Article 6)
- Integrity, Reliability and Objectivity (Article 7)
- Professional Competence and Due Care (Article 8)
- Independence in Auditing (Article 9)
- Confidentiality (Article 10)
- Fees (Article 11)
- Auditing Standards and Accounting Principles (Article 12)
- Forecasting Prohibition (Article 13)
- Unfair Competition Prohibition (Article 14)
- Staff Recruitment (Article 15)
- Unethical Behaviors (Article 16)
- Advertising and Incentive Prohibition (Article 17)
- Decreasing Fees and Committee Prohibition (Article 18)
- Unrelated Works with The Profession (Article 19)

- Talking Against Other Profession Members (Article 20)
- Public Liability in Auditing (Article 21)

However, TÜRMOB issued a regulation named Ethical Principles for Certified Public Accountancy and Sworn-in Certified Public Accountancy in 2007. The regulation is prepared to explain ethical principles, threats and professional behavior in detail. In terms of format, content and titles, it resembles The International Code of Ethics for Professional Accountants issued by IESBA. It means that Turkish authority follows international regulations and wants national accountants to obey those principles accepted by the world and also TÜRMOB is the member of IESBA that should comply with IESBA's ethical principles. According to this regulation, fundamental ethical principles are integrity, objectivity, professional competence and due care, confidentiality and professional behavior

In this principle, ethical principles are mentioned under three sections. The first part presents fundamental ethical principles and conceptual framework for applying ethical principles. Conceptual framework defines circumstances which create specific threats to professional accountants and safeguards to eliminate or minimize those threats. And the second and third sections include fundamental ethical principles for professional accountants in public practice and in business. The first section has the titles of:

- Fundamental Ethical Principles
- Conceptual Framework
- Threats
- Safeguards to Threats
- Ethical Conflict Resolution
- Integrity
- Objectivity
- Professional Competence and Due Care

- Confidentiality
- Professional Behavior

Moreover, section two includes fundamental ethical principles for professional accountants in public practice. Introduction part describes conceptual framework, threats and safeguards to these threats to professional accountants in public practice. Other titles are;

- Professional Appointment (Client Acceptance, Engagement Acceptance, Changes in a Professional Appointment)
- Conflicts of Interest
- Second Opinions
- Fees and Other Types of Remuneration
- Marketing Professional Services
- Gifts and Hospitality
- Custody and Client Assets
- Objectivity
- Assurance Engagements, Independence and Engagement Period

Finally, last section describes fundamental ethical principles for professional accountants in business which has titles of:

- Introduction, Threats and Safeguards
- Potential Conflicts
- Preparation and Reporting of Information
- Acting with Sufficient Expertise
- Financial Interests
- Inducements

On the other hand, TÜRMOB issued a regulation named Accounting Ethics Education for Professional Accountants and Making Ethics Agreement on March 27, 2014. The regulation is significant because it describes accounting ethics education method. There are two methods for professional accountants. The first method is teaching ethical concepts via distance education program and the second method is face-to-face education for applied education concepts at chambers. These topics are;

A) Ethical Information;

- 1) Ethical Expectations and Threats in Accounting,
- 2) The Importance of Re-Establishing Trust with The Accounting Scandals and Reputation,
- 3) Ethical Theories,
- 4) Moral Development Theory,
- 5) Development of Moral Thought in Accounting.

B) Ethical Sensitivity;

- 1) Professional Qualifications,
- 2) Ethical Standards and Moral Code of Conduct in Accounting,
- 3) Responsibility of The Professional Member to The Profession,
- 4) Responsibility of The Professional Member to The Customer,
- 5) Responsibility of The Professional Member to The Public,
- 6) Disciplinary Offenses.

C) Ethical Decision Making;

- 1) Ethical Decision Making Models,
- 2) Ethical Problems in Accounting,
- 3) Principle Based Approach and Professional Judgment,
- 4) Independence of The Auditor,

- 5) The Importance of Fair Financial Reporting and Management of Earnings,
- 6) Social Responsibility Accounting and Social Reporting in Businesses,
- 7) Workplace Ethics,
- 8) Intercultural Ethics,
- 9) The Importance of Ethical Environment and Corporate Governance in Businesses,
- 10) Whistleblowing Policy.

Ç) Ethical Behavior;

- 1) Case Studies On Ethics in Accounting: Identification of ethical problems by addressing real life events, determination of violated ethical standards, moral thought process and discussion of decision making models.

In order to apply the education program, professional accountants enroll in the distance training program by computer and inform this enrollment to the chamber to which he/she belongs. Ethics topics are completed in two weeks and twenty hours and it is followed by TÜRMOB. During education, examination related to ethical concepts is done and if an accountant passes exams, he/she gets an achievement certificate. After that, in a month, the chamber which the professional accountant belongs starts face-to-face education. Each training group takes education during two days and six hours. At the end of education, accountants take an exam and ones who pass the exam get an achievement certificate.

Regulations prepared for accounting ethics and accounting ethics education by TÜRMOB helps the accounting profession to develop and increase professional reputation.

2.4.3. Regulation Prepared By Capital Markets Board of Turkey

Beside the Law 3568, accounting profession members should also obey the regulation which is prepared by the Capital Markets Board of Turkey (Issue: X and Number:22). This regulation includes not only general standards of independent

auditing which should be obeyed by certified public accountants and sworn-in certified public accountants of Turkey but also independent auditing principles and standards at the capital market (Umud, 2018: 49). Related articles in the regulation is listed below:

Professional Competence Principle (Article 7)

Provision and Development of Professional Competence (Article 8)

Conducting In-Service Training and Accompanying Work (Article 9)

Professional Susceptibility (Article 11)

Independence (Article 12)

Cases That Prevent Independence (Article 13)

Professional Competence and Due Care (Article 14)

Prohibition of Activity Against Trade and Occupation (Article 15)

Prohibition of Advertisement (Article 16)

Confidentiality (Article 17)

Unfair Competition (Article 18)

In the regulation prepared by Capital Markets Board of Turkey, above articles are explained under titles of Qualifications of Independent Auditors and Ethics Rules Which Should Be Obeyed by Independent Auditors in detail. On the other hand, it is emphasized that independent auditors should obey fundamental ethics principles which are integrity, objectivity, professional competence and due care, confidentiality and professional behavior under the title of Independent Auditors Team and Their Responsibilities. The thing important with this regulation is that it only considers members of the independent auditing profession, not all members of the accounting profession.

2.4.4. The Institute Of Internal Auditing – Turkey

The Institute of Internal Auditing of Turkey was founded in 1994 to improve the internal auditing profession and contribute to the education of internal auditors. It represents more than 900 institutions and has approximately 3000 members in Turkey. In the regulation of the institution, ethics principles and standards are explained. It is expected that all internal auditors should follow the principles of integrity, objectivity, confidentiality, competence and professional behavior.

2.5. Accounting Ethics Education In Turkish Universities

Many studies indicate the importance of integrating ethics to business education because it has a positive impact on individuals' perception on corporate ethics. On the other hand, studies show that integrating accounting ethics to accounting education impacts accounting profession members' ethics perception positively and promotes them to do their work in an ethical way. Therefore, its importance cannot be denied.

In Turkey, business and accounting ethics education starts with college education and studies done on content and effectiveness of ethics courses are limited. Study carried out by Özbirecikli and Şen demonstrates that

“There are 101 Business Schools at the State Universities, and ethics-related courses are given at 63 of 101 Business Schools of the State Universities (62%). On the other hand, there are 48 Business Schools at the Private universities, and ethics-related courses are given at 29 of 48 Business Schools of Private Universities (60%). Totally, there are 149 Business Schools in Turkey and ethics-related courses are given at 92 of 149 Business Schools of the Universities (61.7%)” (Özbirecikli and Şen, 2018: 131).

In these courses, concepts related to business ethics and results of unethical behaviors are taught to students. However, there are only three accounting-related courses which are “Accounting Profession Legislation and Professional Ethics”, “Accounting Ethics” and “Accounting Professional Law and Ethics” exist in Turkish universities and researchers see this situation as an important shortcoming (Özbirecikli and Şen, 2018: 134).

Moreover, another study done by Şengür shows that out of 180 universities in Turkey, 151 of them provides business administration undergraduate program and 113 universities offer accounting related master programs which are Masters of Business Administration (with a number of 89), MSc in Accounting and Finance (13), MSc in Accounting (4), MSc in Accounting and Auditing (6), MSc in Accounting and Financial Management (1). However, 93 universities provide accounting related Ph.D. programs which are Ph.D. in Business Administration (77), Ph.D. in Accounting and Finance (9), Ph.D. in Accounting (2), Ph.D. in Accounting and Auditing (4) and Ph.D. in Economics (1). Also, out of 125 undergraduate programs, of 86 master programs and 71 doctorate programs which published their curriculum online, only 3 undergraduate, 9 master and 2 Ph.D. programs have accounting ethics related courses (Şengür, 2017: 822- 824).

Furthermore, a study done by Çalıyurt to search 143 Turkish academics responses to accounting ethics courses shows that 77.8% of academics prefer to integrate ethics subjects to accounting courses. Also, 72.1% of them spare 10% of lecture time to ethics education. When it comes to question related to reason behind teaching ethics in accounting classes,

“Of the respondents, 31.9 per cent declared that ethics education promotes the submission of accurate financial statements and 28.5 percent responded that ethics education provides respect for accounting profession. On the other hand, 18.1 percent of the academics preferred not to teach accounting ethics because of the time shortage and 11.1 percent of them complained that students showed a decreased interested in ethics” (Çalıyurt, 2018: 77).

During classes, 38.3% of academics who teach ethics use national and international cases and 16% of them use Turkish Ethical Codes for Accountants. On the other hand, “22.2 percent have attended national or international symposiums on accounting ethics; 17.4 percent of academics had a course on accounting ethics during their PhD program and 11.1 percent had a course during their bachelor and/or master degree program” (Çalıyurt, 2018: 77). The thing important here is that the ones who took accounting ethics courses during their education times prefer to teach ethics to students. The research also demonstrates that “*There is no significant relationship*

between academic title and preferring to teach accounting ethics as a separate course, ... teaching experience and the eagerness about accounting ethics education, ... holding the rank of professorship and teaching accounting ethics in class” (Çalıyurt, 2018: 77).

Even if ethics courses have a significant effect on students’ professional ethics perception, aforementioned research results demonstrate that academics and business school administrations do not give enough importance to this issue. Turkish universities should follow international developments related to ethics education. It is seen that international regulations are adapted to Turkey and TÜRMOB gives importance to professional members’ ethics education, but without adequate accounting ethics education during university years, it will be hard to impose ethics perception to professional accountants. In order to overcome this situation, steps should be taken to change academics’ perception and eagerness to teach accounting ethics and sparing time to accounting ethics subjects.

PART THREE
RESEARCH ON EFFECTS OF ACCOUNTING COURSES ON
STUDENTS' ACCOUNTING ETHICS PERCEPTION IN
TURKEY: AN APPLICATION ON TWO AACSB
ACCREDITED BUSINESS SCHOOLS

3.1. Purpose, Scope and Importance of the Study

The aim of this research is to investigate how accounting ethics courses or ethics subjects mentioned during accounting courses affect the first and final year students' accounting ethics perception. It is known that students are not exposed to accounting or corporate ethics subjects at the first year because they have not taken courses like Accounting Profession Legislation and Professional Ethics, Accounting Ethics and Accounting Professional Law and Ethics, Auditing, Business Law and Ethics, Professional Ethics, Organizational Behavior etc. in which ethics topics are discussed. But by the final year, almost all students will have taken such courses as mandatory or elective. Therefore, it may change their accounting ethics perception.

Different studies have been done in Turkey to investigate how ethics courses affect students' accounting ethics perception, perception of academics towards accounting ethics and methods of teaching accounting ethics. Especially studies done to figure out how ethics courses affect students' accounting ethics perception have mostly shown that ethics courses affect students' ethics perception positively. In Turkey, there is not enough research on accounting ethics and effectiveness of courses on students' accounting ethics perception. There are similar studies that figure out how accounting education changes students' perception towards accounting ethics. But they are just done to a group of students who are taking the same course, students at one specific vocational high school or university, and the number of studies on this subject is limited. But this study will include students of Business School of İstanbul University and Business School of Bilkent University. Specifically, business schools of İstanbul University and Bilkent University are members of AACSB placing emphasis on accounting ethics education to their members as it is mentioned before. These two universities are obliged to give lectures and give more importance on accounting ethics than any other business schools which are not accredited by AACSB

in Turkey. Hence, data results from these accredited schools will be examined. It is important because three business schools of which are İstanbul University, Bilkent University and Sabancı University have AACSB accreditation in Turkey and data from two of these three schools will conduce to examine their students' accounting ethics perception.

On the other hand, students' perception towards accounting ethics as level of classes increases and social factors which have effects on students' accounting ethics perception will be analyzed using large sample size. Therefore, this study will not only contribute literature on accounting ethics but also see how students of these two business schools accredited by AACSB are sensitive to subjects related to accounting ethics.

3.2. Research Model and Hypotheses

The research is designed within the framework of the hypotheses developed for evaluating the accounting ethics perspectives of the students who are taking accounting education and the model created in the light of these hypotheses. Hypotheses related to research are listed below.

H0: There is no significant difference between class levels and ethical behavior levels

H1: There is significant difference between class levels and ethical behavior levels

H3: There is no significant difference between gender and ethical behavior levels

H4: There is significant difference between gender and ethical behavior levels

H5: There is no significant difference between residence and ethical behavior levels

H6: There is significant difference between residence and ethical behavior levels

H7: There is no significant difference between parents' education and ethical behavior levels

H8: There is significant difference between parents' education and ethical behavior levels

H9: There is no significant difference between parents' job and ethical behavior levels

H10: There is significant difference between parents' job and ethical behavior levels

H11: There is no significant difference between income levels and ethical behavior levels

H12: There is significant difference between income levels and ethical behavior level

H13: Taking accounting ethics courses or learning about accounting ethics profession at different courses have no significant effect on ethical behavior levels

H14: Taking accounting ethics courses or learning about accounting ethics profession at different courses have significant effect on ethical behavior levels

In this model which is created within the framework of research purpose, suggestions will be made based on results. According to the demographic characteristics of university students who take accounting courses, their perspectives to accounting ethics are examined based on statistical values, and a research thesis model has been formed by creating hypotheses related to these demographic characteristics and learning about accounting ethics in courses.

3.3. Research Method

In this research, survey method is chosen. The survey includes two parts. There are seventeen questions in the first part and the first nine questions are related to demographic characteristics of students. The 10th question is related to the academic grade of students who are at the fourth class. Questions from 11 to 12 are about whether they have taken ethics courses or not and if they have taken any ethics courses, students

state its name and its credit. And questions from 13 to 14 are asking whether or not ethics topics have been mentioned during classes and in which courses they have been mentioned. Lastly, questions from 15 to 16 are related to whether or not ethics rules exist in their universities and these rules are effectively applied. And the final question is whether or not student has taken ethics warning due to assignment or project.

Furthermore, six scenario questions of the second part are Turkish version and translation of questions of a survey which is conducted by O'Leary and Cotter to investigate ethical perception of senior year accountancy students in Ireland and Australia. For questions,

“Scenario one asked the students if they would accept a bribe, knowing there was no chance of being caught, to participate in a scheme to defraud the tax office. Scenario three asked the same question except this time the scheme involved defrauding shareholders. Scenarios two and four were the exact same as scenarios one and three except this time there was a one in ten chance of being caught. Scenario five asked the students if they would accept a copy of a final exam paper the day before the exam, if there was no chance of being caught. Scenario six again introduced the one in ten risk of being caught in relation to the above action.”

“All six scenarios offered the students three choices. First, they could accept the bribe/ offer. Second, they could reject the bribe/ offer and say nothing. Third, they could reject the bribe/offer and report the incident to the relevant authorities, i.e. “blow the whistle” on the offerer(s)” (O'Leary and Cotter, 2000: 109).

These questions are asked to learn whether or not:

- There is any difference between the ethical attitudes of the first and senior year business schools' students.
- There is any difference between the ethical attitudes of students when stealing from the government and stealing from private individuals.
- Students consider cheating is unethical behavior. (The last two scenario questions help understand personal ethics perception of students.)
- There is any difference between the ethical attitudes of students when there is risk of getting caught or no risk of getting caught.
- Students consider whistle blowing is appropriate ethical behavior.

In researches related to social sciences, there are many independent variables that affect the results. Questions related to demographic characteristics are asked to learn whether students' demographic characteristics affect their answers to questions in the second part and so their ethics perspective. And other questions are asked to learn how business schools in which the survey is conducted give importance to ethics issues in terms of course and university discipline. Also, evaluating the effect of answers from these questions to questions in the second part will help understand how ethics courses and ethics rules in universities are effective on students' ethics perception.

Furthermore, to analyze the data, demographic properties of all sample consisting of 259 students, data related to all first and final year students are separately examined showing frequencies and percentages. After that, a statistical method which is multifactor ANOVA is used by using MINITAB program to test hypotheses and see how class levels and other variables are effective on students' choices.

3.4. Population and Sample

Population of the research consists of first and senior year students of business schools of İstanbul University and Bilkent University which are accredited by AACSB. All students could not fill the survey, but days when maximum number of students attend courses were determined and by the help of instructors, data was gathered. Filling the survey took 10 – 15 minutes. In total, 259 students consisting of 153 students from İstanbul University Management Department and 106 students from Bilkent University Management Department attended to the survey. Also, of 256 students, 124 students are first year students and 135 students are final year students.

The aim of this survey is not to compare ethics performances of students in these two schools, but it is intended to compare ethics performances of first and final year students in these two schools which are accredited by AACSB. Nevertheless, in order to see the real picture and make a better evaluation, data related to both schools are examined as well.

3.5. Demographic Results of All Data Sample

Table 3.1: Distributions of Demographic Characteristics of All Students

Description		F	%
School	İstanbul University	153	59.07
	Bilkent University	106	40.93
Gender	Female	137	52.90
	Male	122	47.10
Class	First	124	47.88
	Fourth	135	52.12
Residence	Village-Town	95	36.68
	City	164	63.32
Mother Education	Not University	144	55.60
	University	115	44.40
Father Education	Not University	116	44.78
	University	143	55.22
Income	≤ 6.000 TL	117	45.17
	>6.000 TL	142	54.83

Table 3.2: Distributions of Parent Jobs of All Students

Parent Job	Description	Mother		Father	
		F	%	F	%
	Unemployed	122	47.10	1	0.39
	Self-Employment	11	4.25	55	21.24
	Accountant	6	2.32	9	3.47
	Farmer	1	0.39	3	1.16
	Civil Servant	35	13.51	30	11.58
	Worker	14	5.41	30	11.58
	Retired	42	16.22	70	27.03
	Other	28	10.81	61	23.55

Table 3.1 demonstrates distributions of demographic characteristics of all students. Accordingly, 153 students from İstanbul University (59.07%) and 106 students from Bilkent University (40.93%) filled the survey. Out of these 259 students, 137 students were female (52.90%) and 122 students (47.10%) were male. Also, numbers of first and senior year students are close to each other that 124 participants (47.88%) are first year students and 135 participants (52.12%) are final year students.

However, majority of students (63.32%) live in cities before they come to university and it is seen that 115 students' mothers (44.40%) are university graduates and 144 students' mothers (55.60%) are not university graduates that include high school, secondary and primary school graduates and illiterates. Also, 143 students' fathers (55.22%) are university graduates and 116 students' fathers (44.78%) are not university graduates. These results show that educational levels of participants' fathers are slightly higher than educational levels of their mothers. In addition, it is seen that 54.83% of students' family earn more than 6.000 TL, and 45.17% of students' family incomes are less and equal than 6.000 TL monthly.

Table 3.2 including the distribution of occupational levels of students' parents demonstrates that the majority of students' parents are working and has employment

background. But while 47.10% of students' mothers do not work, only 0.39% of their fathers do not work that is a big difference between their parents' occupational level

Table 3.3: Distributions of All Students' Answers to Questions At The 1th Part

Description	F		%	
	Yes	No	Yes	No
Participants Who Have Taken Ethics Course(s)	28	231	10.81	89.19
Participants Who Have Learned About Ethics During Courses	192	67	74.13	25.87
Participants Who Think Ethics Rules Exist in Their School	219	40	84.56	15.44
Participants Who Think Their School Gives Importance to Ethics	225	34	86.87	13.13
Participants Who Have Taken Ethics Warning During Their University Years	18	241	6.95	93.05

In the first part of the survey, ethics questions related to students' schools and courses are asked too. Table 3.3 shows that out of 259 students, only 28 students (10.81%) have taken ethics course(s). Also, it is seen that 74.13% of students have learned about ethics during their classes and 86.87% of students think that their school gives importance to ethics. This percentage is high enough to show that İstanbul University and Bilkent University have some ethics standards and they are applied properly. On the other hand, the question that whether or not students have got any ethics warning during their university education years is asked to see how this situation affects their answers in the survey. Only a small percentage of students which is 6.95% have got ethics warning.

3.5.1. Answers of All Sample to Scenarios and ANOVA Test

Results for Whole Sample

At this part, hypotheses will be tested for each scenario using multifactor ANOVA test. After that, detailed comparisons will be made analyzing percentage changes. The scenarios are a little bit changed from their original version since they are adapted to Turkey conditions. They had three options for each scenario that “*They would accept the bribe for the three years and tell no one?*”, “*Resign immediately and tell no one?*” and “*Inform the Ministry of Treasury and Finance and/or relevant Corporate Authorities immediately?*”

Scenario (1): “You have completed your degree and have spent six months in your first job. You are the assistant accountant at a large manufacturing company. After six months you notice the firm has a very clever tax evasion scheme in force which allows it to underpay its tax bill by 400,000 TL a year. You confront your boss, the chief accountant, and he admits the scheme is illegal. He and the three remaining directors split the amount equally each year, each taking 100,000 TL. The scheme is perfectly disguised and as Republic of Turkey Ministry of Treasury and Finance is under-staffed, and has leaked that it cannot do any audits on manufacturing firms for the next three years, apart from basic compliance, there is no way they can possibly get caught. You confirm this for yourself.”

“Your boss offers to split the proceeds five ways. It will run for another two years and then will be scrapped. He is offering you 80,000 TL per annum for three years, on top of your salary, and you have no chance of being caught.”

Table 3.4: ANOVA Results of Whole Data Sample for Scenario 1

Source	DF	F-Value	P-Value
School	1	1,81	0,180
Gender	1	1,97	0,162
Class	1	20,66	0,000
Residence	1	3,19	0,043
Mother Education	1	1,02	0,312
Father Education	1	0,26	0,610
Mother Job	7	1,02	0,421
Father Job	7	1,45	0,185
Family Income	1	1,56	0,213
Taking Ethics Course(s)	1	0,62	0,433
Talking Ethics During Classes	1	3,62	0,058
Existence of Ethics Rules in Schools	1	1,40	0,239
Ethics Importance Given By School	1	4,60	0,033
Ethics Warning	1	3,78	0,053

Above table shows F and P values of independent variables. It is known that when P value is less than and equal to 0,05, it shows strong evidence against null hypothesis. For the first scenario, class levels, residence, students' thoughts about importance to ethics given by their school affect students' ethical choices significantly. But class level difference has more effect than others. However, talking ethics during classes and ethics warning have effect on students' answers.

For Scenario 2 that describes “*The scenario is the exact same as above, except this time your boss tells you there is a 1 in 10 chance of being caught by tax inspectors of Ministry of Treasury and Finance*”, ANOVA test results are shown below.

Table 3.5: ANOVA Results of Whole Data Sample for Scenario 2

Source	DF	F-Value	P-Value
School	1	1,08	0,300
Gender	1	2,72	0,100
Class	1	9,94	0,002
Residence	1	1,61	0,203
Mother Education	1	0,00	0,989
Father Education	1	0,62	0,432
Mother Job	7	1,05	0,398
Father Job	7	1,91	0,069
Family Income	1	0,07	0,788
Taking Ethics Course(s)	1	0,58	0,446
Talking Ethics During Classes	1	3,73	0,055
Existence of Ethics Rules in Schools	1	0,42	0,516
Ethics Importance Given By School	1	10,63	0,001
Ethics Warning	1	1,42	0,234

For the second scenario, variables that class level difference and students' thoughts about importance to ethics given by their school affect students' ethics choices significantly. On the other hand, although learning ethics during class hours does not have significant effect, it still has effect on students' answers since its P value is close to 0,05.

When it comes to scenario 3, ANOVA test results are shown below Table 3.6.

Scenario (3): “You have completed your degree and have spent six months in your first job. You are the assistant accountant at a large manufacturing company. After six months you notice the firm has a very clever accounting scheme in force which allows it to understate its profit by 400,000 TL a year, thus understating the return due to shareholders. You confront your boss, the chief accountant, and he admits the scheme is illegal. He and the three remaining directors split the amount equally each year, each taking 100,000 TL. The scheme is perfectly disguised and as the external auditors have

expressed themselves delighted with the company and have no intention of doing anything but minimal work over the next three years, there is no way they can possibly get caught. You confirm this for yourself.”

“Your boss offers to split the proceeds five ways. It will run for another two years and then will be scrapped. He is offering you 80,000 TL per annum for three years, on top of your salary, and you have no chance of being caught”

Table 3.6: ANOVA Results of Whole Data Sample for Scenario 3

Source	DF	F-Value	P-Value
School	1	0,61	0,436
Gender	1	0,82	0,366
Class	1	13,20	0,000
Residence	1	1,75	0,177
Mother Education	1	1,08	0,301
Father Education	1	0,55	0,458
Mother Job	7	0,97	0,455
Father Job	7	1,82	0,085
Family Income	1	1,09	0,298
Taking Ethics Course(s)	1	0,22	0,640
Talking Ethics During Classes	1	0,17	0,685
Existence of Ethics Rules in Schools	1	2,11	0,148
Ethics Importance Given By School	1	4,24	0,041
Ethics Warning	1	3,49	0,063

Table 3.6 demonstrates that variables that class levels difference and students’ thoughts about importance to ethics given by their school affect students’ ethics choices significantly for the third scenario.

Furthermore, scenario 4 describes that *“The scenario is the exact same as above, except this time your boss tells you there is a 1 in 10 chance of being caught by the external auditors”*, ANOVA test results are shown below.

Table 3.7: ANOVA Results of Whole Data Sample for Scenario 4

Source	DF	F-Value	P-Value
School	1	1,22	0,271
Gender	1	0,97	0,325
Class	1	17,14	0,000
Residence	1	0,51	0,603
Mother Education	1	0,51	0,475
Father Education	1	0,03	0,859
Mother Job	7	0,82	0,572
Father Job	7	1,60	0,135
Family Income	1	1,30	0,256
Taking Ethics Course(s)	1	3,43	0,065
Talking Ethics During Classes	1	0,85	0,358
Existence of Ethics Rules in Schools	1	0,00	0,959
Ethics Importance Given By School	1	2,66	0,104
Ethics Warning	1	4,98	0,027

For this scenario, class level difference and ethics warning during students' university years affect students' ethical choices significantly. Moreover, ANOVA test results for scenario 5 shown below Table 3.8.

Scenario (5): “You are preparing for your final accounting examination to complete your Degree. It promises to be a very difficult paper with an average pass rate. You have been promised a job by a leading company in their accounting department, provided you pass this final exam. Two days before the exam you bump into Kaan who went to school with you but you haven't seen in three years. You were very good friends and he was always a good friend to anyone else you had heard about. He asks you what you are doing and you tell him. He then tells you he is working for a printing company which prints your University's exams. In fact, he can remember printing off your exam that very morning. He offers to get you a copy of the paper and deliver it to you tomorrow. As no one will know you have no chance of being caught.”

Answers of this scenario and scenario 6 are that “Accept Kaan's offer and get a copy of the paper? (2) Thank him for the offer but decline? (3) Thank him for the offer, decline, and immediately inform his employers of his offer to you?”

Table 3.8: ANOVA Results of Whole Data Sample for Scenario 5

Source	DF	F-Value	P-Value
School	1	3,66	0,057
Gender	1	1,97	0,161
Class	1	5,85	0,016
Residence	1	1,45	0,236
Mother Education	1	0,50	0,481
Father Education	1	0,13	0,721
Mother Job	7	1,30	0,249
Father Job	7	2,23	0,033
Family Income	1	10,23	0,002
Taking Ethics Course(s)	1	0,25	0,617
Talking Ethics During Classes	1	0,61	0,437
Existence of Ethics Rules in Schools	1	0,16	0,692
Ethics Importance Given By School	1	3,53	0,062
Ethics Warning	1	1,65	0,200

For scenario 5, it is seen that class level difference, father job and family income have significant effect on students’ ethical choices. However, school difference and students’ thoughts about importance to ethics given by schools have effect on students’ responses.

When it comes to scenario 6 that describes “*The scenario is the exact same as above, except this time Kaan tells you, you must come with him to get the paper after the printery is locked up. There is a 1 in 10 chance of being caught by the security guards who must report fully on all break ins*”, ANOVA test results are shown below.

Table 3.9: ANOVA Results of Whole Data Sample for Scenario 6

Source	DF	F-Value	P-Value
School	1	0,48	0,489
Gender	1	0,90	0,345
Class	1	7,68	0,006
Residence	1	0,43	0,651
Mother Education	1	0,10	0,751
Father Education	1	1,03	0,311
Mother Job	7	0,64	0,723
Father Job	7	1,51	0,165
Family Income	1	4,01	0,046
Taking Ethics Course(s)	1	0,32	0,571
Talking Ethics During Classes	1	0,18	0,672
Existence of Ethics Rules in Schools	1	0,01	0,930
Ethics Importance Given By School	1	0,76	0,385
Ethics Warning	1	1,32	0,251

For scenario 6, it is seen that only class level difference and family income has significant effect on students' choices.

Table 3.10: Distributions of Students' Answers to Scenarios of All Sample

Answers	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Answers for Scenario 5 Scenario 6	Scenario 5	Scenario 6
Accept the bribe for the three years and tell no one?	69	34	65	33	Accept Kaan's offer and get a copy of the paper?	92	36
%	26.64	13.13	25.10	12.74	%	35.52	13.90
Resign immediately and tell no one?	47	56	49	59	Thank him for the offer but decline?	125	164
%	18.15	21.62	18.92	22.78	%	48.26	63.32
Inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately?	143	169	145	167	Thank him for the offer, decline, and immediately inform his employers about his offer to you?	42	59
%	55.21	65.25	55.98	64.48	%	16.21	22.78

For the first 4 scenarios, it seen that majority of students inform related Ministry of Treasury and Finance authorities. For Scenario 1 and Scenario 3, this rate is around 55%. But for Scenario 2 and 4 that there is a risk of being caught by tax inspectors and external auditors, around 65% of students inform the situation to related Ministry of Treasury and Finance authorities and also, almost half rate of students compared to first and third scenarios refuse to accept bribe when there is risk of being caught. This situation indicates that sentence is not only a deterrent force, but also it causes more whistleblowing. When it comes to Scenario 5 and Scenario 6 which are asked to measure students' personal ethics choices rather than professional ethics choices, it is seen that when there is not any risk of being caught 35.52% of students accept to take a copy of paper and 48.26% of students declines the offer and 16.21% inform the situation. It shows that the majority of students find cheating as unethical

behavior even though there is opportunity of getting a job at the end of the examination. For the last scenario, when there is risk of being caught more than half rate of students (63.32%) reject to take a copy of the exam paper and more whistleblowing (22.78%) occurs compared to the fifth scenario. This situation demonstrates that when there is professional ethics concerning to country economy, government and professional life, students are more sensitive and whistleblowing rates are high compared to their personal ethics choices for Scenario 5 and 6.

For all scenarios, class level difference has significant effect on students' ethics choices as it is seen from ANOVA test results as well. Therefore, classes will be analyzed separately to understand what variables affect students' choices.

3.6. Demographic Results of Students of First and Fourth Classes

Table 3.11 shows distributions of demographic characteristics of the first and final year students. Demographic properties of first and final year students will help see demographic differences between the first and final year students.

Table 3.11: Distributions of Demographic Characteristics of The First and Final Year Students

Description		First Class		Fourth Class	
		F	%	F	%
Gender	Female	64	51.61	73	54.07
	Male	60	48.39	62	45.93
Residence	Village-Town	48	38.71	47	34.81
	City	76	61.29	88	65.19
Mother Education	Not University	66	53.23	78	57.78
	University	58	46.77	57	42.22
Father Education	Not University	59	47.58	57	42.22
	University	65	52.42	78	57.78
Income	≤ 6.000 TL	62	50.00	55	40.74
	> 6.000 TL	62	50.00	80	59.26
Mother Job	Unemployed	61	49.19	61	45.19
	Self-Employed	4	3.23	7	5.19
	Accountant	6	4.84	0	0
	Farmer	0	0	1	0.74
	Civil Servant	14	11.29	21	15.56
	Worker	6	4.84	8	5.92
	Retired	19	15.32	23	17.04
	Other	14	11.29	14	10.37
Father Job	Unemployed	1	0.81	0	0
	Self-Employed	33	26.61	22	16.30
	Accountant	4	3.23	5	3.70
	Farmer	1	0.81	2	1.48
	Civil Servant	12	9.68	18	13.33
	Worker	15	12.10	15	11.11
	Retired	29	23.39	41	30.37
	Other	29	23.39	32	23.70

Table 3.11 shows that 64 female students (51.61%) are from first classes and 73 female students (54.07%) are from final classes. For male students, 60 male students (48.39%) are from first classes and 62 male students (45.93%) are from final classes. More female students attended to survey than male students. But in terms of first and final classes and male and females, numbers of students who filled the survey are close to each other, which creates not a big difference in survey results. Also, majority of students (61.26 % from the first year students and 65.19% from the final year students) live in cities.

Furthermore, 46.77% of first year students' mothers and 42.22% of final year students' mothers are university graduates. For the educational levels of fathers, 52.42% of first year students' fathers and 57.78% of final year students' fathers are university graduates. Therefore, there is not a remarkable difference between educational levels of parents of first and final year students.

For the employment situation of parents, 49.19% of first year students' mothers and 45.19% of final year students' mothers are unemployed. This rate is so high when it is compared to the employment situation of students' fathers. Because only 0.81% of first year students' fathers and 0% of final year students' fathers are unemployed. For the mothers, 15.32% of first year students' mothers and 17.04% of final year students' mothers are retired. This rate is 23.39% for first year students' fathers and 30.37% for final year students' fathers. Also, it is seen that 11.29% of first year students' mothers and 15.56% of final year students' mothers have jobs from the government sector. After the government sector, occupations from other segment which mainly includes private sector were mainly chosen by first year students' mothers (11.29%) and final year students' mothers (10.37%).

When it comes to occupational distributions of students' fathers, 26.61% of first year students' fathers and 16.30% of final year students' fathers are self-employed. 23.39% of first year students' fathers and 23.70% of final year students' fathers have jobs from other segment. Of 12.10% of first year students' fathers and 11.11% of final year students' fathers work as blue-collar. This rate is 4.84% for first year students' mothers and 5.92% for final year students' mothers. Furthermore,

9.68% of first year students' fathers and 13.33% of final year students' fathers work in government sector. It is also seen that 4.84% of first year classes' mothers and 0% of final year students' mothers are accountants. For the fathers, this rate is 3.23% for first year students' fathers and 3.70% for final year students' fathers. In terms of occupations, there is not a big difference between occupational situations of fathers of first and final year students, but the big difference exists between occupational distributions of mothers and fathers.

Lastly, 50% of first year students' family incomes are more than 6.000 TL and 59.26% of final year students have family income more than 6.000 TL. 50% of first year students and 40.74% of final year students have family income equal and less than 6.000 TL.

Table 3.12: Distributions of 1th and 4th Year Students' Answers to Questions at The First Part

Description	First Year Students				Final Year Students			
	Yes	%	No	%	Yes	%	No	%
Participants Who Have Taken Ethics Course(s)	1	0.81	123	99.19	27	20	108	80
Participants Who Have Learned About Ethics During Courses	69	55.65	55	44.35	123	91.11	12	8.89
Participants Who Think Ethics Rules Exist in Their School	106	85.48	18	14.52	113	83.70	22	16.30
Participants Who Think Their School Gives Importance to Ethics	113	91.13	11	8.87	112	82.96	23	17.04
Participants Who Have Taken Ethics Warning During Their University Years	6	4.84	118	95.16	12	8.89	123	91.11

According to Table 3.12, 99.19% of first year students and 80% of final year students have not taken any ethics course during university years. In spite of this situation, 55.65% of first year students and 91.11% of final year students have learned about ethics during their courses. It indicates that regarding to courses they take, students begin to learn about ethics at the first class.

When it comes to the question that whether or not ethics rules exist in their school, it is seen that 85.48% of first year students and 83.70% of final year students state that ethics rules exist in their schools.

Additionally, for the question whether or not students' schools give importance to ethics, it is observed that 91.13% of first year students and 82.96% of final year students think that their school gives importance to ethics. Since the majority of students think that their school gives importance to ethics, it can be said that ethics is important issue at these schools. Finally, Table 3.12 shows that 4.84% of first year students and 8.89% of final year students have taken ethics warning during their university years.

Table 3.13: Ethics Courses Taken by 1th and 4th Year Students and GPAs' of 4th Class

Description	Course Name	Frequency	Percentage(%)
Ethics Course(s) Taken By 1th Year Students	Moral Philosophy	1	0.81
Ethics Course(s) Taken By 4th Year Students	Forensic Accounting and Fraud Auditing	6	4.44
	Research Methods	1	0.74
	Business Ethics and Social Responsibility	20	14.81
Course(s) In Which 1th Year Students Have Learned Ethics	Sales and Marketing	17	13.71
	Accounting	11	8.87
	Economy and Finance	5	4.03
	Business	37	29.84
	Other	39	31.45
Course(s) In Which 4th Year Students Have Learned Ethics	Sales and Marketing	54	40
	Accounting	45	33.33
	Economy and Finance	11	8.15
	Business	74	54.81
	Other	45	33.33
GPAs of 4th Class Students	1.00-2.00	2	1.48
	2.00-3.00	72	53.33
	3.00-4.00	61	45.19

It is known that 99.19% of first year students have not taken any ethics course, but one first year student from İstanbul University Management Department takes a course named moral philosophy. However, according to Table 3.12, 80% of final year students have not taken any ethics courses, but 6 final year students from İstanbul

University have taken the course named Forensic Accounting and Fraud Auditing. This course is not named as Accounting Ethics, but six students stated that they learn accounting ethics at Forensic Accounting and Fraud Auditing which is 3 credits elective course. Since it is not named as Accounting Ethics, there may be more students from İstanbul University who take this course. On the other hand, one final year student from Bilkent University takes a course named Research Methods in which students learn about research ethics and 20 final year students from Bilkent University take the course named Business Ethics and Social Responsibility which is a 3 credits elective course.

On the other hand, 55.65% of first year students have learned about ethics during their courses and 44.35% of first year students have not learned about ethics during courses. For the question which wants students to mark the courses in which they have learned about ethics, students could mark more than one course. Accordingly, 13.71% of first year students have learned about ethics during sales and marketing classes, 8.87% have learned about ethics in accounting courses, 4.03% have learned about ethics during economy and finance courses, 29.84% have learned about ethics during business courses and 31.45% students have learned about ethics during their other courses. Some students from İstanbul University state that in Business Communication course, they learned about ethics.

On the other hand, 40% of final year students have learned ethics during their sales and marketing courses, 33.33% have learned during accounting courses, 8.15% have learned during economy and finance courses, 54.81% have learned during business classes and 33.33% have learned during other courses. For this question, some students from İstanbul University stated that they have learned ethics during law classes and business communication courses. However, some students from Bilkent University asserted that they have learned ethics from sociology and philosophy classes for the other option.

Ultimately, for the final year students who attended to survey, GPA distributions are that 53.33% of students' GPAs are between 2.00 and 3.00, 45.19% of

students' GPAs are between 3.00 and 4.00 and 1.48% of students' GPAs are between 1.00 and 2.00.

3.6.1. ANOVA Test Results for First and Final Year Students in Both Schools and Their Answer Distributions

Table 3.14: ANOVA Test Results of The First Year Students for Scenario 1

Source	DF	F-Value	P-Value
School	1	0,08	0,785
Gender	1	0,25	0,621
Residence	1	1,37	0,258
Mother Education	1	7,78	0,006
Father Education	1	0,29	0,588
Mother Job	6	0,31	0,929
Father Job	7	1,57	0,153
Family Income	1	3,37	0,069
Taking Ethics Course(s)	1	0,93	0,337
Talking Ethics During Classes	1	0,93	0,337
Existence of Ethics Rules in Schools	1	0,02	0,890
Ethics Importance Given By School	1	2,64	0,108
Ethics Warning	1	2,27	0,135

Table 3.15: ANOVA Test Results of Final Year Students for Scenario 1

Source	DF	F-Value	P-Value
School	1	1,57	0,213
Gender	1	4,45	0,037
Residence	1	1,20	0,276
Mother Education	1	0,58	0,447
Father Education	1	0,16	0,693
Mother Job	6	1,26	0,280
Father Job	6	1,52	0,180
Family Income	1	0,48	0,488
Taking Ethics Course(s)	1	0,06	0,808
Talking Ethics During Classes	1	3,43	0,067
Existence of Ethics Rules in Schools	1	1,07	0,304
Ethics Importance Given By School	1	2,95	0,088
Ethics Warning	1	1,45	0,231
GPA	2	0,42	0,656

Above tables which are Table 3.14 and Table 3.15 demonstrate ANOVA test results of first and final year students to the first scenario. In the previous part, it was seen that class difference had significant effect on students' answers for all scenarios. Therefore, at this part, ANOVA test is done separately for each class to see what variables created difference in students' answers for first and final year students. Accordingly, Table 3.14 demonstrates that only mother education has significant effect on first year students' answers, but variable which is family income is also effective on first year students' answers. For the final year students, Table 3.15 shows that only gender causes significant effect on students' answers and even though they do not have significant effect on answers, the factors that talking ethics during classes and ethics importance given by school are also effective on students' answers.

Table 3.16: ANOVA Test Results of The First Year Students for Scenario 2

Source	DF	F-Value	P-Value
School	1	0,00	0,978
Gender	1	0,00	0,959
Residence	1	0,43	0,650
Mother Education	1	2,85	0,094
Father Education	1	0,04	0,845
Mother Job	6	1,23	0,296
Father Job	7	1,30	0,261
Family Income	1	2,44	0,121
Taking Ethics Course(s)	1	1,20	0,275
Talking Ethics During Classes	1	0,79	0,377
Existence of Ethics Rules in Schools	1	0,31	0,577
Ethics Importance Given By School	1	7,14	0,009
Ethics Warning	1	0,19	0,665

Table 3.17: ANOVA Test Results of Final Year Students for Scenario 2

Source	DF	F-Value	P-Value
School	1	1,73	0,191
Gender	1	5,46	0,021
Residence	1	2,20	0,141
Mother Education	1	1,30	0,257
Father Education	1	0,66	0,419
Mother Job	6	0,42	0,862
Father Job	6	1,87	0,092
Family Income	1	0,29	0,590
Taking Ethics Course(s)	1	0,43	0,515
Talking Ethics During Classes	1	1,66	0,200
Existence of Ethics Rules in Schools	1	0,12	0,727
Ethics Importance Given By School	1	2,05	0,155
Ethics Warning	1	2,24	0,137
GPA	2	1,37	0,259

Table 3.16 and Table 3.17 show ANOVA test results of first and final year students to the second scenario. It is seen that for scenario two, variable that importance to ethics given by schools have significant effect on first year students' answers. However, for the final year students, gender has significant effect on the results.

Table 3.18: ANOVA Test Results of The First Year Students for Scenario 3

Source	DF	F-Value	P-Value
School	1	0,63	0,429
Gender	1	0,16	0,687
Residence	1	0,76	0,470
Mother Education	1	8,59	0,004
Father Education	1	0,28	0,596
Mother Job	6	0,46	0,835
Father Job	7	2,11	0,050
Family Income	1	5,66	0,019
Taking Ethics Course(s)	1	1,87	0,174
Talking Ethics During Classes	1	0,51	0,477
Existence of Ethics Rules in Schools	1	0,20	0,653
Ethics Importance Given By School	1	0,81	0,371
Ethics Warning	1	1,35	0,248

Table 3.19: ANOVA Test Results of Final Year Students for Scenario 3

Source	DF	F-Value	P-Value
School	1	1,74	0,190
Gender	1	1,03	0,313
Residence	1	2,74	0,101
Mother Education	1	0,87	0,352
Father Education	1	0,47	0,495
Mother Job	6	0,59	0,737
Father Job	6	0,99	0,438
Family Income	1	0,00	0,965
Taking Ethics Course(s)	1	0,22	0,639
Talking Ethics During Classes	1	1,02	0,314
Existence of Ethics Rules in Schools	1	0,29	0,590
Ethics Importance Given By School	1	2,57	0,112
Ethics Warning	1	1,92	0,168
GPA	2	0,36	0,697

For scenario three, according to Table 3.18, mother education, father job and family income have significant effects on first year students' answers. For the final year students, there is no factor that has significant effect on their answers.

Table 3.20: ANOVA Test Results of The First Year Students for Scenario 4

Source	DF	F-Value	P-Value
School	1	0,07	0,789
Gender	1	0,01	0,942
Residence	1	0,23	0,792
Mother Education	1	4,34	0,040
Father Education	1	0,18	0,674
Mother Job	6	0,93	0,477
Father Job	7	1,47	0,186
Family Income	1	4,90	0,029
Taking Ethics Course(s)	1	2,17	0,144
Talking Ethics During Classes	1	0,04	0,840
Existence of Ethics Rules in Schools	1	0,20	0,658
Ethics Importance Given By School	1	2,87	0,093
Ethics Warning	1	0,38	0,541

Table 3.21: ANOVA Results of Final Year Students for Scenario 4

Source	DF	F-Value	P-Value
School	1	4,29	0,041
Gender	1	1,97	0,163
Residence	1	1,85	0,177
Mother Education	1	0,72	0,398
Father Education	1	0,14	0,710
Mother Job	6	0,43	0,857
Father Job	6	1,09	0,375
Family Income	1	0,02	0,886
Taking Ethics Course(s)	1	5,59	0,020
Talking Ethics During Classes	1	0,91	0,343
Existence of Ethics Rules in Schools	1	3,45	0,066
Ethics Importance Given By School	1	0,17	0,685
Ethics Warning	1	7,73	0,006
GPA	2	4,08	0,020

Furthermore, for the fourth scenario, Table 3.20 shows that mother education, and family income have significant effects on first year students' answers. For the final

year students, it is seen from Table 3.21 that school, GPA, taking ethics course(s) and ethics warning have significant effects on students' results and existence on ethics rules in schools is effective on students' choices too.

Table 3.22: ANOVA Test Results of The First Year Students for Scenario 5

Source	DF	F-Value	P-Value
School	1	0,00	0,993
Gender	1	2,35	0,129
Residence	1	0,26	0,774
Mother Education	1	2,01	0,160
Father Education	1	0,00	0,980
Mother Job	6	0,45	0,847
Father Job	7	0,81	0,580
Family Income	1	5,94	0,017
Taking Ethics Course(s)	1	0,32	0,575
Talking Ethics During Classes	1	0,01	0,922
Existence of Ethics Rules in Schools	1	0,00	0,989
Ethics Importance Given By School	1	1,32	0,254
Ethics Warning	1	0,98	0,324

Table 3.23: ANOVA Test Results of Final Year Students for Scenario 5

Source	DF	F-Value	P-Value
School	1	4,99	0,028
Gender	1	0,31	0,580
Residence	1	0,66	0,417
Mother Education	1	0,02	0,879
Father Education	1	0,25	0,617
Mother Job	6	1,75	0,117
Father Job	6	2,15	0,053
Family Income	1	4,42	0,038
Taking Ethics Course(s)	1	0,30	0,583
Talking Ethics During Classes	1	0,15	0,697
Existence of Ethics Rules in Schools	1	0,26	0,610
Ethics Importance Given By School	1	3,82	0,053
Ethics Warning	1	0,64	0,426
GPA	2	0,47	0,626

When it comes to the fifth scenario, Table 3.22 shows that family income has significant effect on first year students' answers. Moreover, for the final year students, Table 3.23 demonstrates that school difference and family income have significant effects on final year students' answers and also, father job and importance to ethics given by schools have effects on students' choices.

Table 3.24: ANOVA Test Results of The First Year Students for Scenario 6

Source	DF	F-Value	P-Value
School	1	0,09	0,764
Gender	1	1,52	0,220
Residence	1	0,06	0,939
Mother Education	1	0,07	0,786
Father Education	1	0,38	0,537
Mother Job	6	0,89	0,507
Father Job	7	0,76	0,622
Family Income	1	3,37	0,069
Taking Ethics Course(s)	1	0,28	0,599
Talking Ethics During Classes	1	0,00	0,993
Existence of Ethics Rules in Schools	1	0,00	0,979
Ethics Importance Given By School	1	0,31	0,580
Ethics Warning	1	0,56	0,455

Table 3.25: ANOVA Results of Final Year Students for Scenario 6

Source	DF	F-Value	P-Value
School	1	2,53	0,115
Gender	1	0,03	0,860
Residence	1	1,64	0,203
Mother Education	1	0,05	0,832
Father Education	1	0,13	0,722
Mother Job	6	0,89	0,504
Father Job	6	1,47	0,196
Family Income	1	1,94	0,166
Taking Ethics Course(s)	1	0,50	0,482
Talking Ethics During Classes	1	0,15	0,700
Existence of Ethics Rules in Schools	1	0,02	0,894
Ethics Importance Given By School	1	1,14	0,287
Ethics Warning	1	1,21	0,273
GPA	2	1,67	0,194

Finally, for the sixth scenario, none of the variables has significant effect on the first and final year students' choices according to Table 3.24 and Table 3.25, but for the first year students, family income has more effect on students' answers than other variables.

Table 3.26: Factors Which Have Significant Effect On All Sample

Scenario No:	Variables
1	Class, Residence, Ethics Importance Given By Schools
2	Class, Ethics Importance Given By Schools
3	Class, Ethics Importance Given By Schools
4	Class, Ethics Warning
5	Class, Father Job, Family Income
6	Class, Family Income

Above Table 3.26 is the summary of factors having significant effect on all students' answers to each scenario. For the first scenario, factors which are class level difference, importance to ethics given by schools and residence; for the second scenario, class level difference and importance to ethics given by schools; for the third scenario, class level difference and importance to ethics given by schools; for the fourth scenario, class level difference and ethics warning; for the fifth scenario, class level difference, father job and family income; for the sixth scenario, class level difference and family income have significant effects on students answers. For all scenarios, class level difference has significant effect and for the first four scenarios which are related to professional ethics, it is seen that importance to ethics given by schools and ethics warning have significant effects on students' answers. However, for personal ethics questions which are fifth and sixth scenarios, class level difference, father job and family income that are mostly related to students' demographic background have significant effects.

Table 3.27: Factors Having Significant Effect On Answers of First and Final Year Students

Scenario No:	First Year Students	Final Year Students
1	Mother Education	Gender
2	Ethics Importance Given By Schools	Gender
3	Mother Education Father Job Family Income	None
4	Mother Education Family Income	School Taking Ethics Course(s) Ethics Warning GPA
5	Family Income	School Family Income
6	Family Income	None

Furthermore, Table 3.27 shows variables having significant effect on first and final year students' answers. For the first scenario, mother education has significant effect on first year students' choices and gender has significant effect on final year students' answers. For the second scenario, importance to ethics given by schools has significant effect on the first year students' answers, but for final classes, gender has significant effect. Furthermore, for the first year students, mother education, father job and family income have significant effect and none of the factors has significant effect for final year students for the third scenario.

Moreover, for the first year students, it is again seen that mother education and family income have significant effect on answers of the fourth scenario, but for the final year students, variables which are school difference, GPA, taking ethics course(s) during university years and ethics warning have significantly effective on students' answers to the fourth scenario. Also, for the fifth scenario, while school difference and family income have significant effect on final year students' choices, only family income is significantly effective on first year students' answers. Ultimately, for the last scenario, none of the factors has significant effect on final year students' answers, but

only family income has significant effect on the first year students' answers. The results show that as class level increase, other factors rather than demographic ones become effective on students' choices. In order to analyze how these factors affected students' answers, percentage analysis method will be used.

3.6.1.1. Percentage Analysis Based On ANOVA Test Results

Table 3.28: Distributions of Answers According to Scenarios for First Classes of İstanbul and Bilkent Universities' Management Departments

Answers	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Answers For Scenario 5 And 6	Scenario 5	Scenario 6
Accept the bribe for the three years and tell no one?	43	19	41	19	Accept Kaan's offer and get a copy of the paper?	52	24
%	34.68	15.32	33.06	15.32	%	41.94	19.35
Resign immediately and tell no one?	28	32	28	39	Thank him for the offer but decline?	52	77
%	22.58	25.81	22.58	31.45	%	41.94	62.10
Inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately?	53	73	55	66	Thank him for the offer, decline, and immediately inform his employers about his offer to you?	20	23
%	42.74	58.87	44.35	53.23	%	16.12	18.55

Table 3.29: Distributions of Answers According to Scenarios for Final Classes of İstanbul and Bilkent Universities' Management Departments

Answers	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Answers For Scenario 5 And 6	Scenario 5	Scenario 6
Accept the bribe for the three years and tell no one?	26	15	24	14	Accept Kaan's offer and get a copy of the paper?	40	12
%	19.26	11.11	17.78	10.37	%	29.63	8.89
Resign immediately and tell no one?	19	24	21	20	Thank him for the offer but decline?	73	87
%	14.07	17.78	15.56	14.81	%	54.07	64.44
Inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately?	90	96	90	101	Thank him for the offer, decline, and immediately inform his employers about his offer to you?	22	36
%	66.67	71.11	66.67	74.81	%	16.30	26.67

From the ANOVA test results, it is seen that class level difference has significant effect on students' answers. In order to see its effect, percentage analysis is done by separately examining the answers of first and final year students. From Table 3.28 and Table 3.29, for the first scenario, it is seen that 34.68% of first year students and 19.26% of final year students choose the answer that they accept the bribe for the three years and tell no one (first option); 22.58% first year students and 14.07% of final year students state they would resign immediately and tell no one (second option); 42.74% of first year students and 66.67% of final year students would inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately (third option). For the second scenario, 15.32% of first year students and 11.11% of final year students choose the answer that they accept the bribe for the three years and tell no one; 25.81% first year students and 17.78% of final year students state they would resign immediately and tell no one; 58.87% of first year students and 71.11% of final

year students would inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately.

Furthermore, for the third scenario, 33.06% of first year students and 17.78% of final year students choose the first option; 22.58% of first year students and 15.56% of final year students choose second option and 44.35% of first year students and 66.67% of final year students choose the third option. Accordingly, for the fourth scenario, 15.32% of first year students and 10.37% of final year students choose the first option; 31.45% of first year students and 14.81% of final year students choose second option and 53.23% of first year students and 74.81% of final year students choose the third option.

For the personal ethics questions which are asked with fifth and sixth scenarios, it is seen that 41.94% of first year students and 29.63% of final year students would accept Kaan's offer and get a copy of the paper; 41.94% of first year students and 54.07% of final year students would thank him for the offer but decline and 16.12% of first year students and 16.30% of final year students would thank Kaan for the offer, decline, and immediately inform his employers about his offer to them for the fifth scenario. However, when there is risk of being caught 19.35% of first year students and 8.89% of final year students would accept Kaan's offer and get a copy of the paper; 62.10% of first year students and 64.44% of final year students would thank him for the offer but decline and 18.55% of first year students and 26.67% of final year students would thank Kaan for the offer, decline, and immediately inform his employers about his offer to them.

Results demonstrate that final year students are more ethics sensitive than first year students. Especially, for the first four scenarios which involve stealing from the government and shareholders, the majority of final year students prefer not to accept bribe and informing the situation to authorities even if there is no risk of getting caught. However, when the risk of getting caught increases, more first and final year students reject bribe and inform situation to authorities. For the first and third scenarios in which there is no risk of getting caught, 34.68% and 33.06% of first year students respectively prefer to accept bribe, these rates are 19.26% and 17.78% for the final

year students. They are almost half rates of first year students. Furthermore, for these scenarios, 42.74% and 44.35% of first year students inform situation to related authorities, but these rates are 66.67% for the final year students. On the other hand, for the second and fourth scenario in which there is risk of getting caught, 15.32% of first year students accept bribe. Also, these rates are respectively 11.11% and 10.37% for final year students. It is obvious that risk of getting caught is more significant deterrent factor for first year students than final year students. Additionally, there is not a significant difference in answers when stealing from government and stealing from private individuals. It is strange that both first and final year students are slightly more ethics sensitive when situation involves stealing from private individuals than stealing from government. Although it is the case, governmental force and sentences are considered to be significant deterrent force which cause rejecting bribe and whistleblowing.

Moreover, for fifth and sixth scenarios which measure personal ethical attitudes of students, it is again seen that final year students are more ethics sensitive than first year students. For the fifth scenario, when there is no risk of getting caught, 41.94% of first year students accept to get a copy of exam paper, but this rate is 29.63% for final year students that is less than rate of first year students. In terms of informing situation to Kaan's employer, rates are so close to each other that are 16.12% for first year students and 16.30% for final year students. But when there is risk of getting caught, 19.35% of first year students and 8.89% of final year students accept Kaan's offer. However, 18.55% of first year students and 26.67% of final year students inform situation to Kaan's employers. Results indicate that when there is no risk of getting caught, students are less ethics sensitive for the situation which involves personal ethics than professional ethics. Also, they are much less prone to whistleblowing. On the other hand, it is strange that even though final year students can understand this condition better than first year students since they will seek for job sooner during and after graduation, the majority of students do not still choose to get copy of paper. However, when there is risk of getting caught, slightly less final year students accept getting copy of papers when compared to accepting bribe.

On the other hand, from ANOVA test results, it was seen that the factor which is importance to ethics given by schools has significant effect on students' answers to scenarios. Majority of students states that their schools give importance to ethics, but some students think their school does not give importance to ethics. Having positive and negative thoughts about their schools to ethics issue cause significant effect on students' answers to scenarios according to ANOVA test. In order to see this effect, percentage analysis is done in below table. For this table and next tables below:

From first scenario to fourth scenario;

Answer 1 defines "Accept the bribe for the three years and tell no one";

Answer 2 defines "Resign immediately and tell no one";

Answer 3 defines "Inform the tax office and/or relevant Ministry of Treasury and Finance authorities immediately".

However, for fifth and sixth scenarios;

Answer 1 defines "Accept Kaan's offer and get a copy of the paper";

Answer 2 defines "Thank him for the offer but decline";

Answer 3 defines "Thank him for the offer, decline, and immediately inform his employers about his offer to you".

Table 3.30: Distributions of All Students' Answers to Scenarios According to Their Thoughts About Importance to Ethics Given by Their Schools

Scenarios	Answers	Yes	No
Scenario 1	1	57	12
	%	25.33	35.29
	2	42	5
	%	18.67	14.71
	3	126	17
	%	56	50
Scenario 2	1	24	10
	%	10.67	29.41
	2	48	8
	%	21.33	23.53
	3	153	16
	%	68	47.05
Scenario 3	1	55	10
	%	24.44	29.41
	2	42	7
	%	18.67	20.59
	3	128	17
	%	56.89	50
Scenario 4	1	26	7
	%	11.56	20.59
	2	51	8
	%	22.67	23.53
	3	148	19
	%	65.78	55.88
Scenario 5	1	76	16
	%	33.78	47.06
	2	110	15
	%	48.89	44.12
	3	39	3
	%	17.33	8.82
Scenario 6	1	31	5
	%	13.78	14.71
	2	141	23
	%	62.67	67.65
	3	53	6
	%	23.56	17.65

Table 3.30 shows distributions of all students' answers to scenarios according to their thoughts about importance to ethics given by their schools. Percentage is taken for each answer by dividing number of students for each answer to total number of students who think their school gives importance or does not give importance to ethics and multiplying it with 100. This method is also used for below tables involving percentage analysis as well. For instance, there are 225 students who think their schools give importance to ethics and 57 students mark the first option for the first scenario. Calculation is that 57 is divided by 225 and result is multiplied by 100. Furthermore, 34 students think that their school does not give importance to ethics and 12 students mark the first option for the first scenario. Calculation is like that 12 is divided by 34 and result is multiplied by 100. Making percentage analysis according to students' thoughts about importance to ethics given by schools conduces to see distribution of answers according to scenarios for each group of thoughts.

In brief, Table 3.30 demonstrates that students who think their school does not give importance to ethics are less ethics sensitive for each scenario. For example, it is seen that 25.33% of students who think their school gives importance to ethics mark first option which defines they would accept the bribe for the three years and tell no one, but 35.29% of students who think their school does not give importance to ethics mark the first option. As it is seen, this rate is higher for students who think their school does not give importance to ethics for all scenarios. However, rate of third answer related to rejecting to offer and whistleblowing is higher for all scenarios for students who think their school gives importance to ethics. Students thoughts about importance to ethics given by their schools have significant effects on their answers to scenarios related to professional ethics, but impact is also seen for scenarios related to personal ethics.

Table 3.31: Distributions First and Final Year Students' Answers to Scenarios According to Their Thoughts About Importance to Ethics Given by Their School

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		Yes	No	Yes	No
Scenario 1	1	37	6	20	6
	%	32.74	54.54	17.86	26.09
	2	26	2	16	3
	%	23.01	18.18	14.29	13.04
	3	50	3	76	14
	%	44.25	27.27	67.86	60.87
Scenario 2	1	14	5	10	5
	%	12.39	45.45	8.93	21.74
	2	30	2	18	6
	%	26.55	18.18	16.07	26.09
	3	69	4	84	12
	%	61.06	36.36	75	52.17
Scenario 3	1	37	4	18	6
	%	32.74	36.36	16.07	26.09
	2	26	2	16	5
	%	23.01	18.18	14.29	21.74
	3	50	5	78	12
	%	44.25	45.45	69.64	52.17
Scenario 4	1	16	3	10	4
	%	14.16	27.27	8.93	17.39
	2	35	4	16	4
	%	30.97	36.36	14.29	17.39
	3	62	4	86	15
	%	54.87	36.36	76.79	65.22
Scenario 5	1	46	6	30	10
	%	40.71	54.55	26.79	43.47
	2	48	4	62	11
	%	42.48	36.36	55.36	47.83
	3	19	1	20	2
	%	16.81	9.09	17.86	8.70
Scenario 6	1	22	2	9	3
	%	19.47	18.18	8.04	13.04
	2	70	7	71	16
	%	61.95	63.63	63.39	69.56
	3	21	2	32	4
	%	18.58	18.18	28.57	17.39

Moreover, Table 3.31 shows distributions of first and final year students' answers to scenarios according to their thoughts about importance to ethics given by their school. When results of first and final year classes are examined separately, it is seen that students who think their school does not give importance to ethics are less ethics sensitive because rates of students who think their school does not give importance to ethics are higher for the situation of accepting bribe compared to rates of students who think their school gives importance to ethics. However, students thinking their school does not give importance to ethics are less prone to whistleblowing since their rates for the third option is less than rates of students who think their school gives importance to ethics.

Another factor which significantly affects all students' answers is situation of taking or not taking ethics warning during university years. Next table shows distribution of all students' answers to scenarios according to taking ethics warning or not during university years.

Table 3.32: Distributions of All Students' Answers to Scenarios According to Taking Ethics Warning or Not During University Years

Scenarios	Answers	Yes	No
Scenario 1	1	9	60
	%	50	24.90
	2	2	45
	%	11.11	18.67
	3	7	136
	%	38.89	56.43
Scenario 2	1	4	30
	%	22.22	12.45
	2	5	51
	%	27.78	21.16
	3	9	160
	%	50	66.39
Scenario 3	1	8	57
	%	44.44	23.65
	2	3	46
	%	16.67	19.09
	3	7	138
	%	38.89	57.26
Scenario 4	1	5	28
	%	27.78	11.62
	2	6	53
	%	33.33	21.99
	3	7	160
	%	38.89	66.39
Scenario 5	1	10	82
	%	55.56	34.02
	2	6	119
	%	33.33	49.38
	3	2	40
	%	11.11	16.60
Scenario 6	1	5	31
	%	27.78	12.86
	2	10	154
	%	55.56	63.90
	3	3	56
	%	16.67	23.23

Table 3.33: Distributions of First and Final Year Students' Answers to Scenarios According to Taking Ethics Warning or Not During University Years

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		Yes	No	Yes	No
Scenario 1	1	4	39	5	21
	%	66.66	33.05	41.67	17.07
	2	1	27	1	18
	%	16.67	22.88	8.33	14.63
	3	1	52	6	84
	%	16.67	44.07	50	68.30
Scenario 2	1	1	18	3	12
	%	16.67	15.25	25	9.76
	2	2	30	3	21
	%	33.33	25.42	25	17.07
	3	3	70	6	90
	%	50	59.32	50	73.17
Scenario 3	1	3	38	5	19
	%	50	32.20	41.67	15.45
	2	2	26	1	20
	%	33.33	22.03	8.33	16.26
	3	1	54	6	84
	%	16.67	45.77	50	68.29
Scenario 4	1	1	18	4	10
	%	16.67	15.25	33.33	8.13
	2	3	36	3	17
	%	50	30.51	25	13.82
	3	2	64	5	96
	%	33.33	54.24	41.67	78.05
Scenario 5	1	4	48	6	34
	%	66.67	40.68	50	27.64
	2	2	50	4	69
	%	33.33	42.37	33.33	56.10
	3	0	20	2	20
	%	0	16.95	16.67	16.26
Scenario 6	1	2	22	3	9
	%	33.33	18.64	25	7.31
	2	4	73	6	81
	%	66.67	61.86	50	65.85
	3	0	23	3	33
	%	0	19.50	25	26.84

According to Table 3.32, students who have taken ethics warning is less sensitive to ethics for all scenarios. They are more prone to accept bribe and get the copy of exam paper and less likely to inform situation to authorities. When this situation is analyzed for the first and final year students, it is again seen in the Table 3.33 that students who have taken ethics warning is less ethics sensitive for each class. But first year students who have taken ethics warning is less ethics sensitive than final year students who have taken ethics warning. Even though it is the case, the percentage of accepting bribe and copy of exam paper decrease significantly when there is risk of being caught.



Table 3.34: Distributions of All Students' Answers to Scenarios According to Learning or Not About Ethics During Courses

Scenarios	Answers	Yes	No
Scenario 1	1	52	17
	%	27.08	25.37
	2	34	13
	%	17.71	19.40
	3	106	37
	%	55.21	55.22
Scenario 2	1	26	8
	%	13.54	11.94
	2	43	13
	%	22.40	19.40
	3	123	46
	%	64.06	68.66
Scenario 3	1	44	21
	%	22.92	31.34
	2	39	10
	%	20.31	14.93
	3	109	36
	%	56.77	53.73
Scenario 4	1	23	10
	%	11.98	14.93
	2	45	14
	%	23.44	20.90
	3	124	43
	%	64.58	64.17
Scenario 5	1	65	27
	%	33.86	40.30
	2	99	26
	%	51.56	38.81
	3	28	14
	%	14.58	20.89
Scenario 6	1	25	11
	%	13.02	16.42
	2	123	41
	%	64.06	61.19
	3	44	15
	%	22.92	22.39

Table 3.34 shows that distributions of all students' answers to scenarios according to learning or not about ethics during courses. In research, it is asked whether they have learned ethics during their university courses. For the first two scenarios which involve tax evasion, there is small difference between students who state they have learned ethics and not learned ethics during courses. However, students who state they have learned ethics are slightly less ethics sensitive than students who state they have not learned ethics. On the other hand, for the third and fourth scenarios involving defrauding shareholders, students who state they have not learned ethics during courses are less ethics sensitive than other group, but difference gets smaller when there is risk of being caught. When scenarios 1-2 and scenarios 3-4 compared, students who have learned ethics during courses become more ethics sensitive when situation involves defrauding shareholders, but students who assert they have not learned ethics are more ethics sensitive when condition involving tax evasion. For the fifth and sixth scenarios which measure personal ethics, it is seen that students who state they have not learned ethics are less ethics sensitive than students who have not learned ethics.

Table 3.35: Distributions of All Students' Answers to Scenarios According to Learning or Not About Ethics During Courses

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		Yes	No	Yes	No
Scenario 1	1	28	15	24	2
	%	40.58	27.27	19.51	16.67
	2	15	13	19	0
	%	21.74	23.64	15.44	0
	3	26	27	80	10
	%	37.68	49.09	65.04	83.33
Scenario 2	1	13	6	13	2
	%	18.84	10.91	10.56	16.67
	2	20	12	23	1
	%	28.99	21.82	18.70	8.33
	3	36	37	87	9
	%	52.17	67.27	70.73	75
Scenario 3	1	23	18	21	3
	%	33.33	32.72	17.07	25
	2	18	10	21	0
	%	26.09	18.18	17.07	0
	3	28	27	81	9
	%	40.58	49.09	65.86	75
Scenario 4	1	11	8	12	2
	%	15.94	14.55	9.76	16.67
	2	25	14	20	0
	%	36.23	25.45	16.26	0
	3	33	33	91	10
	%	47.83	60	73.98	83.33
Scenario 5	1	30	22	35	5
	%	43.48	40	28.46	41.67
	2	30	22	69	4
	%	43.48	40	56.10	33.33
	3	9	11	19	3
	%	13.04	20	15.45	25
Scenario 6	1	15	9	10	2
	%	21.74	16.36	8.13	16.67
	2	43	34	80	7
	%	62.32	61.82	65.04	58.33
	3	11	12	33	3
	%	15.94	21.82	26.83	25

When distributions of answers to scenarios according to learning or not learning about ethics during courses for first and final year students are examined, it is observed that students who state they have learned ethics during courses are less ethics sensitive for the first two scenarios. Nonetheless, for the third and fourth scenarios, there is small difference between first year students who accept bribe and reject bribe, but for the senior year students who state they have not learned ethics are less ethics sensitive. For scenarios related to personal ethics, when there is no risk of being caught there are small differences between first year students who state they have and not learned ethics during their courses and final year students who assert they have not learned ethics during courses. The first year students who state they have learned ethics during courses are slightly less ethics sensitive than first year students asserting they have not learned ethics. On the other hand, final year students who have stated they have not learned ethics are less ethics sensitive than other group. However, for the fifth and six scenarios, final year students who state they have learned ethics are more ethics sensitive than first year students who assert they have learned ethics during courses. It seems that learning about ethics during university years contributes development of ethical perspective.

Additionally, although taking ethics course(s) is not significantly effective, in order to see clear picture percentage analysis is also done.

Table 3.36: Distributions of All Students' Answers to Scenarios According to Taking or Not Taking Ethics Course(s)

Scenarios	Answers	Yes	No
Scenario 1	1	8	61
	%	28.57	26.41
	2	4	43
	%	14.29	18.61
	3	16	127
	%	57.14	54.98
Scenario 2	1	5	29
	%	17.86	12.55
	2	6	50
	%	21.43	21.65
	3	17	152
	%	60.71	65.80
Scenario 3	1	7	58
	%	25	25.11
	2	5	44
	%	17.86	19.05
	3	16	129
	%	57.14	55.84
Scenario 4	1	6	27
	%	21.43	11.69
	2	6	53
	%	21.43	22.94
	3	16	151
	%	57.14	65.37
Scenario 5	1	9	83
	%	32.14	35.93
	2	15	110
	%	53.57	47.62
	3	4	38
	%	14.29	16.45
Scenario 6	1	4	32
	%	14.29	13.85
	2	17	147
	%	60.71	63.64
	3	7	52
	%	25	22.51

Table 3.36 shows distributions of all students' answers to scenarios according to taking or not taking ethics course(s). It seems that there is not a remarkable difference between students who have taken ethics course(s) and have not taken any ethics course. Although it is the case, when distributions of students' answers who have taken ethics course(s) to scenarios according to course names are examined, it is observed that students who take business ethics and social responsibility course and moral philosophy course seem more ethics sensitive, but since the sample is small, it is hard to say anything on this issue.



Table 3.37: Distributions of All Students' Answers to Scenarios According to Their Family Income

Scenarios	Answers	$X \leq 6.000$ TL	> 6.000 TL
Scenario 1	1	28	41
	%	23.93	28.87
	2	23	24
	%	19.66	16.90
	3	66	77
	%	56.41	54.23
Scenario 2	1	14	20
	%	11.97	14.08
	2	26	30
	%	22.22	21.13
	3	77	92
	%	65.81	64.79
Scenario 3	1	27	38
	%	23.08	26.76
	2	24	25
	%	20.51	17.61
	3	66	79
	%	56.41	55.63
Scenario 4	1	11	22
	%	9.40	15.49
	2	29	30
	%	24.79	21.13
	3	77	90
	%	65.81	63.38
Scenario 5	1	36	56
	%	30.77	39.44
	2	58	67
	%	49.57	47.18
	3	23	19
	%	19.66	13.38
Scenario 6	1	15	21
	%	12.82	14.79
	2	71	93
	%	60.68	65.49
	3	31	28
	%	26.50	19.72

Table 3.38: Distributions of First and Final Year Students' Answers to Scenarios According to Their Family Income

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		X≤6.000 TL	> 6.000 TL	X≤6.000 TL	> 6.000 TL
Scenario 1	1	19	24	9	17
	%	30.65	38.71	16.36	21.25
	2	13	15	10	9
	%	20.97	24.19	18.18	11.25
	3	30	23	36	54
	%	48.38	37.10	65.45	67.5
Scenario 2	1	5	14	9	6
	%	8.06	22.58	16.36	7.5
	2	15	17	11	13
	%	24.19	27.42	20	16.25
	3	42	31	35	61
	%	67.74	50	63.64	76.25
Scenario 3	1	16	25	11	13
	%	25.81	40.32	20	16.25
	2	14	14	10	11
	%	22.58	22.58	18.18	13.75
	3	32	23	34	56
	%	51.61	37.10	61.82	70
Scenario 4	1	4	15	7	7
	%	6.45	24.19	12.72	8.75
	2	18	21	11	9
	%	29.03	33.87	20	11.25
	3	40	26	37	64
	%	64.52	41.94	67.28	80
Scenario 5	1	20	32	16	24
	%	32.26	51.61	29.09	30
	2	31	21	27	46
	%	50	33.87	49.09	57.5
	3	11	9	12	10
	%	17.74	14.52	21.82	12.5
Scenario 6	1	9	15	6	6
	%	14.52	24.19	10.91	7.5
	2	39	38	32	55
	%	62.90	61.29	58.18	68.75
	3	14	9	17	19
	%	22.58	14.52	30.91	23.75

Furthermore, Table 3.37 shows distributions of all students' answers to scenarios according to their family income. For all scenarios, students whose family income is less and equal to 6.000 TL are slightly more ethics sensitive than students whose family income is more than 6.000 TL.

On the other hand, Table 3.38 demonstrates distributions of first and final year students' answers to scenarios according to their family income. For the first year students, it is seen that students whose family income is lower than 6.000 TL are more ethics sensitive, but there is not a significant relationship between family income of final year students and ethical attitudes.

Table 3.39: Distributions of All Students' Answers to Scenarios According to Their Mother's Educational Level

Scenarios	Answers	Non-university	University
Scenario 1	1	44	25
	%	30.56	21.74
	2	22	25
	%	15.28	21.74
	3	78	65
	%	54.16	56.52
Scenario 2	1	22	12
	%	15.28	10.43
	2	26	30
	%	18.06	26.09
	3	96	73
	%	66.66	63.48
Scenario 3	1	40	25
	%	27.78	21.74
	2	27	22
	%	18.75	19.13
	3	77	68
	%	53.47	59.13
Scenario 4	1	20	13
	%	13.89	11.30
	2	30	29
	%	20.83	25.22
	3	94	73
	%	65.28	63.48
Scenario 5	1	56	36
	%	38.89	31.30
	2	64	61
	%	44.44	53.04
	3	24	18
	%	16.67	15.65
Scenario 6	1	19	17
	%	13.19	14.78
	2	92	72
	%	63.89	62.61
	3	33	26
	%	22.92	22.60

Table 3.40: Distributions of First And Final Year Students' Answers to Scenarios According to Their Mother's Educational Level

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		Non-university	University	Non-university	University
Scenario 1	1	29	14	15	11
	%	43.94	24.14	19.23	19.30
	2	12	16	10	9
	%	18.18	27.59	12.82	15.79
	3	25	28	53	37
	%	37.88	48.27	67.95	64.91
Scenario 2	1	12	7	10	5
	%	18.18	12.07	12.82	8.77
	2	13	19	13	11
	%	19.70	32.76	16.67	19.30
	3	41	32	55	41
	%	62.12	55.17	70.51	71.93
Scenario 3	1	26	15	14	10
	%	39.39	25.86	17.95	17.54
	2	14	14	13	8
	%	21.21	24.14	16.67	14.03
	3	26	29	51	39
	%	39.39	50	65.38	68.42
Scenario 4	1	11	8	9	5
	%	16.67	13.79	11.54	8.77
	2	17	22	13	7
	%	25.76	37.93	16.67	12.28
	3	38	28	56	45
	%	57.57	48.28	71.79	78.95
Scenario 5	1	29	23	27	13
	%	43.94	39.66	34.61	22.80
	2	28	24	36	37
	%	42.42	41.38	46.15	64.92
	3	9	11	15	7
	%	13.64	18.96	19.23	12.28
Scenario 6	1	12	12	7	5
	%	18.18	20.69	8.97	8.77
	2	42	35	50	37
	%	63.64	60.34	64.10	64.91
	3	12	11	21	15
	%	18.18	18.97	26.93	26.32

ANOVA test results showed that there is significant relationship between students' answers and their mother's educational level. When this relationship is examined, Table 3.39 demonstrates that except for the last scenario, students whose mother is university graduate are more ethics sensitive than students whose mother is non-university graduate. On the other hand, when this relationship is considered for the first and final year students; for the first year students, students whose mother is university graduate are more ethics sensitive for the first five scenarios. But significant relationship is not observed between final year students' answers and educational levels of students' mothers. Even it is the case, except for the first scenario, students whose mother is university graduate slightly more ethics sensitive than students whose mother is non-university graduate according to Table 3.40.

Another factor that affects students' answer is gender according to ANOVA test results. Table 3.41 at the next page shows this relationship for all students and Table 3.42 demonstrates this relationship for the first and final year students separately.

Table 3.41: Distributions of All Students' Answers to Scenarios According to Gender

Scenarios	Answers	Male	Female
Scenario 1	1	37	32
	%	30.58	23.19
	2	19	28
	%	15.70	20.29
	3	65	78
	%	53.72	56.52
Scenario 2	1	22	12
	%	18.18	8.70
	2	23	33
	%	19	23.91
	3	76	93
	%	62.82	67.39
Scenario 3	1	34	31
	%	28.10	22.46
	2	20	29
	%	15.53	21.01
	3	67	78
	%	55.37	56.53
Scenario 4	1	21	12
	%	15.36	8.70
	2	23	36
	%	19.01	26.09
	3	77	90
	%	63.63	65.21
Scenario 5	1	40	52
	%	33.06	37.68
	2	57	68
	%	47.11	49.28
	3	24	18
	%	19.83	13.04
Scenario 6	1	19	17
	%	15.70	12.31
	2	68	96
	%	56.20	69.57
	3	34	25
	%	28.10	18.12

Table 3.42: Distributions of The First and Final Year Students' Answers to Scenarios According to Their Gender

Scenarios	Answers	First Class	First Class	Fourth Class	Fourth Class
		Male	Female	Male	Female
Scenario 1	1	21	22	16	10
	%	35	34.38	26.23	13.52
	2	11	17	8	11
	%	18.33	26.56	13.11	14.86
	3	28	25	37	53
	%	46.67	39.06	60.66	71.62
Scenario 2	1	12	7	10	5
	%	20	10.94	16.39	6.76
	2	11	21	12	12
	%	18.33	32.81	19.67	16.22
	3	37	36	39	57
	%	61.67	56.25	63.94	77.03
Scenario 3	1	21	20	13	11
	%	35	31.25	21.31	14.86
	2	10	18	10	11
	%	16.67	28.33	16.39	14.86
	3	29	26	38	52
	%	48.33	40.62	62.30	70.28
Scenario 4	1	12	7	9	5
	%	20	10.94	14.75	6.76
	2	15	24	8	12
	%	25	37.50	13.12	16.22
	3	33	33	44	57
	%	55	51.56	72.13	77.02
Scenario 5	1	25	27	15	25
	%	41.67	42.19	24.59	33.78
	2	21	31	36	37
	%	35	48.44	59.02	50
	3	14	6	10	12
	%	23.33	9.37	16.39	16.22
Scenario 6	1	12	12	7	5
	%	20	18.75	11.48	6.76
	2	33	44	35	52
	%	55	68.75	57.38	70.27
	3	15	8	19	17
	%	25	12.50	31.14	22.97

The Table 3.41 reveals that female students are more ethics sensitive than male students except for the fifth scenario which is related to personal ethics. Moreover, Table 3.42 shows distributions of the first and final year students' answers to scenarios according to their gender. Except for the fifth scenario, the first year female students are more ethics sensitive than first year male students. However, the fourth year female students are more ethics sensitive than the fourth year male students except for the fifth scenario. Additionally, all the fourth year male and female students are more ethics sensitive than the first year male and female students.

Furthermore, the first year male students are more prone to whistleblowing for all scenarios than the first year female students and for the first four scenarios, fourth year female students are inclined to inform authority representatives than final year male students.

Table 3.43: Distributions of The First and Final Year Students' Answers to Scenarios According to Their School

Scenarios	Answers	İstanbul University		Bilkent University	
		First Class	Final Class	First Class	Final Class
Scenario 1	1	28	16	15	10
	%	38.36	20	29.41	18.18
	2	13	12	15	7
	%	17.80	15	29.41	12.73
	3	32	52	21	38
	%	43.84	65	41.18	69.10
Scenario 2	1	13	11	6	4
	%	17.80	13.75	11.76	7.27
	2	12	15	20	9
	%	16.44	18.75	39.22	16.36
	3	48	54	25	42
	%	65.75	67.50	49.10	76.36
Scenario 3	1	25	15	16	9
	%	34.25	18.75	31.37	16.36
	2	13	15	15	6
	%	17.80	18.75	29.42	10.91
	3	35	50	20	40
	%	47.95	62.50	39.22	72.73
Scenario 4	1	11	10	8	4
	%	15.07	12.50	15.69	7.27
	2	17	14	22	6
	%	23.29	17.50	43.14	10.91
	3	45	56	21	45
	%	61.64	70	41.18	81.82
Scenario 5	1	29	30	23	10
	%	39.73	37.5	45.10	18.18
	2	33	37	19	36
	%	45.21	46.25	37.25	65.45
	3	11	13	9	9
	%	15.07	16.25	17.65	16.36
Scenario 6	1	13	8	11	4
	%	17.81	10	21.57	7.27
	2	44	52	33	35
	%	60.27	65	64.71	63.64
	3	16	20	7	16
	%	21.92	25	13.73	29.10

ANOVA test results show that there is significant difference between first and final year students. After examining Table 3.28 and Table 3.29, it is observed that final year students are more ethics sensitive than first year students. When this situation is examined for the first and final year students of İstanbul University and Bilkent University Management Departments separately, it is again observed in the Table 3.43 that final year students are more ethics sensitive than first year students and they are more inclined to inform authorities about the situation. On the other hand, although the first and final year students of Bilkent University are more ethics sensitive than the first and final year students of İstanbul University, there is not a big difference between these two schools.

ANOVA test results and percentage analysis demonstrate that there is not a significant difference between schools and students' ethical attitudes. Demographic characteristics of students of these two schools are slightly different from each other, but it is seen that ethics perspective imposed on students by courses and administration of schools creates positive effect on students' ethical attitudes by the fourth year. At that point, the importance of ethics education and corporate governance in schools cannot be neglected.

RESULT AND RECOMMENDATIONS

The purpose of this thesis is to figure out how accounting ethics courses and ethics subjects mentioned during accounting courses affect the first and final year students' accounting ethics perception. The main hypothesis of the thesis is that since final year students have cumulatively learned about ethics during accounting classes from the first year or take separate accounting ethics course(s) during their university years, they are expected to be more ethics sensitive. On the other hand, the research has other hypotheses that there is significant difference between gender and ethical behavior levels; residence and ethical behavior levels; parents' education and ethical behavior levels; parents' job and ethical behavior levels; income levels and ethical behavior levels; taking accounting ethics courses or learning about accounting ethics at different courses and ethical behavior levels.

Furthermore, survey method is used in the research. The survey consists of two parts and seventeen questions. The first part includes questions related to students' demographic properties and existence of ethics courses, ethics subjects during classes, ethics warnings, ethics rules and applicability of these rules in schools. However, the second part includes six scenarios questions which are directed to understand students' ethical choices when the situation involves stealing from government or stealing from private individuals and there is no risk of being caught; stealing from government or stealing from private individuals and there is risk of being caught and getting the copy of final exam paper when there is no risk of being caught and risk of being caught. Each scenario offers three options to students that are *"First, they could accept bribe / offer. Second, they could reject the bribe / offer and say nothing. Third, they could reject the bribe/offer and report the incident to the relevant authorities, i.e. 'blow the whistle' on the offerer(s)"* (O'Leary and Cotter, 2000: 109).

The sample of the research includes the first and senior year students of business schools of İstanbul University and Bilkent University which are accredited by AACSB. In Turkey, three business schools of which İstanbul University, Bilkent University and Sabancı University are accredited by AACSB. As it is mentioned in the second part, in order to help students develop profound understanding of business challenges and professional ethics, The Association to Advance Collegiate Schools of

Business (AACSB) encourages business schools to give ethics education. Under this scope, AACSB requires business schools to teach the role and importance of management, executives, audit committee, public accountants, counsel, regulatory bodies, code of conduct and regulations. To accomplish objectives, AACSB supports business schools to integrate and renew business ethics education to business schools' curricula and provides support to teachers on this issue by a web-based program named Ethics Education Research Center.

In the website of İstanbul University Institute of Business Economics, it is written that less than 5% of business schools in the world meet meticulous standards of AACSB and fulfill all requirements of AACSB successfully. İstanbul University Business Faculty is the first public university in Turkey that is accredited by AACSB in 2012 (İstanbul University Institute of Business Economics, w.date). However, Bilkent University Business Faculty is the first business faculty in Turkey that is accredited by AACSB in 2006.

AACSB accreditation is repeated every five year period by an international team after deep examination and evaluation. Performance tests to students, graduates and instructors and completion of goals evaluation embedded in lessons are done every five years to determine whether or not business schools meet the standards. Looking from this point, this thesis is important to see and evaluate reflections of the accounting ethics education of business schools of İstanbul University and Bilkent University which are accredited by AACSB to students.

259 students filled the survey and of 259 students, 124 students are the first year students and 135 students are final year students. However, of 259 students, 153 students are from İstanbul University and 106 students are from Bilkent University. Furthermore, statistical method which is multifactor ANOVA test is used by using MINİTAB program to test hypotheses. To analyze the data, demographic properties of all sample consisting of 259 students and data related to all the first and final year students are separately examined showing frequencies and percentages.

ANOVA test results show for all data sample that for scenario 1; class level difference, residence, students' thoughts about ethics importance given by their

school; for scenario 2, class level difference and students' thoughts about ethics importance given by their school; for scenario 3, class level difference and students' thoughts about ethics importance given by their school; for scenario 4, class level difference and ethics warning; for scenario 5, class level difference, father job and family income and for the last scenario, class level difference and family income are variables which have significant effect on students' answers. It is obvious that for all scenarios, class level difference has significant effect and for the first four scenarios which are related to professional ethics, variables related to school, students' thoughts about ethics importance given by their school and ethics warning have significant effect on students' answers. However, for personal ethics questions, class level difference, father job and family income that are mostly related to students' demographic background have significant effect.

On the other hand, when ANOVA test is done to first and final year students, it is seen that for the first year students, mother education for the first scenario; students' thoughts about ethics importance given by their school for the second scenario; mother education, father job and family income for the third scenario; mother education and family income for the fourth scenario and family income for the fifth and sixth scenarios are significantly effective on students' choices. For the final year students, gender is for the first and second scenarios; none of the factors for the third and the last scenarios; school difference, taking ethics course(s), ethics warning and GPA for the fourth scenario; school and family income for the fifth scenario are significantly effective. The results are remarkable that as class level increases, other factors rather than demographic ones become effective on students' answers.

In order to see how these factors affect students' choices, percentage analysis is done. Tables demonstrating distributions of answers according to scenarios for the first and final year students show that final year students are more ethics sensitive than the first year students. Furthermore, for the first four scenarios which involve stealing from the government and shareholders, the majority of final year students prefer not to accept bribe and to inform situation to authorities even if there is no risk of being caught. Additionally, when risk of getting caught increases, more first and final year students reject and inform situation to authorities meaning that risk of getting caught

is a significant deterrent factor, but it is more effective on the first year students than final year students. When this situation is analyzed for each school, it is again observed that senior classes of each school are more ethics sensitive than the first year students and they are more inclined to inform authorities about the situation. It is important that although demographic characteristics of students of each school are slightly different from each other, ANOVA test results show that for each school, demographic factors are not significantly effective on final year students' answers. Instead, factors related to their school become more effective than demographic factors for each school.

Based on ANOVA test results, after class level difference, students' thoughts about importance to ethics given by their school factor has significant effect on students' choices. When distributions of all students' answers to scenarios according to their thoughts about importance to ethics given by their schools are examined, it is seen that students thinking their school gives importance to ethics are more ethics sensitive and prone to whistleblowing for all scenarios related to professional and personal ethics. However, when this issue is examined for the first and final year students, it is again seen that the first and final year students who think their school gives importance to ethics are more ethics sensitive and tend to inform the situation related authorities.

Additionally, related to school, even if ethics warning which has been taken by students during university years does not have significant effect on scenarios except for the fourth scenario, it is seen that students who have taken ethics warning are less ethics sensitive accepting the bribe and less likely to inform situation to related authorities for all scenarios when distributions of all, first and final year students' answers to scenarios are examined.

Furthermore, even though learning ethics during courses and taking ethics course(s) do not have significant effect on answers, distributions of answers based on these two variables are examined. When distributions of all students' answers to scenarios according learning or not about ethics during courses are scrutinized, for the first two scenarios which involve stealing from the government, students who state they have learned ethics during classes are slightly less ethics sensitive, but for rest of

the scenarios, students who have learned ethics during classes are less prone to accept bribe. In addition, for the first and final year students, the first year students who state they have not learned ethics during courses more ethics sensitive and likely to inform situation to authorities. For final year students, except for the first scenario, students who have learned ethics during classes are more ethics sensitive than final year students who have not learned ethics during class hours. Also, as it is mentioned before, first year students mainly learn ethics during business communication, sociology and psychology classes and it is observed that first year students who learned ethics subject during these classes are more ethics sensitive and likely to inform situation to authorities compared to the first year students who learn about ethics at accounting, marketing and business classes. But for the final year students, students who learn about ethics during business and marketing classes are more ethics sensitive and prone to whistleblowing. This situation is valid for all data as well. At this point, it can be said that the courses in which students learn about ethics intensively have positive effect on students' ethical attitudes. However, learning about ethics during these courses each year creates more positive effect on students' ethics perspectives over the years.

On other hand, there is not a remarkable difference between students who have taken ethics course(s) and have not taken any ethics course. Although it is the case, when distributions of students' answers who have taken ethics course(s) to scenarios according to course names are examined, it is observed that students who take Business Ethics and Social Responsibility course and Moral Philosophy course seem slightly more ethics sensitive than students who take Forensic Accounting and Fraud Auditing and Research Methods courses, but since the sample is small, it is hard to say anything on this issue.

Lastly, related to school, final year students whose GPAs are above three are more ethics sensitive rejecting the bribe than senior year students whose GPAs are lower than three.

Of demographic factors, family income, mother education, father job and gender are factors which are significantly effective on students' ethical attitudes. When

distributions of all students' answers to scenarios according to their family income are analyzed, students whose family income is equal and less than 6.000 TL are slightly more ethics sensitive and prone to whistleblowing than students whose family income is more than 6.000 TL. This situation is also valid for the first year students, but there is not a significant relationship between family income of final year students and their ethical attitudes. It seems that students whose family income is equal and less than 6.000 TL are risk averse even though there is no risk of being caught. A research examining the relationship between wealth and ethical behavior shows that money negatively changes peoples' minds and their behaviors.

“Occupying privileged positions in society has this natural psychological effect of insulating you from others. You are less likely to perceive the impact your behavior has on others. As a result, at least in this paper, you are more likely to break the rules” (Piff, Stancato, Cote, Denton and Keltner, 2012)

By the way, this situation can change in other researches. For instance, research done by Kurnaz and Gümüş (2010), it is seen that bad economic condition of students affected their ethical decision making negatively. Therefore, it is hard to say anything on this issue. Nevertheless, even if economic conditions affect students in researches negatively or positively, it is observed in the ANOVA test results and percentage analysis that properties related to school and education become more effective on students' choices as class level increases. Education and importance to ethics given by schools create profound effect on students' ethical attitudes.

Another factor which has significant effect on students' choices is their mother education levels. For all data, students whose mother is university graduate are more ethics sensitive than students whose mother is non-university graduate except for the last scenario. However, when this relationship is examined separately for the first and senior year students, first year students whose mother is university graduate are more ethics sensitive for the first five scenarios. Nonetheless, significant relationship is not observed between final year students' answers and educational levels of students' mothers. Even if it is the case, except for the first scenario, students whose mother is

university graduate are slightly more ethics sensitive than students whose mother is non-university graduate. On the other hand, for the father job, it is observed that students whose father is civil servant or worker seem more ethics sensitive compared to other occupations.

Ultimately, for all data, first and final year students, it is seen that female students are more ethics sensitive than male students except for the fifth scenario which is related to personal ethics. However, all the fourth year male and female students are more ethics sensitive than first year male and female students. Additionally, the first year male students are more prone to inform authority representatives than first year female students and the fourth year female students are more inclined to inform authority representatives than senior year male students for the first four scenarios.

Studies mentioned in the literature review part showed that students taking ethics and accounting ethics education become more ethics sensitive and conscious to ethical values as their class degree increases. In this paper, it is also seen that senior year students are more ethics sensitive considering all sample and schools separately. However, this paper shows that corporate governance in schools and importance to ethics given by school administration and teachers have much more significant effect on students rather than courses. At the education and ethics part, it is stated that ethics is a concept which interferes with every grade of education and is achieved by teachers who know where, what time, how and for what they will use these methods and techniques (Ilgaz and Bilgili, 2006: 199). It is important that perspective of teachers and school administration towards ethics and their attitudes for teaching ethics create big effect on students because ethical values cannot only be learned from books and taking lessons related to ethics. However, ethical perspective develops as time passes with accurate ethics education methods. Looking from this point, both schools are successful to impose ethical values on students and these imposed values create positive effect on the accounting ethics profession and personal ethics according to survey results.

It is also observed for both schools and classes that courses in which students are exposed to ethics subjects are more ethics sensitive. First year students who learn ethics during business communication, sociology and psychology courses and final year students learning ethics during business and marketing courses are more ethics sensitive than students who learn ethics during other business school courses. In this paper, it is expected that students who learn ethics during accounting courses would be more ethics sensitive to accounting profession ethics, but significant effect is not observed.

As it is mentioned in the Accounting Ethics Education part, there can be many reasons preventing students to learn accounting ethics. During these courses, instructors may not devote adequate time to ethical issues, there can be some deficiency either in teaching methods that does not alert to much interest or adequacy of accounting ethics courses and accounting ethics subjects mentioned during accounting classes. However, it is seen that students are slightly less ethics sensitive when the scenario involves stealing from the government compared to scenario involves stealing from private individuals. Reasons for this situation can be related to inadequacy of ethics subjects, laws, regulations and scenarios mentioned during classes, deficiencies in teaching methods and students' incuriosity towards accounting ethics subjects related to the government. At this point, it is suggested that researches might be done for students and teachers to understand ethics perspective of students who are taking accounting courses and instructors giving accounting courses towards accounting profession ethics and ethics subjects related to tax evasion and misappropriation of financial statements.

Ultimately, there are a few limitations in this research. The main limitation is that all students of both schools could not attend the survey. Bigger sample can be taken by AACSB representatives, instructors of both schools and researchers who want to work on ethics perspective of students and instructors. The second limitation is that some first year students could not understand difference between first and third scenarios. They could not figure out difference between stealing from government and stealing private individuals. Reason of this situation can be related to lack of knowledge on accounting issues and accounting ethics subjects. Explanation was done

during survey, but it would not be adequate. However, effect of Forensic Accounting and Fraud Auditing course in Business School of İstanbul University could not be observed because some students would not think it as ethics course since its name does not include word 'ethics'. Sample was small to make comparison. However, even though 15 minutes are given students to complete survey, some students found it less and did not fill all the questions. These papers are excluded from survey. Therefore, it is suggested that short scenarios can be prepared for students to read and answer them quickly.

In conclusion, the importance of accounting ethics education during university years cannot be denied. Ethics education and attitudes of school administration and instructors towards accounting ethics create more significant effect on students' ethical attitudes rather than their demographic properties. It is observed that the courses in which students are exposed to ethics education become more ethics sensitive. Therefore, integrating accounting ethics education to accounting courses, teaching them with accurate and effective methods and spearing more time to accounting ethics subjects, laws, regulations related to government and private individuals are suggested. It will contribute students' ethics perception when they perform accounting profession.

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