ANZAM 2008 CONFERENCE
2 – 5 DECEMBER 2008
AUCKLAND, NEW ZEALAND.

CONFERENCE PAPER: REFEREED PAPERS
CONFERENCE STREAM 2: LEADERSHIP AND GOVERNANCE

TITLE: THROUGH THE LOOKING GLASS – IDENTIFYING THE FACTORS INFLUENCING ETHICAL DECISION MAKING IN FINANCIAL PLANNING ORGANISATIONS.

Presenter: June Smith*

Email: jsmith@argylelawyers.com.au

Co Authors: Professor Anona Armstrong and Professor Ronald Francis, Centre for

International Corporate Governance Research, Victoria University, Melbourne, Australia.

ABSTRACT

2008 has already has raised numerous themes in professional ethics for financial planners, including issues associated with superannuation advice, the failure of numerous financial products and the impact this has had on investors, continuing allegations of conflict of interest within remuneration structures and calls for independent advice free of institutional bias.

To reduce the ethical, legal and regulatory risks associated with this environment, financial planners need to be able to identify the ethical issues they may face in the provision of advice to clients, understand how to resolve these dilemmas (including an understanding of stakeholder and industry expectations of their behaviour) and the mechanics of ethical decision-making. Further, financial planning organisations must develop an understanding of the ethical culture within their advisory businesses and how that impacts on the ethical decision making of their advisers.

This paper describes a study currently being undertaken of the ethical reasoning of financial planners and the cognitive frameworks used to make ethical decisions in the provision of financial planning advice. The study also examines contextual factors, such as the perceptions held by financial planners and compliance managers of the ethical climate and culture within financial services organizations. This is a significant study which has implications for the future regulation of financial advisers and the structure and focus of compliance and governance mechanisms within financial services organisations.

Keywords: Accountability, compliance, corporate governance, regulation, stakeholders, trust.

ANZAM 2008 CONFERENCE
2 – 5 DECEMBER 2008
AUCKLAND, NEW ZEALAND.

CONFERENCE PAPER: REFEREED PAPERS
CONFERENCE STREAM 2: LEADERSHIP AND GOVERNANCE

TITLE: THROUGH THE LOOKING GLASS – IDENTIFYING THE FACTORS INFLUENCING ETHICAL DECISION MAKING IN FINANCIAL PLANNING ORGANISATIONS

INTRODUCTION

Recent public debate suggests that financial planning is becoming increasing relevant to the achievement of the political and social objectives of Australians and their governments, including provision for retirement age and choice of superannuation fund (Weekes & Hoyle 2004; Wilson 2004). There is an ever increasing and commensurate need to obtain expert financial planning advice to ensure a financially sustainable lifestyle and to provide for retirement years (Peel 2004; Gallop 2003).

Recent statistics confirm the increasing relevance of financial advice to the Australian economy. The top 100 financial services organisations in Australia have 15,252 financial advisors who represent them (Money Management 2007) and it is estimated that over 5 million Australians currently seek advice from the 12,000 members of the Financial Planning Association of Australia Ltd ("FPA") alone (FPA 2007). Those members invest $630 billion on behalf of their clients.

It is currently projected that the total super pool in Australia will grow to $2.2 trillion by 2015 and retirement income assets are expected to grow to $320 billion in the same period (Smith, M. 2007). In addition, almost 690,000 people are now members of a self managed superannuation fund, 42% of whom have sought financial advice (Smith, M, 2007).

There is therefore a greater focus on how financial advice is delivered and the regulatory and professional regimes that govern it (Smith, J. 2003; Powell 2003). This is illustrative of an international phenomenon, being played out in a myriad of countries including the United States (Wagner 2004, Certified Financial Planner™ Board of Standards Inc [U.S.A] 2007)[1], Hong Kong (Gallop 2003), New Zealand (New Zealand Institute of Chartered Accountants 2008) and the United Kingdom (Powell 2003, the Financial Services Authority 2007).

The Australian landscape is complicated by the fact that the primary responsibility to ensure that financial planners meet their legal obligations in the provision of financial product advice, rests with Australian Financial Services Licensees ("AFS Licensee") which employ or authorize financial planners to represent them, pursuant to the Corporations Act 2001 (Commonwealth) ("the Act"). These Licensees are usually companies. Financial planning, like health care (Khusf 1998) is being practiced by institutions, not just by individual professionals.

There is also a current public perception that despite the new Financial Services Reform regulatory regime, financial planners are unethical and incompetent (ASIC 2003), with their professional role being shaped by scams and scandals (Vessenes 1997; Bruining 2004; Brown 2003), and a system of rewards that are perceived as being associated with self interest (ASIC 2004b; Wolthuizen 2003). This view has been exacerbated by a spate of corporate and financial scandals in Australia, such as the Westpoint, Fincorp and ACR receiverships, in circumstances where mainly retiree investors have lost their savings (Sydney Morning Herald 2007).

WHY STUDY FINANCIAL PLANNING?

These issues all provide a catalyst for our study, which is one of the first of its type conducted in Australia. It's aims are to identify current patterns in unethical behaviour by financial planners;

[1] CERTIFIED FINANCIAL PLANNER ™ and CFP® are marks owned by the Certified Financial Planner Board of Standards, inc. (USA) and used by the FPA under license

record the perceptions of financial advisers and financial services compliance managers concerning the current ethical issues they face in the provision of advice to clients and measure the levels of ethical reasoning and the cognitive frameworks used by financial planners and their compliance managers when making ethical decisions in the provision of financial advice. The study also examines the current ethical climate and culture within financial planning firms and how this impacts on the ethical decision making of individual advisers.

Our key objective in conducting this study is to contribute to the debate on how Australian financial planners can fulfil their obligations as an emerging profession within the multi national and commercial environment of an increasingly globalised financial services industry in the 21st century. It is also hoped that this study will counter, in a financial planning context; some of what Francis and Armstrong (2004) argue are commonly held perceptions; that ethics is hard to implement; that it is irrelevant in the real world; that it is imprecise and difficult to apply.

This is a relatively under-researched area. For example, whilst there have been numerous studies of the ethical reasoning of other professionals such as accountants (Thorne, 2000; Armstrong 1984; Arnold and Ponemon 1991; Porco 2003), medical students (Munro et al 2003), journalists (Westbrook 1994) and nurses (de Casterle et al 1998; Thissen 2003), only financial planners in the United States seem to have been the subject of a study examining cognitive levels of ethical reasoning (Bigel 1998).

Our study has replicated Bigel's study in part, in that it examines the cognitive levels of ethical reasoning of financial planners in an Australian context, but goes further to also explore the ethical reasoning of financial services compliance managers, the ethical climate and culture of financial planning firms in Australia, the current ethical issues and failures in decision making identified from an analysis of consumer complaints and focus group activity. We believe this level of investigation will provide a more comprehensive overview of ethical decision making within Australian Financial Services Organisations.

ETHICAL DECISION MAKING AND FINANCIAL PLANNING

The definition of ethics to be used for the purposes of the study was an important preliminary step. A general review of the literature revealed that "Ethics" and related concepts such as "morality" and "values" are often used interchangeably as if similar in meaning. Yet, some philosophers have tried to distinguish ethics from morality. To some, like Kitchener (2000 p.3), morality refers to the human belief structure and ethics refers to the philosophical study and evaluation of that belief system. Others, such as Almond (1995) describe morality as involving judging what is good or right and ethics as the reasoning behind that judgement.

Buller, Kohls and Anderson, as quoted in Weiss (2003) defined ethics to include:

> *"Both the moral codes and values used in the reasoning process as well as the decisions and the behaviours that result from them."*

This definition seemed to incorporate elements of both the definitions of morals and ethics previously referred to and was adopted for the purposes of this study.

Financial Planners deal with a range of ethical dilemmas each day, both in terms of their role in the provision of advice to clients and as agents or employees of the organisations they serve. Often decisions must be made to resolve these dilemmas in an environment where there are multiple stakeholders, where the interests and values of those stakeholders are in conflict and where there are no black and white rules to follow.

The factors that influence the professional judgements made by financial planners in these circumstances therefore warrant attention. This study will replicate parts of Bigel's 1998 study within an Australian context and investigate and identify factors influencing the ethical reasoning of financial planners, in addition to analysing the impact of those factors on the ability of financial planners to meet their professional and ethical obligations.

Many other officers and managers within an organisation also have a significant role to play in influencing the ethical context in which decisions are made. We have therefore chosen to additionally examine the ethical decision making of compliance managers, who are responsible for supervising financial planners in their work.

We argue that the ethical context of an organisation (its climate and culture) has a real and significant role to play in both positively influencing the ethical conduct of financial planners, ensuring consistency of decision making in certain circumstances and plays a major role in addressing specific unethical behaviour (Whitehead & Novak 2003).

We also believe a strong ethical context may assist a financial services organisation to embed a culture of compliance and ensure its ability to meet its obligations to provide services in an efficient, fair and honest manner and provide quality advice to clients.

Our study does not concern itself with the religious beliefs and personal morality held by the participants per se. It also did not test the influence of many other variables on individual decision making, such as culture.

It is a study designed to enhance knowledge in the areas of applied professional and business ethics as each relates to the provision of financial advice to clients and consumers of financial services.

THE PROFESSIONAL ASPECTS OF FINANCIAL PLANNING

The concept of a profession by definition implies infinite levels of ethical complexity and ambiguity in decision making (Francis 1994). This demands a strong ethical context and a high degree of self control of behaviour, usually articulated in a Code of Ethics (Barber 1988). To be seen as a profession by stakeholders, financial planners must be able to demonstrate they understand and apply the ethical obligations imposed on them as a group and can make effective choices in the interests of their clients when resolving the dilemmas faced by them in their daily practice (Institute of Chartered Accountants 2007).

Professional ethics and legal obligations seldom exist in isolation (Winston et al 1998). Aspirational ethical standards for financial planners and the legal obligations enshrined in statutes such as the Act can be complementary aspects of regulatory control (Coady and Sampford 1993). We will consider the implications that may arise from our research for the current professionalisation of financial planning and its move towards a co – regulatory environment.

THE THEORETICAL CONTEXT

Bigel's study of the level of ethical reasoning amongst U.S.A. financial planners was based on Kohlberg's (1976) six stages of cognitive moral development (Bigel 2000). Kohlberg (1969) identified a total of six stages across three levels of ethical development: the pre conventional, the conventional and the post conventional, based on the premise that ethical maturity evolves and can be measured by the different ways in which people organize and structure their social and moral world and associated experiences. At stage one ethical judgement is motivated by a desire to avoid punishment. At stage six, judgement is motivated by the individual's own conscience. Studies have shown that few individuals progress to the post conventional level (Weber and Green 1991), with the majority of individuals motivated by either a need to avoid isolation from a group or to abide by governing laws (Kelloway et al 1999).

Our study is based on two premises. One; that a high level of ethical reasoning is required in order for a person to be able to act according to the high ethical standards expected of a profession and two; that a person cannot follow high ethical principles if they neither understand nor believe in them (Rest 1984). The proposition that a high level of ethical reasoning among financial planners will be necessary for them to meet their professional obligations to clients is consistent with these premises.

However, researchers have moved away from a sole focus on individual cognitive development as a predicator of individual behaviour (Kelloway et al 1999). The implementation of an ethical choice into ethical action is very complex and there are a lot of factors that affect the imperfect correlation between intentions and the behaviour (Lefkowitz 2003).

The review of the literature suggested that the predicators of the ethical reasoning of an individual, when engaging in decision making within an organisation, include:

a) individual characteristics as demonstrated by cognitive ethical development, individual values and beliefs and demographic factors;
b) The characteristics of the situation in which the individual finds themselves; and
c) The characteristics of the context, which, in this study is represented by the ethical climate and culture of the organisation which the individual's represent (Victor & Cullen 1998).

Our study has therefore focussed on researching the individual factors (the ethical reasoning of the individual and demographic information including age, gender, education level, professional designations held and remuneration type) and the contextual factors (the ethical climate and culture of the financial planning organization and its size) that may be influencing the ethical decision making of our participants. This approach recognizes that ethical decision making is determined by numerous factors (Suzuki & Knudson 1989) and also upholds Preston's (1999) contention that the ethical obligations of a professional stems from the role they play or institution they serve.

Research into ethical decision making within organisations has focused on the interplay of individual and contextual characteristics, because social psychology researchers, such as Milgram (1965) have demonstrated that when individuals are pressured by a strong corporate culture to be a "team member" and perceive that a command comes from a legitimate authority, even good people can do bad things. Wines and Hamilton (2003) also argue that analysing how "basically good companies can pressure basically good employees" to do the wrong thing, will help inspire more effective decision making cultures in the future.

Wines and Hamilton (2003), among others, have argued that a broader multi disciplinary approach must be adopted to understand ethical decision making within business, rather then a sole focus on the intentions and character of individual decision maker. They argue that individuals within an organisation do not operate in a vacuum and are influenced by its culture. Indeed, some studies have shown that individuals maintain a different moral philosophy for work and personal decision making to that displayed at work (Fraedrich and Ferrell 2002).

Jackall (1998) and Pederson (1999) have maintained that it is inevitable that corporate structures, organisational norms and payment structures will conflict with individual values and beliefs, and that this makes independent ethical decision making within organisations impossible. This is also not a phenomenon unique to financial planning, but known to other professions such as the law (Cull 2002) and accounting (Brown 2002). Finn (2003) further contends that financial and professional business, operating under corporate umbrellas, place pressure on the ability of individual employees to meet conflicting professional and commercial obligations.

Our study explores whether conflicts between professional and commercial obligations are factors influencing the decision making of financial planners and compliance managers engaged by large financial institutions in particular (Braithwaite 1993; Lepper 1983).

One of the questions for this study therefore has been whether, contrary to what Thompson (2004) argues, financial planners can balance their professional obligations and agent responsibilities to the organisations they represent. It is argued that a moral hazard may exist in that financial planners perceive the latter relationship as more important then their relationship with their client. It may also be, for example, that any discrepancy between a financial planner's internal ethical values and their perception of management and ethical climate within the organization, results in a moral conflict and cognitive dissonance.

There appears to be no empirical data on the ethical climate and culture of financial planning organizations, despite significant studies in other areas such as not for profit organizations (Deshpande 1996), IT managers (Okpara 2002) and marketers (Barnett 2000).

Our research has used a modified version of the Ethical Climate Questionnaire originally developed by Victor and Cullen (1988) and adapted by Trevino et al (1998), to measure how financial planners and compliance mangers view the ethical climate and culture of the organisations for which they work. Victor and Cullen (1988) defined ethical climate as a shared perception of what behaviour is right and what behaviour the organisation expects from its members (Kelloway et al 1999). This is based on the assumption that group members know what the climate is and can describe it in an objective way to outsiders (Weber 1993). The model suggests five climate types: Caring (friendship, team interest, social responsibility); Law and Code (use of ethical principles from outside the organization); Rules (use of organisation's ethical principles); Instrumental (maximizing self interest on an individual or organizational level); and Independence (use of personal ethical values in decision making).

These climates correspond to three major classes of ethical theory, egoism, utilitarianism and deontology and are consistent with Kohlberg's theory of moral development (Cullen 2001). Our study will identify which climates are more prevalent across our survey sample. Our research in this area is important because an organisation's ethical climate and culture should help to determine what employees/advisers believe constitutes ethical behaviour at work; which issues employees/advisers consider to be ethically pertinent; and what criteria they use to understand, weigh and resolve issues.

MEASURING THE VARIABLES

This study has used both quantitative and qualitative research methods. The positivist research has comprised the use of questionnaire instruments and statistics to measure some of the phenomena under investigation and analyse the raw data. The interpretivist research has included the use of focus groups to present a richer and more complex description of how some of our participant groups perceive the current ethical issues facing them in their roles.

The research has consisted of six stages. Stage One consisted of an analysis of case law and published decisions, arising from complaints against financial planners to either the Regulator or the alternative dispute resolution service for financial planners, the Financial Industry Complaint Service. The analysis covered decisions made in the years 2006 and 2007 to determine whether any patterns of unethical behaviour existed.

We chose this time period because we were particularly interested in decisions arising from complaints made by consumers following the collapse of the Westpoint group of Companies, which occurred in late 2005 and led to an estimate of investment losses of $200 million (Sydney Morning Herald 21 May 2007). We have used the Westpoint collapse as a case study to assist in identifying current ethical issues within the financial services industry and the failures in decision making that occurred when financial planners advised their clients to invest in Westpoint's unlisted property schemes and promissory notes (Australian Securities and Investment Commission 2007).

Stage 2 of the research concerned the development of case scenarios that were then used in the primary research instrument to mimic ethical dilemmas financial planners may face in their every day practice.

Stage 3 of the research involved the convening of focus groups of financial planners and compliance managers. A combination of Delphi group techniques (Nehiley 2001) and focus group analysis (Patton 1990) was used to assist in identifying factors that the participants believed may be influencing ethical decision making in their organisations and the current ethical issues faced by them in the provision of financial advice to clients.

We undertook this process to gain a snapshot of the views of financial planning participants about the current ethical issues and influences they believed they faced in their decision making. We implemented controls into the process to assist participants to answer questions based on their real feelings. These controls included the use of post it notes for placing issues on butchers paper in an anonymous fashion; a guarantee of anonymity by the researchers for each of the participants and their responses outside of the group activity; and the establishment of common rules of engagement agreed to by all participants at the commencement of the sessions.

We will compare this subjective data to the empirical data derived from the consumer complaint analysis to see whether the perceptions of participants in fact match reality. This data was also used to assist in the formulation of main research questionnaire, to ensure that the case scenarios used in section 4 contained relevant and current ethical issues being faced in the provision of financial advice.

Stage four of the study focussed on the formulation of the research questionnaire, which was distributed to 750 participants on 6 June 2008 as Stage five. Our response rate of 165 was disappointing, but represented a response rate of 21.4%. Some of the reasons for the low number may include the length of the survey, its complexity, the number of different sections (noted by the fact that the response rate dropped to 116 by Section 4 scenario four); and the fact that the survey had to be completed near the end of the financial year, a particularly busy time of the year for financial planners in particular.

The questionnaire had a number of elements, including demographic questions about the participant's education, employment, remuneration, career experience, age and gender. These questions were derived from Bigel's (1998) study.

The questionnaire also includes a derivation of Trevino's (1998) ethical climate and ethical culture survey, comprising nine questions on organisational systems and procedures and 42 questions on climate and culture. All items are to be measured using a seven point Likert scale, with responses ranging from strongly disagree to strongly agree. This section of the questionnaire measures the participants' perceptions of the ethical climate and culture within the financial services organisation for which they work.

To measure the ethical reasoning of our participants, we chose to develop a new test called the Financial Planning Ethical Issues Test, which forms a further part of our questionnaire. This instrument is based on the Defining Issues Test 2 ("DIT2") developed by Rest, Narvaez, Thoma and Bebeau (1999) and adapted by us to incorporate profession specific case scenarios instead of those used in the original test. This technique of using profession specific scenarios has previously been used by other researchers, such as Thorne (2000), in her development of two accounting-specific measures of prescriptive and deliberative moral reasoning of accountants.

The DIT 2 usually comprises five paragraph length hypothetical dilemmas. Ours comprises four. Each dilemma is followed by 12 issues (or questions that someone deliberating on the dilemma might consider). The participant is given a recognition task to rate and rank the items in terms of their importance to the resolution of the dilemma. The underlying structure of moral judgement assessed by the DIT2 consists of the three Kolhbergian developmental schemas: personal interest, maintaining norms and post conventional thought (Rest et al 1999). The 12 issues have been grouped by the researcher so as to represent these different stages or schemas in equal part.

We will analyse the participants' responses to measure two scores: the degree to which post conventional thinking is prevalent (the P-score); and the degree to which post conventional thinking is present and pre conventional thinking is absent (the N2 score) (Rest & anor 1999). This analysis will take place in Stage six of the study, which we expect to be completed by the end of September 2008.

The psychological risks connected with the procedures were limited, but included the risk that a participant may be concerned that in responding to a question in a particular way they may create the perception that they were unethical or behave unethically in certain situations, thus posing a risk to their individual reputation as a financial planning professional. To reduce this risk, all participants, whether in the focus groups or the survey, were advised that they were free to decline to answer any question they wished to and were also free to withdraw from the study at any time. Individual responses were also only identifiable by the researcher and no particular individual has been identified with any particular response or behaviour in any published material. Responses to all parts of the study were also aggregated. There will be no disclosure of individual quotes obtained from the surveys.

CONCLUSION

The results of this study will be analysed in the coming months. We hope that our research will focus attention on the impact ethical decision making and ethical conduct can have on the quality of financial advice provided by financial planning practitioners to members of the public. The research should also contribute to the current debate on how Australian financial planners can fulfil their obligations as an emerging profession within the multi national and commercial environment of an increasingly globalised financial services industry in the 21st century.

REFERENCE LIST

Almond, B. (ed), 1995, *Introducing Applied Ethics*, Blackwell Publishers Ltd, Oxford, UK.

Armstrong, M. B. 1984, "Internalisation of the professional ethic by Certified Public Accountants: A multi dimensional scaling approach", *Unpublished Doctoral Dissertation*, University of Southern California.

Arnold, D. & Ponemon, L. 1991, "Internal auditors' perceptions of whistleblowing and the influence of moral reasoning", *Auditing: A Journal of Practice and Theory*, Fall 1-115.

Australian Securities and Investment Commission 2003, *Survey on the Quality of Financial Planning Advice – ASIC Research Report,* February, ASIC, Sydney.

Australian Securities & Investment Commission 2004, *Preferential Remuneration Project – An ASIC Report*, April, ASIC, Sydney.

Australian Securities & Investment Commission, 2006, *Annual Report 2005/06,* ASIC, Sydney.

Australian Securities & Investment Commission, 2007, "ASIC to pursue compensation for Westpoint Investors", *Media Release* 07-291, 8 November, ASIC Sydney.

Barber, B. 1988, "Professions and emerging professions", in Callahan, J.C. (eds.) *Ethical Issues in Professional Life,* Oxford University Press, New York, pp.35-38.

Barnett, T. 2000, "The moderating effect of individual perceptions of ethical work climate on ethical judgements and behavioural intent," *Journal of Business Ethics*, October, part 2, vol. 27, issue 4, p.351.

Bigel, K. S. 1998, "The correlations of professionalization and compensation sources with the ethical development of personal investment planners", *Financial Services Review*, vol. 7, pp.223-236.

Bigel, K. S. 2000, “The ethical orientation of financial planners who are engaged in investment activities: A comparison of United States practitioners based on professionalization and compensation sources”, *Journal of Business Ethics*, vol. 28, issue 4, pp. 323-337.

Braithwaite, J. 1993, “Responsive business regulatory institutions”, in Coady, C.A.J. & Sampford, C.J.G. 1993, *Business Ethics and the Law,* The Federation Press, Sydney.

Brown, R. M. C. 2003, “Salesmen can’t be planners”, *The Australian Newspaper*, 11 June, Wealth p.2.

Brown, R. M. C. 2002, “Have the professions lost the plot?” *Living Ethics, Newsletter of St. James Ethics Centre,* Winter, issue 48, pp.6-7.

Bruining, N. 2004, “Planners found to be liable over tax scheme loss”, *The West Australian Newspaper*, Business News, 19 July, p.30.

Certified Financial Planner Board of Standards, 2007, *Standards of Professional Conduct*, Rev. 10/07, Certified Financial Planner Board of Standards Inc, Washington, pp 1 -2.

Coady, C.A.J & Sampford, C.J.G. 1993 *Business Ethics and the Law*, The Federation Press, Sydney.

Cull, K. 2002, “Presidents message: The role of the profession”, *N.S.W. Law Society Journal,* February, p.3.

Cullen, J. B., Victor, B., & Stephens, C. 2001, “An ethical weather report: Assessing the organisation’s ethical climate.” *Organizational Dynamics*, Autumn, vol. 18, issue 2, pp.50-63.

de Casterle, B. D., Rulens, A. & Gastrams, C. 1998, “An adjusted version of Kohlberg’s moral theory; Discussion of its validity for researching in Nursing Ethics”, *Journal of Advanced Nursing*, April, vol. 27, issue 4, pp.829-836.

Deshpande, S. P. 1996, “The impact of ethical climate types on facets of job satisfaction,” *Journal of Business Ethics,* vol.15, p. 655.

Financial Planning Association of Australia Ltd, 2007, *Annual Report*, FPA, Sydney.

Financial Services Authority, 2007, *Discussion Paper 07/01: A Review of Retail Distribution,* June, downloaded on 8 August 2007 from www.fsa.gov.uk/Pages/Library/Policy/DP2007/dp07_01_response.shtml.

Finn, P. D. 2003, "Fiduciary reflections", a paper presented to the *13th Commonwealth Law Conference*, Melbourne, 13-17 April.

Fraedrich, J. & Ferrell, O. C., 2002, "Cognitive consistency of marketing managers in ethical situations", *Journal of Academic Marketing Science*, 20, summer, pp.245 – 250.

Francis, R. D. 1994, *Business Ethics in Australia- A Practical Guide*, Centre for Professional Development, the Law Book Company Limited, Kew, Victoria.

Francis, R. D. & Armstrong, A. 2004, "Quantifying values." a paper prepared for the *Centre for International Corporate Governance Research*, Victoria University, Melbourne and presented informally at the Monash Prato conference Italy, October, pp. 1 – 14.

Gallop, S. 2003, "Awareness dawning", *Hong Kong Financial Planner*, Autumn, issue 3, p.12, Institute of Financial Planners, Hong Kong.

the Institute of Chartered Accountants in Australia, 2007, *Financial Planning Forum*, November, the Institute of Chartered Accountants, Sydney, pp.1 -13.

Jackall, R. 1988, *Moral Mazes*, Oxford University Press, New York.

Kelloway, E. K., Barling, J., Harvey, S., Adams-Roy, J. E. 1999, "Ethical Decision Making in DND: The development of a measuring instrument", *Phase 1 Report, Defence Ethics Program*, National Defence Headquarters, Ottowa, Canada.

Khushf, G. 1998, "A radical rupture in the paradigm of modern medicine: Conflicts of interest, fiduciary obligations & the scientific ideal", *Journal of Medicine & Philosophy*, February, vol. 23, issue 1, pp.98-122.

Kitchener, K.S. 2000, *Foundations of Ethical Practice, Research, and Teaching in Psychology*, Lawrence Erlbaum Associates, Mahaw, New Jersey.

Kohlberg, L. 1969, "Stage and sequence: The cognitive developmental approach to socialization", in D Goslin, (ed.) *The Handbook of Socialisation Theory & Research*, Rand McNally, Skokie, Illinois.

Kohlberg, L. 1976, "Moral stages and moralization: the cognitive developmental approach", in Lickona, T. (eds.) *Moral Development and Behaviour Theory: Research and Social Issues*, Holt Rinehart and Winston, New York.

Lefkowitz, J. 2003, *Ethics and Values in Industrial – Organisational Psychology,* Lawrence Erlbaum Associates, Mahwah, New Jersey.

Lepper, M. R. 1983, "Social control processes, Attributions of motivation and the internalisation of social values", in Higgins, E.T., Ruble, D.N. & Hartup, D.W. (eds.), *Social Cognition and Social Development: A Sociocultural Perspective*, Cambridge University Press, New York.

Milgram, S. 1965, "Some conditions of obedience and disobedience to authority", *Human Relations,* 18, pp.57-75.

Money Management Magazine, 2007, "Top 100: Trends Report 2001 - 2007", a special report in *Money Management Magazine*, June 28, pp. 29 - 52.

Munro, D., Bore, M., & Powis, D. 2003, "Personality factors in professional ethical behaviour: Studies of empathy and narcissism", *Australian Journal of Psychology*, Supplement, vol. 55, p.54.

Nehiley, J. M. (2001). Developing a simple four-step marketing plan for Extension programs. *Journal of Extension* [On-line], 39(2). Available at: http://www.joe.org/joe/2001april/iw3.html

New Zealand Institute of Chartered Accountants, 2008, *Invitation to Comment: Consultation Paper: Financial Advisory Engagements Undertaken by Professional Accountants,* February, Professional Standards Board of the New Zealand Institute of Chartered Accountants, Auckland, New Zealand, pp.2 -19.

Okpara, J. O. 2002 "The influence of ethical climate types on job satisfaction of IT managers; Implications for management practice and development in a developing economy." paper presented to the *Academy of Business and Administrative Services Seventh International Conference,* July 6-8, San Jose, Costa Rica.

Patton, M.Q. (1990), *Qualitative Evaluation and Research Methods,* Sage Publications, Newbury Park.

Pederson, R. P. 1999, "Learning the hard way: That ethical behaviour can't be learned", *Community College Week*, 4 May, vol. 11, issue 18, pp.12-14.

Peel, K. 2004, "P.R. problems: Why advice has failed to sell", *IFA Magazine*, July 19-25, p.31.

Porco, B. M. 2003, "Factors affecting the cognitive moral development of undergraduate accounting students: Ethical education, internships, volunteerism, and Beta Alpha Psi", *PhD Thesis*, Fordham University.

Powell, J. L. 2003, "Fiduciary Duties in the New Millennium: Quo Vadis", *paper presented to the 13th Commonwealth Law Conference*, Melbourne, 13-17 April.

Preston, N. 1996, *Understanding Ethics*. The Federation Press, Sydney.

Rest, J. R. 1984, "The major components of morality", in Kurtines, W. & Gewirtz, J. (eds.) *Morality, Moral Behaviour and Moral Development*, Wiley, New York.

Rest, J. R., Narvaez, D., Thoma, S.J. & Bebeau, M. J. (1999) "DIT2: Devising and testing a revised instrument of moral judgment," Journal of Educational Psychology, vol. 91, (4), December, American Psychological Association, pp. 644-659.

Smith, J. 2003, "Current FSR issues for financial planners", *Financial Services Newsletter*, July, vol.2, no. 2, p.19.

Smith, M., 2007, "The age of annuity", *Asset Magazine*, September, pp.24-28.

Suzuki, D. & Knudson, P. 1989, *Genethics,* Allen and Unwin, Sydney.

Sydney Morning Herald, 2007, "ASIC's failure to step in a scandal: MP," (Online article) http://www.smh.com.au/articles/2007/05/21/1179601329263 (date accessed 24 May).

Thissen, M. 2003, "*Nursing Education and the Ethics of Care*", MA Thesis, Concordia University, Canada.

Thompson, D. R. 2004, "Tasking the taskforce: When is a CFP certificant a fiduciary?" *Journal of Financial Planning,* March, vol.17, issue 3, p.22.

Thorne, L. (2000) "The development of two measures to assess accountant's prescriptive and deliberative moral reasoning," *Journal of Business Ethics*, vol. 12, pp. 139 – 169.

Trevino, L. K., Butterfield, K. D. & McCabe, D. 1998, "The ethical context in organisations: Influence on employee attitudes and behaviour," *Business Ethics Quarterly*, vol.8, issue 3, pp. 447 -476.

Vessenes, K. 1997, "Avoiding law suits based on conflicts of interest", *Journal of Financial Planning*, vol. 10, issue 6, p.22.

Victor, B. & Cullen, J. B. 1998, "The organisational bases of ethical work climates," *Administrative Science Quarterly*, vol. 33, pp.101-125.

Wagner, R. B. 2004, "To think …like a CFP", *Journal of Financial Planning*, February, vol. 17, issue 2, pp.64-70.

Weber, J. 1993, "Institutionalising ethics into business organisations: A model and research agenda," *Business Ethics Quarterly*, vol.3, issue 4, p. 419.

Weber, J. & Green, S. 1991, "Principled moral reasoning: Is it a viable approach to promote ethical integrity?" *Journal of Business Ethics*, vol. 10, pp.325 – 353.

Weekes, P. & Hoyle, S. 2004, "Super start out of the blocks…or not", *The Age Newspaper*, June 26, Business 5.

Weiss, J. A. 2003, *Business Ethics: A Stakeholder and Issues Management Approach, (3rd ed.)* Thomson South Western, Canada.

Westbrook, T. 1994, "Tracking the moral development of journalists: A look at them and their work." in Rest, J. R. & Narvaez, D. (eds.) *Moral Development in the Professions: Psychology and Applied Ethics*, Erlbaum, Hillsdale, New Jersey.

Whitehead, A. W. & Novak, K.F. 2003, "A model for assessing the ethical environment in academic dentistry." *Journal of Dental Education*, October, pp. 1113-1121.

Wilson, W. 2004, "Soft dollars will help soft landing", *Money Management*, 26 February, vol. 18, issue 6, p.14.

Wolthuizen, C. 2003, "Professionalising the planners: A first step towards quality financial advice" *Living Ethics*, Newsletter of St. James Ethics Centre, issue 52, Winter, p.4.