

ABSTRACT

*This research is replicated from O'Leary and Pangemanan's research (2007) and has modified by researcher. This research investigates the ethical decisions of accountancy students and in particular analyses the effect of **group** (as opposed to **individual**) decision making on ethical decision.*

This research uses the empirical random sampling technique in the data collection. Final year accountancy students of Economic Faculty Diponegoro University (sample size of 170) were randomly allocated into two experimental conditions. The participants were then presented with five (5) ethical vignettes. One experimental condition involved completing the ethical decision making as individuals (45). The other involved completing the ethical decision making as a group of 3-4 participants (35). Data analysis uses Analysis of Variance (ANOVA) with SPSS 17.0 software package.

Result of this research indicate that a hypothesis that has been proposed are accepted. The hypothesis showed that there will be differences in the ethical responses of groups and individuals to ethical vignettes. A consistent pattern of behaviour was observed in the analysis of individual versus group responses. Individuals displayed stronger tendencies than groups to take the extreme actions of acting ethically (whistleblowing), whereas groups displayed stronger tendencies to take the safer (neutral) options. It was concluded that groups reached consensus decisions, in an ethical context, probably as a result of peer pressure. The significant implication of this finding is in relation to the emphasis accounting programs place on group work. Group work may enhance students' abilities to work as a team.

Keywords: group work, ethical decision making, final year accountancy students