

# Business Ethics in a Global Economy: A Cross-Cultural Study Among Working Adults in Russia and Vietnam

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Lam D. Nguyen<sup>1</sup>  
Loan N. T. Pham<sup>2</sup>  
Natalia Ermasova<sup>3</sup>

## Abstract

The purpose of the present study is to empirically examine the personal perception of working adults on business ethics in Russia and Vietnam. Data were collected with the help of a questionnaire from 487 working adults (248 Russian and 239 Vietnamese adults). Significance of differences in Clark and Clark's Personal Business Ethics Scores based on gender, management experience and ethics training was analysed with the help of univariate analysis of variance method (two-way analysis of variance method). Findings of the present study indicate that there is a significant difference in the level of ethical maturity among the Vietnamese and Russian working adults. Vietnamese respondents have higher business ethics perception than Russian respondents. Female adults demonstrate higher ethical maturity level than their male counterparts in the overall sample. Additionally, there is no significant difference in the business ethics perception of respondents in Russia and Vietnam on the basis of ethics training and management experience. This study provides global business leaders an opportunity to better understand business ethics perception of working adults across Russia and Vietnam.

## Keywords

Business ethics, ethical maturity, ethics training, management experience, Russia, Vietnam

## Introduction

Globalization has broken through the boundaries among regions and nations and brought together people with different cultural backgrounds, values and ethical standards. Several scholars highlight the importance of analysis of the cultural differences in business ethics perception in different countries

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<sup>1</sup> Management and International Business, Global Business Institute, Zeigler College of Business, Bloomsburg University of Pennsylvania, Bloomsburg, USA.

<sup>2</sup> Zeigler College of Business, Bloomsburg University of Pennsylvania, Bloomsburg, USA.

<sup>3</sup> Public Administration College of Arts and Science, Governors State University, University Park, Illinois, USA.

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### Corresponding author:

Natalia Ermasova, Public Administration College of Arts and Science, Governors State University, 1 University Parkway, University Park, IL 60484, USA.

E-mail: [nemasova@govst.edu](mailto:nemasova@govst.edu)

(Ermasova, Nguyen & Bruce, 2017a; Ermasova, Wagner & Nguyen, 2017b; Irawanto, Ramsey, & Ryan, 2011; Nguyen & Tran, 2018; Popli, & Rizvi, 2016; S. Pradhan & R. Pradhan, 2016). Having ethical employees and fostering an ethical organizational culture are critical to the sustainability of an organization, and society can benefit from it too (Conroy & Emerson, 2004). Understanding the ethical orientations of people in different countries and ethical issues that arise in cross-cultural environment can help global leaders understand the cultural differences, possess adequate skills to manage the global workforce and build capabilities to maintain an ethical culture.

The significance of cross-culture comparison of business ethics perceptions of employers enlarged as workforces became increasingly diverse. Ardichvili et al. (2012) highlighted the complexities of universalizing ethical business norms and demonstrated the potential business threats in an environment defined by cultural differences. Managers need to be able to recognize ethical issues, cultural context of the organization and the individual factors that can influence individual ethical behaviour in an organization in order to deal with them more effectively and create an ethical organizational culture (Ardichvili et al., 2012; Beekun et al., 2003; Ermasova, 2016; Nguyen, Ermasova & Ermasov, 2016; Ermasova et al., 2017a). The annual 2010 report of the Nations on Occupational Fraud and Abuse, the Association of Certified Fraud Examiners (2011) reported that globally a typical business organization 'loses 5% of its annual revenue to fraud... [which] translates to a potential total fraud loss of more than \$2.9 trillion' (p.4).

The purpose of this article is to investigate how individual and educational differences make a difference in the perception of business ethics of working adults in Russia and Vietnam. We chose to compare Vietnam and Russia for several reasons. First, Vietnam and Russia have strong financial, cultural and economic relationships. Russia became Vietnam's first strategic partner in 2001 even before Japan (2006), India (2007) and China (2008). According to Doan (2016), Russia is currently one of the two countries with which Vietnam has established a comprehensive strategic partnership. The Vietnam–Russia relationship has considerably strengthened in recent years. According to Russian Exports–National Information Portal (2016), bilateral trade between Vietnam and Russia increased from \$2.94 billion in 2014 to \$3.84 billion in 2015. In addition, Russia and Vietnam have developed strategic investment and economic cooperation between the two countries. The Russian Federation had 48 projects in effect with a total pledged capital of \$301 million (11% of total Vietnam's investment projects abroad), mainly concentrated on petroleum and oil industries, heavy and light industries, transportation, post, aquatic culture and fishing. Russia is encouraging Vietnam to construct subway networks in Hanoi and Ho Chi Minh City. Russia and Vietnam continue to strengthen their cooperation in oil and gas exploration, exploitation in Vietnam's continental shelf, transportation, civil aviation, ship building, mechanical manufacturing, information and telecommunications.

Second, both countries support each other in international economic relations. There is a strong economic and investment cooperation between Vietnam and Russia in the Asian-Pacific region, in the framework of Asia-Pacific Economic Cooperation forum and regional structures, such as ARF (ASEAN Regional Forum), EAS (The East Asia Summit), ASEM (The Asia-Europe Meeting), ADMM+ (ASEAN Defence Ministers' Meeting Plus) and ASEAN (Association of Southeast Asian Nations) (Vietnam Chamber of Commerce and Industry, 2013). Vietnam supports Russia's participation in the ASEM forums and East Asia Summit.

Third, Vietnam and Russia represent high-context cultures with moderate to high power distance and high collectivism but different values and philosophy. Vietnamese culture is the mix of unique cultures and can be referred to as high power distance, high collectivism, moderate uncertainty avoidance and high context (Nguyen, Mujtaba, Tran, & Tran, 2013; Nguyen & Tran, 2018; Parks & Vu, 1994; Quang, 1997; Quang & Vuong, 2002; Ralston, Nguyen, & Napier, 1999; Swierczek, 1994; Triandis, 1989). The Russian business behaviour is based on considerations of personal loyalty and in-group allegiances, not on universal considerations of right and wrong, or of potential impact on community and society

(Avtonomov, 2006). The importance of close personal connections for successfully conducting business in Russia has been pointed out by a number of scholars (Berliner, 1988; Ermasova et al., 2017b; Lawrence & Vlachoutsicos, 1990; Puffer, 1994). Vietnam and Russia are both demonstrating many of the characteristics of a collectivistic society such as ‘in-groups’ thinking style, group activity preference and decision-making that benefit the group instead of personal goals, which manifests itself in having close ties with friends and community and places high importance on networking relationships (Ermasova et al., 2017a; Nguyen, Ermasova, Pham, & Mujtaba, 2016; Nguyen & Tran, 2018; Puffer, 1994). According to Nguyen and Tran (2018), Vietnamese people ‘care more about other people’s thoughts, feelings and concerns and work toward consensus instead of confrontations even if they have to sacrifice their own interests’ (p.3). Nguyen et al. (2016) found that ‘Russian and Vietnamese people respect hierarchical positions in the society but it is less hierarchical in Vietnam than in Russia’ (p.66).

The following sections examine the current literature in this context, simultaneously building the conceptual framework of the present study, explaining the linkages between the cross-culture management and ethical perception examined in this study. This formed the basis for development of the objectives for the present study. In addition, managerial implications and limitations are discussed thoroughly.

## Review of Literature

### *Corruption in Russia and Vietnam*

The Corruption Perception Index (CPI), published by Transparency International, ranks countries/territories based on how corrupt a country’s public sector is perceived to be. Scores range from 0 (highly corrupt) to 100 (very clean). Table 1 shows that Transparency International ranks Russia 131 out of 176 countries and territories in the world based on the perception of how corrupt Russian public sector is with a score of 29 out of 100. Transparency International ranks Vietnam 113 with a score of 33. These low scores indicate a high level of perceived corruption in Russia and Vietnam and suggest that both countries are experiencing significant corruption issues that can negatively impact their economic advantages.

**Table 1.** Corruption Perception Index of Selected Countries (2016)

Rank	Country	CPI2015
1	New Zealand	90
7	Singapore	84
9	Canada	82
10	The United Kingdom	81
13	Australia	79
18	The United States	74
79	China	40
113	Vietnam	33
116	Pakistan	32
131	Russia	29
131	Iran	29
156	Uzbekistan	21

Source: Transparency International (2016).

One of the top-scoring countries is Russia with score 29 that shows that citizens face the tangible impact of corruption on a daily basis (Transparency International, 2016). According to World Economic Forum (2015), corruption is a high risk in Russia. The US Department of State (2016) found that compliance with regulations can be challenging, as rules frequently change, are inconsistently interpreted by different officials and jurisdictions and can contain conflicting provisions. Ermasova et al. (2017b) suggested that double standards in the economy and specific ethical standards provoked bribery and corruption in the Russian economy. The Ethics and Compliance Initiative (ECI) provides insight into workplace ethics to explore workers' experiences in 13 countries and found that 33 per cent employees in Russia experience pressure to compromise ethics standards. ECI (2016) found significant variation among countries with misconduct rates ranging from a low of 15 per cent in Japan to 45 per cent in Russia.

Based on survey data from Vietnam Provincial Governance and Public Administration Performance Index, Nguyen, Bach, Le, and Le (2017) found the 'annual increases in the overall level of corruption perception at in the period 2011–2014' (p.143). According to Nguyen and Tran (2018), in Vietnam 'ethical issues such as bribery and corruption have become a real challenge and threatened the nation's sustainable growth' (p.2).

### *Business Ethics in Cross-Culture Context*

Cross-culture studies examining the influence of national culture on ethical attitudes and ethical decision-making have drawn the attention of many researchers (Bageac, Furrer, & Reynaud, 2011; Beugelsdijk, Kostova, & Roth, 2017; Irawanto et al., 2011; Nguyen & Pham, 2015; Nguyen & Tran, 2018; Nguyen, Tran, & Pham, 2016; Shields, Comegys, Lupton, & Takei, 2013). Beugelsdijk et al. (2017) suggested 'the view of culture as a set of values that are shared in a given social group and distinguish this group from others' (p.31). Empirical studies have recognized this influence and indicated that ethical perceptions vary across cultures. In a comparative study of Thai and American managers on unethical marketing behaviours, Singhapakdi et al. (2000) found that Thai managers seem to have a lower moral intensity than their American counterparts. In examining the ethical attitudes of business people in Russia, Slovenia, Turkey and the United States, Hisrich, Bucar, and Oztark (2003) suggested that the United States ranks the highest in ethical attitudes, followed by Slovenia, Turkey and Russia. In an attempt to compare business ethics in Russia and the United States, Beekun, Stedham, Yamamura, and Barghouti (2003) found that when applying justice and utilitarian criteria to judge the ethical content of an action or a decision, respondents from the United States appear to be more unethical than respondents from Russia. In a study of people in two similar cultures of Vietnam and China, Ralston, Terpstra-Tong, Maignan, Napier, and Nguyen (2006) found significant differences in their attitudes towards upward influence ethics (i.e., organizationally beneficial, self-indulgent and destructive behaviours). In their multi-country study on ethical decision-making processes, Burnaz, Atakan, Topcu, and Singhapakdi (2009) found that American business managers are more serious when facing unethical marketing behaviours than their Thai and Turkish counterparts. In a study on business students in the United States and Vietnam, Nguyen and Pham (2015) found that American students demonstrated higher ethical attitudes towards business issues than Vietnamese students. Another comparative study on the business ethics perception of American and Vietnamese students conducted by Nguyen et al. (2016) confirmed that American students are more ethical than Vietnamese students. Nguyen and Tran (2018) studied working adults in Thailand and Vietnam and concluded that Thai respondents appear to be more ethical than Vietnamese respondents. Nevertheless, there has been little research that compares ethical

perceptions of Vietnamese and Russian people. With that being said, this study proposes that the Vietnamese working adults will have higher PBES scores than the Russian working adults.

### *Gender and Ethics*

Generally, women and men are believed to have different perceptions about ethics (Pham, Nguyen, & Favia, 2015). Previous studies have demonstrated that women are likely to be more ethical than men. Particularly, Simga-Mugan, Daly, Onkal, and Kavut (2005) reported that gender does have a significant impact on ethical sensitivity with the females showing greater ethical sensitivity than males. Lamsa, Vehkaperä, Puttonen, and Pesonen (2008) found that ‘attitudes differed according to gender: Women students were more in favour of the stakeholder model and placed more weight to corporate ethical, environmental and societal responsibilities than their men counterparts’ (p.45). In the process of examining the effects of gender on moral judgement, Wang and Calvano (2015) found that women are generally more inclined to act ethically than men. Nguyen et al. (2015) stated that Vietnamese female working adults seem to be more ethical and appear to be more concerned with ethical dilemmas than Vietnamese male. Nguyen et al. (2016) found that Russian female working adults are more ethical than their male counterparts. Nguyen and Tran (2018) stated that female working adults demonstrate higher ethical maturity than male working adults in their study of working adults in Thailand and Vietnam. Nguyen et al. (2016) concluded that female students are more ethical than male students in their study on American and Vietnamese business students. This study proposes the following hypothesis: Female working adults will have higher PBES scores than male working adults.

### *Ethics Training, Workshops or Seminar and Ethics*

Previous researches indicate a positive association between ethics training and ethical maturity level. Education influences positively on one’s moral development and ethical maturity (Nguyen et al., 2013). Kennedy (2003) demonstrated that leaders who received more ethics training reported a higher level of moral maturity. Valentine (2009) found that more hours of ethics training can increase ethical perception and thus recommended more time in ethics training for managers. Moreover, many believe that offering ethics training which focusses closely on key ethical challenges in the workplace can increase the employee’s ethical awareness and conducts in the organization. Particularly, Frisque and Kolb (2008) found a positive association between ethics training and the employees’ attitudes and behaviours. Furthermore, Jones (2009) concluded that employees’ moral judgement can be improved by a short training programme in business ethics. Similarly, in examining how an ethics education programme will influence first-year accounting students in Australia, Martinov-Bennie and Mladenovic (2015) indicated that students can experience a range of ethical issues thanks to an integrated ethics education, which can improve their ethical sensitivity. Nguyen, Ermasova, and Ermasov (2016) reported that educational degrees make a difference in the ethical maturity of Russian working adults and that people with higher degrees appear to have a higher level of ethical maturity. Nguyen and Tran (2018) concluded that Thai and Vietnamese working adults who received some form of ethics education tended to have a higher ethical maturity. Nguyen et al. (2016) found that business law courses and ethics training, workshops or seminars appear to be a significant factor in the differences of ethical perceptions of American and Vietnamese students. With that being said, the study proposes that working adults who took ethics training, workshops or seminars will have higher PBES scores than those who did not.

## *Management Experience and Ethics*

Empirical studies of the impact of management experience on an individual's perception of business ethics have found various results. On one hand, several researchers have indicated that there is no significant relationship between management experience and moral development (Kennedy, 2003). In a study of local government employees, Hyppolite (2003) concluded that there is no association between rank of local government employees and their moral maturity. Similarly, Huang (2006) conducted a cross-cultural study between US and Japanese expatriate managers in Taiwan and found no significant relationship between the ethical reasoning abilities of the managers and their level of management education. Nguyen, Lee, Mujtaba, and Silanont (2014) analysed Thai working adults and found no significant difference in the ethical perception between those who have management experience and those who do not. On the other hand, some researchers found a positive relationship between management experience and ethics. In particular, Mujtaba (1997) studied the business ethics perception of supermarket managers and employees and found that those who have five or more years of management experience seem to be more ethical than those who have fewer years of management. Moreover, in examining the ethical perception of business students in the United States, Nguyen, Tran, Mujtaba, and Tran (2014) found that business students with management experience appear to be more ethical than those without management experience. Based on the findings in the literature, the authors proposed that working adults who have management experience will have higher PBES scores than those who do not.

## **Rationale of the Study**

From the aforementioned literature review, linkages between gender, management experience, ethics training and business ethics perceptions are clear; however, the changes in the nature of these linkages owing to cross-cultural context are unclear. This study advances our understanding of business ethics perceptions of Vietnamese and Russian working adults and, more specifically, how the gender, management experience and business ethics training may influence their ethical perception.

There has not been much research conducted in cross-culture management literature to compare Vietnamese and Russian ethical perception. Better understanding of the business ethics perceptions of working adults in Vietnam and Russia is not only helpful for global leaders but also critical to their success in dealing with the workforce from these countries. Webley and Werner (2008) suggested that the existing ethical culture may also influence the implementation and effectiveness of ethics programmes. For scholars, this study provides a validation of a widely used instrument, that is, Clark's (1966) Personal Business Ethics Scores (PBES) measure, in different cultural contexts.

## **Objectives**

The objectives of this research are the analysis on how gender, management experience and business ethics training make a difference in the perception of business ethics of working adults in Russia and Vietnam. The aim of this study is also to provide the recommendations in managing the workforce from these countries in the most effective and efficient manner. In addition, the objective of this study is the contribution to the cross-culture research stream by comparing perception of business ethics of working adults in Russia and Vietnam.

## Theoretical Framework

The impact of businesses worldwide has forced thought leaders to redefine business ethic as a strategic and complex issue since business and society experience a higher level of cultural diversity and complexity across cultures. Treviño, Butterfield, and McCabe (1998, p.451) suggested that ethical culture represents a subset of organizational culture, entailing the ‘multidimensional interplay among various “formal” and “informal” systems of behavioral control that are capable of promoting either ethical or unethical behavior’. The best way to anticipate future business leaders’ ethical behaviour is to understand their ethical perspectives (Albaum & Peterson, 2006). Ethical perceptions are influenced by national context. Many studies have supported the notion that national culture influences an individual’s ethical perception and ethical decision-making (Bageac et al., 2011; Ermasova et al., 2017a, 2017b; Kuszniir, 2016; Ledeneva, 2006; van Zon, 2008).

This study applies the PBES scores to measure ethics perception by Russian and Vietnamese employees. John Clark developed a survey questionnaire in the 1960s that contained an ethical scale that included 11 dilemmas that he categorized into a PBES to measure the moral standards of an individual’s integrity and honesty (Danon-Leva, Cavico, & Mujtaba, 2010). By using the ethical business dilemmas, John Clark sought to determine, test and evaluate an individual’s commitment towards personal integrity and honesty. This questionnaire PBES consists of 11 vignettes (mini scenarios) that were developed specifically to refer to the five categories of ethical dilemmas: coercion and control, conflict of interest, physical environment, paternalism and personal integrity. In this study, we measure ethics perception by Russian and Vietnamese employees through their answers for these ethical dilemmas. It is consistent with suggestion by Danon-Leva et al. (2010): ‘ethical dilemmas that a person could encounter in his or her professional life were grouped in categories of moral problems so as to better understand and study the analytical process an individual must go through to undertake an action’ (p.2). The present research seeks to understand the effect of gender, management experience and ethics training on business ethics perceptions of Russian and Vietnamese employees.

## Methodology

### *Data source*

This study examined the business ethics perception of working adults in Russian and Vietnam. The ethical perceptions were analysed based on gender, ethics training, workshops or seminars and management experience. Data have been collected through a convenience sampling method. The target respondents are Russian and Vietnamese who are 17 years of age or older. The questionnaires were made available in both web page and hard copy formats. Informed consent, explanation of study, procedure of maintaining confidentiality and detailed instructions on how to complete the questionnaire were included. The English version of the survey went through a rigorous back translation procedure to insure the validity of the instrument. There was no significant difference between the original version and the back-translated version. The authors used the self-administered survey method to eliminate the errors caused by the subjectivity of interviewers and provide greater anonymity for respondents. The Russian respondents mainly came from Moscow, Chelyabinsk, Saratov, Kazan, St. Petersburg and Ulyanovsk, while the Vietnamese respondents mainly came from Ho Chi Minh City. There were 248 Russian and 239 Vietnamese respondents who fully completed the surveys, which created a total sample of 487 respondents.

### Analysis

**Measurement scale:** The popular Clark and Clark’s PBES measure was used in this study. It included 11 short scenarios that describe business situations and decisions. Respondents were asked to give their opinions regarding the decisions made in the scenarios. They rated the decisions on a five-point scale ranging from 1 (strongly approve) to 5 (strongly disapprove).

Each dilemma is scored on 5 point Likert scale. The PBES responses range from a minimum score of 11, which indicate very low personal business ethics perception for the 11 scenarios, to a maximum score of 55, which indicate very high personal business ethics perception for these dilemmas. A lower score means that the respondent approves the unethical decision while a higher score indicates that the respondent disapproves the unethical decision described in the scenario.

Table 2 shows the PBES scores and descriptions.

Table 3 showed some comparative statistics of the sample. The Russian and Vietnamese samples almost evenly made up the total sample (50.9% and 49.1%, respectively). There were more females in the Russian sample while there were more males in the Vietnamese sample. However, the total sample included more females (59.5%) than males (40.5%). Majority of Russian respondents were in the age group of 17–25 (87.5%) while the majority of Vietnamese respondents were in the age group of 26–35 years (43.5%). Both of these age groups accounted for 83 per cent of the total sample.

**Table 2.** PBES Scores and Descriptions

Scores	Descriptions
50–55	Very high range
44–49	High range
38–43	Moderately high range
32–37	Moderately low range
26–31	Low range
11–25	Very low range

Source: Prepared by the authors.

**Table 3.** Comparative statistics of the sample (n = 487)

	Country		Total
	Russia n = 248 (50.9%)	Vietnam n = 239 (49.1%)	
<i>Gender</i>			
Male	67 (27.0%)	130 (54.4%)	197 (40.5%)
Female	181 (73.0%)	109 (45.6%)	290 (59.5%)
<i>Age</i>			
17–25	217 (87.5%)	61 (25.5%)	278 (57.1%)
26–35	22 (8.9%)	104 (43.5%)	126 (25.9%)
36–45	6 (2.4%)	62 (26.0%)	68 (14.0%)
46–55	2 (0.8%)	10 (4.2%)	12 (2.4%)
56 and above	1 (0.4%)	2 (0.8%)	3 (0.6%)

Source: Prepared by the authors.



### Reliability

As shown in Table 4, Cronbach's Alpha (0.661) and Cronbach's Alpha if Item Deleted were greater than 0.6, which indicates a satisfactory reliability (Cronbach, 1990; Kaiser, 1974; Kline, 1993; Malhotra, 2007; Nunnally, 1978).

We have also tested by the use of the univariate analysis of variance (two-way analysis of variance) to find significant relationships between groups in this sample. Table 5 summarized the testing results. As shown in Table 5, the average PBES scores of both the Russian respondents ( $M = 33.4$ ) and the Vietnamese respondents ( $M = 34.5$ ) fell in the 'moderately low range'. However, Vietnamese respondents scored slightly higher than their Russian counterparts. This difference was statistically significant ( $F = 7.408$ ,  $p = 0.007 < 0.05$ ). Therefore, hypothesis 1 'The Vietnamese working adults will have higher PBES scores than the Russian working adults' is supported. The Vietnamese working adults appeared to be more ethical than their Russian counterparts. Table 5 also showed that the average PBES scores of both males ( $M = 33.2$ ) and females ( $M = 34.5$ ) fell in the 'moderately low range'. Females obviously scored slightly higher than males. This difference was statistically significant ( $F = 10.178$ ,  $p = 0.002 < 0.05$ ). Therefore, hypothesis 2 'Female working adults will have higher PBES scores than male working adults' is supported. Female working adults appeared to be more ethical than their male counterparts in this sample. Table 5 continued to show that the average PBES scores of respondents who both took ethics training seminar ( $M = 33.5$ ) and those who did not ( $M = 34.1$ ) fell in the 'moderately low range'. This difference was not statistically significant ( $F = 0.010$ ,  $p = 0.921 > 0.05$ ). Therefore, hypothesis 3 'Working adults who took ethics training seminar will have higher PBES scores than those who did not' was not supported. Ethics training seminar was not a significant factor in the business ethics perception of respondents in this sample. Finally, the average PBES scores of both respondents who had management experience ( $M = 33.4$ ) and those who did not ( $M = 34.1$ ) fell in the 'moderately low range'. This difference was not statistically significant ( $F = 2.520$ ,  $p = 0.113 > 0.05$ ). Therefore, hypothesis 4 'Working adults who had management experience will have higher PBES scores than those who did not' was not supported. Management experience was not a significant factor in the business ethics perception of respondents in this sample.

**Table 4.** Reliability Statistics

Item	Cronbach's Alpha 0.661	Cronbach's Alpha Based on Standardized Items 0.661			Number of Items 11
	Scale mean if item deleted	Scale variance if item deleted	Corrected item-total correlation	Squared multiple correlation	Cronbach's Alpha if item deleted
PBES_1	30.72	28.887	0.207	0.116	0.656
PBES_2	31.06	26.700	0.390	0.216	0.625
PBES_3	31.20	28.659	0.185	0.094	0.662
PBES_4	30.29	26.412	0.396	0.178	0.623
PBES_5	30.85	26.639	0.375	0.197	0.627
PBES_6	30.61	27.427	0.263	0.132	0.649
PBES_7	31.02	27.350	0.262	0.156	0.649
PBES_8	31.00	27.006	0.344	0.182	0.633
PBES_9	30.76	27.886	0.282	0.114	0.644
PBES_10	31.06	27.010	0.340	0.127	0.634
PBES_11	30.96	26.527	0.384	0.211	0.625

Source: Prepared by the authors.

**Table 5.** Hypothesis Testing Results (n = 487)

Country		Gender		Ethics Training Seminar		Management Experience	
<i>Russia</i>	<i>Vietnam</i>	<i>Male</i>	<i>Female</i>	<i>Yes</i>	<i>No</i>	<i>Yes</i>	<i>No</i>
M = 33.4	M = 34.5	M = 33.2	M = 34.5	M = 33.5	M = 34.1	M = 33.4	M = 34.1
F = 7.408; p = 0.007 R <sup>2</sup> = 0.036; Adjusted R <sup>2</sup> = 0.030		F = 10.178; p = 0.002 R <sup>2</sup> = 0.036; Adjusted R <sup>2</sup> = 0.030		F = 0.010, p = 0.921 R <sup>2</sup> = 0.030; Adjusted R <sup>2</sup> = 0.024		F = 2.520, p = .113 R <sup>2</sup> = 0.015; Adjusted R <sup>2</sup> = 0.009	

**Source:** Prepared by the authors.

**Note:** Computed using alpha = 0.05; dependent variable: PBES.

## Conclusion

The goal of this study was to compare perceptions of ethical business cultures in Russia and Vietnam. Our literature review presented an inconclusive picture with some sources suggesting that ethical business cultures in these two countries may be quite similar, while others pointing to potentially significant differences. Therefore, our study made a novel contribution by demonstrating that there were significant differences in ethical perception between Russian and Vietnamese working adults even though both country’s respondents scored in the moderately low range. Vietnamese respondents have higher business ethics perception than Russian respondents. It supported the notion that ethical perceptions are different across countries (Bageac et al., 2011; Nguyen & Tran, 2018; Nguyen et al., 2016; Shields et al., 2013; Sims & Gegez, 2004). These findings were consistent with the country rank in the CPI scores as seen in Table 1 (Transparency International, 2016). Both Russia and Vietnam were ranked in the bottom half of the Index, and Vietnam was ranked a few spots higher than Russia. The moderately low range PBES scores of both Russian and Vietnamese respondents indicated that people in these two countries have a higher level of tolerance for unethical behaviours. This should come with no surprise given the historical and cultural backgrounds of the two countries as reviewed earlier. Managers and practitioners who deal with these workforces should be aware of this high tolerance of unethical behaviour and build an ethics programme that work well for them and their businesses in these two countries. Applying strictly what is set for home country’s employees to these two workforces can be challenging.

This study also found that female working adults demonstrated higher ethical maturity level than their male counterparts in Russia and Vietnam. This is consistent with the general belief that females are more ethical than males (Beltramini, Peterson, & Kozmetsky, 1984; Miesing & Preble, 1985; Ruegger & King, 1992, as cited in Pham et al., 2015). The fact that there are more women joining the workforce today can be seen as a positive sign for creating ethical cultures that can benefit organizations in the long run. The findings suggested that ethics training might not be as effective in Russia and Vietnam, and managers should be trained more on ethical behaviour and decisions. This could be because of the questionable effectiveness in designing and delivering these business ethics courses and seminars.

## Managerial Implications

People from different countries may perceive what is ethical differently. This study is consistent with findings by Park and Blenkinsopp (2013) that ‘the relationship between ethics programs and misconduct is fully mediated by ethical culture’ (p.520). However, global leaders and managers need to be aware of

these differences and strategically develop plans to build an ethical culture for their businesses in foreign countries. The findings of this study are significant because it empirically confirmed a difference in business ethics perceptions of working adults in Russia and Vietnam. It also pointed out that Russian and Vietnamese workforces have a moderately high level of tolerance of unethical behaviour and emphasized the ineffectiveness of ethics trainings in these two countries.

Leaders, managers and practitioners can benefit from this study as it provides managerial implications in managing this workforce in the most effective and efficient manner. We propose that national culture and demographic differences impose constraints on the perception of ethical and unethical behaviour of Russian and Vietnamese working adults. Finally, this study contributed to the cross-culture research stream by comparing Russia and Vietnam, a unique pair for academic research. Researchers and scholars in cross-cultural management and business ethics fields can benefit from this study, as it provides more empirical results in understanding the impact of educational and cultural factors on the ethical maturity of working adults in Russia and Vietnam.

## Limitations and Future Research

Unlike any other study, the present study is also not free from any limitations. The first limitation of the study was that the authors used data that had been collected previously by using a convenience sampling technique. The respondents came from only major cities and, therefore, were not representative of the entire cultures of Russia and Vietnam. Second, in the present study, the generalization of the findings to larger population was not possible because of the small sample size. Third, the study examined the perception of respondents, not the actual behaviour. This could lead to personal bias. Finally, this study only investigated the differences on ethical perceptions based on country, gender, ethics training and management experience. Causal conclusions should not be drawn from the results.

Future research directions include at least three possibilities. First, a follow-up study could compare Russia and Vietnam with other developed and emerging countries. Second, future research can conduct longitudinal studies to examine how changes in demographic variables, education, ethics training and other economic factors can affect the ethical maturity.

Forth, future research should be conducted to empirically examine business ethics perceptions of different generational employees in Russia and Vietnam. According to Chawla, Dokadia, and Rai (2017), 'there is clearly more room for empirical research, given the potential impact of intergenerational differences in other work-related outcomes, such as organizational commitment, organizational citizenship behavior and employee retention' (p.193). Finally, the impact of cultural dimensions on ethical perceptions could be explored.

In sum, this article has explored, theoretically and empirically, the linkage between gender, management experience, ethics training and business ethics perceptions based on cross-cultural context of Vietnam and Russia.

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