THE IMPACT OF EMPATHY AND SELFISM ON WHISTLEBLOWING INTENTIONS

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Abstract

The Association for Certified Fraud Examiners (ACFE) estimates potential losses from fraudulent activity are in the trillions of dollars each year for the global economy. In an effort to deter fraud, regulations such as the Dodd-Frank Whistleblower Program and the Sarbanes Oxley Act encourage whistleblowing behavior. Although there are many studies that explore the characteristics of whistleblowers, this is the first study that examines whether empathy and selfism impact whistleblowing intentions. This study finds that both empathy and selfism affect intentions to whistleblow. This result has important implications for business ethics education, organizations and regulators who offer significant financial rewards for reporting wrongdoing.

INTRODUCTION

The Association of Certified Fraud Examiners (ACFE) estimates that the typical organization loses 5% of revenues each year to fraud and if this is applied to the 2013 estimated Gross World Product, it translates to a potential projected global fraud loss of nearly $3.7 trillion (ACFE, 2014, 4). The ACFE's Report to the Nations on Occupational Fraud and Abuse also states that collusion, which is fraud by two or more employees, helps employees evade independent checks and other anti-fraud controls. The median loss in a fraud committed by a single person was $80,000, but as the number of perpetrators increased, losses increased significantly (ACFE, 2014, 4).

Russell & Smith (2003) suggest a contributing cause of corporate malfeasance is the classrooms of college and university accounting programs that have not significantly adapted their methods of instruction or approach to accounting and management education over the last 50-60 years. Further, Ryan and Bisson (2011) suggest that education is one of the only commonalties shared by those who commit fraud. In an effort to mitigate fraud losses, Verschoor (2010) suggests that we need more whistleblowers. The Association to Advance Collegiate Schools of Business (AACSB) specifies a need to teach ethical awareness, ethical reasoning skills, core ethical principles, ensure that students are familiar with formal programs that support ethical conduct, the U.S. Sentencing Guidelines for Organizations and the Sarbanes-Oxley Act. An understanding of formal ethics programs, implementation of codes of conduct, training programs, reporting systems, and effective persuasion skills may allow students to put their values to work in the corporate world (AACSB, 2004).

Miceli and Near (2005) suggest that an employee is the most effective stakeholder to reduce unethical behaviors in organizations. Whistleblowers have many disclosure channel alternatives; including: reporting to a supervisor, management, company-provided hotline, or reporting to an external source. Organizations with internal disclosure policies and procedures for

whistleblowing reported a significant increase in employee whistleblowing (Barnett et al. 1993). The Sarbanes-Oxley Act requires a mechanism for reporting wrongdoing at public companies. According to the 2014 Annual Report to Congress on the Dodd-Frank Whistleblower Program, the Commission has received an increasing number of whistleblower tips for each year that the whistleblower program has been in operation. From 2012 to 2014, the number of whistleblower tips grew more than 20% (U.S. Securities and Exchange Commission, 2014).

Some researchers question why some individuals would risk their careers and reputations to whistleblow. Dozier and Miceli (1985) suggest that the prosocial act of reporting shoplifting is a behavior that closely relates to whistleblowing. When a crime is reported, bystanders may help others, such as crime victims, shop owners, or customers who eventually pay higher prices as a result of shoplifting. Bystanders who choose to whistleblow may view themselves as hurting innocent or justified perpetrators and may experience negative consequences.

There are sufficient studies that have examined ethical decision-making, but there is minimal research that investigates the impact of an individual's personality traits on ethical decision-making in the business field. This study extends the current literature to explore several business situations including bribery/kickbacks, theft of cash, check tampering and conflicts of interest.

LITERATURE REVIEW

Ethical Decision-Making

The literature related to ethical decision-making is extensive, complicated and includes multiple variations of similar decision-making models. There are three comprehensive reviews of the ethical decision-making literature (see Ford & Richardson, 1994; Loe, Farrell, & Mansfield, 2000; O'Fallon & Butterfield, 2005 for details). In this study, we use Rest's (1986) Four

Component Model as the basis for ethical decision-making. Rest's model describes four steps that must be taken in order for an individual to participate in moral actions. In the first step, moral sensitivity, an individual interprets a situation in terms of what actions are possible and who is affected by each course of action. In the second step, moral judgment, a person makes a decision about what a person should do in that particular situation. In the third step, moral intention, a person reveals an intention to act. The fourth and final step is engaging in moral behavior. This requires a person to follow through on the intention to participate in a moral conduct (Rest, 1986).

Brown et al. (2010) suggests that personality traits of empathy and selfism are important factors in determining ethical decisions; and further, studies that attempt to understand the motivations to carry out prosocial behavior is of great importance. The personality trait of empathy focuses on the ability to understand the needs of others and their community while the trait of selfism focuses on the needs of the self with egocentric motivation (Brown et al. 2010).

Using a student sample, Brown et al. (2010) explored two scenarios involving returning extra merchandise accidentally shipped to their company that they received and the second scenario explored whether they would return an envelope containing $100 cash that they found at a football game to the rightful owner (Brown, 2010). In both scenarios, the results indicated a positive relationship for empathy and a negative relationship for selfism suggesting that individuals with higher rates of empathy are more likely to engage in ethical decision-making whereas individuals with higher rates of selfism would be less likely to engage in ethical decision-making. This study provides an important contribution to existing literature by extending this prior study to whistleblowing intentions.

Whistleblowing Literature

Whistleblowing can be defined as "reporting organizational wrongdoing exclusively to authorities within the organization as well as persons who report organizational wrongdoing to authorities outside of the organization" (Dozier and Miceli, 1985, 826). Prior research has attempted to determine the types of individuals who blow the whistle (Miceli and Near 1992; Miceli et al. 1991; Miceli and Near 1984; Miceli et al. 1988; Miceli and Near 1991; Near and Miceli 1995). Other researchers have attempted to determine reasons why individuals blow the whistle (Miceli et al. 1991; Alpern 1982; Ahern and McDonald 2002, Clements 2005, Clements and Shawver 2011a, Clements and Shawver, 2011b, Shawver 2011) and others explore the consequences of whistleblowing (Xu and Ziegenfuss 2003; Kaplan et al 2009; Kaplan and Schultz 2007; Kaplan et al. 2011).

Whistleblowing is often viewed as a prosocial behavior that involves both selfish and altruistic motives (Dozier and Miceli, 1985). Whistleblowing can be perceived as a positive social behavior because it may benefit persons or organizations other than the whistleblower. Personality characteristics of individuals may interact with their perceptions of organizational situations and may lead to whistleblowing behavior (Dozier and Miceli, 1985). As a prosocial behavior, we expect empathic people, those who understand the needs of others, to blow the whistle and report wrongdoing with the intent of benefitting other people or the organization as a whole. We expect those who have high levels of self-interest not to blow the whistle. Therefore, we present H1a and H1b:

H1a: Higher rates of selfism predict less whistleblowing intentions.

H1b: Higher rates of empathy predict more whistleblowing intentions.

RESEARCH METHODS

The Report to the Nations on Occupational Fraud and Abuse published by the Association of Certified Fraud Examiners (ACFE, 2014) describes the three major types of fraud as corruption, asset misappropriation and financial statement fraud with many examples in each category. Of the three categories, asset misappropriation is the most common fraud but it is the least costly of the types, causing a median loss of $130,000. Corruption tends to fall in the middle in terms of both frequency and median loss of $200,000 while financial statement fraud occurs much less frequently but causes significant financial losses with a median loss of $1,000,000. Using the examples of fraud reported in the ACFE report, the authors created two scenarios for asset misappropriation (involving theft of cash and check tampering) and two scenarios for corruption (involving conflicts of interest and bribery/kickbacks). The survey questions measuring empathy and selfism are from prior research (Phares and Erskine 1984, Goldberg 1999, Brown 2010). A pre-test of the instrument was completed with a sample of freshmen students to confirm that the survey was easy to understand prior to collecting the data reported in this study. Minor modifications were made to the instructions and the instrument as a result of the pre-test.

Sims (1993) demonstrated that many business professionals learn selfish behavior while in undergraduate or graduate business school and that these behavioral attitudes follow them into the professional world. An email invitation with a link to our online survey was sent to 2,000 students at a small liberal arts institution located in the Mid-Atlantic region of the United States. One hundred-thirty two students agreed to participate. Eight participants failed the validity check, leaving 124 usable responses. Table 1 provides selected demographic information about the participants in this study. Of the participants, 59% identified themselves as females, and 41% identified themselves as male. The average age of the participants was 23.4 and the average

experience is 5.31 years. Of the participants, 36% identified themselves as somewhat or very liberal, 31% identified themselves as neither liberal nor conservative, and 33% identified themselves as somewhat or very conservative. Of the participants, 40% are business majors while the remaining 60% are not business majors. Also, 71% of the participants identified themselves as taking one or two ethics classes, while 19% have taken zero and the other 10% have taken three or more. The average age of the participants is 23.4 years old. The average work experience (including internship experience) is 5.31 years.

Appendix A presents four scenarios that were developed describing potentially fraudulent behaviors discussed in the ACFE Report to the Nations on Occupational Fraud and Abuse. These scenarios relate to bribery/kickbacks, theft of cash, check tampering and conflicts of interest. Each participant was asked to read each scenario and then respond to the following statements using a 7-point Likert scale that ranged from "strongly disagree" to "strongly agree" rating whether the action is ethical (moral sensitivity), if this action should be completed (moral judgment), and if my peers became aware of other employees completing this action, my peers would report this situation through a confidential company hotline (whistleblow intent). Israeli (1988) found that managers rated themselves more ethical than their peers when evaluating ethical beliefs and behaviors and that 'what peers do' was the best predictor of ethical behavior in his study. The scenarios were worded in the third person to eliminate potential social desirability response bias when evaluating the ethical dilemmas.

Table II identifies the mean and standard deviation for each question as well as the mean and standard deviation for empathy and selfism. These questions were measured on a 7-point Likert scale ranging from 1 "disagree strongly" to 7: agree strongly". The participants in this study, on average, scored in the mid-range of the scale for selfism (mean 3.778). The participants in this study, on average, scored higher on the scale for empathy (mean

5.423). Table III includes the mean and standard deviation for the variables of moral sensitivity, moral judgment, and whistleblowing intent. For all four situations in this study, the participants rated each action as unethical (scores closer to 1, means range from 1.266 to 3.306), that the action should not be completed (scores closer to 1, means range from 1.395 to 3.290) and the respondents an intention to whistleblow with scores in the mid-range of the scale ranging from 3.500 to 5.169. The Cronbach's Alpha for the empathy variables is 0.815. Cronbach's Alpha for the selfism variables are 0.917. These Cronbach's Alphas show high reliability and internal consistency and is comparable to the alphas found by Brown (2010, selfism = 0.696; empathy =0.812).

In Table IV, we present the correlation matrix coefficients for each variable in the study. This table shows a strong correlation between the variables in Rest's model. A positive and significant correlation exists between moral sensitivity and moral judgment. As an action is evaluated as unethical, there is less likelihood of making a judgment to complete the action. There is a negative and significant relationship between moral sensitivity, moral judgment and whistleblowing intentions. As an action is evaluated as unethical, and a judgment is made not to complete the action, there is a higher likelihood of whistleblowing. Further, there is a positive and significant correlation between whistleblowing intentions and empathy and selfism indicating that those who have higher feelings of empathy and selfism, are more likely to whistleblow.

RESULTS AND DISCUSSION

To examine the steps in Rest's four-component model of ethical decision-making, Table V presents the results of several univariate analyses. For all situations, moral judgment (Rest's model, step 2) is significantly dependent upon moral sensitivity (Rest's model, step 1). Next, we present a hierarchical regression for each vignette as well as the average of all the vignettes. The dependent variable in each hierarchical regression is whistleblowing intention (Rest's model, step 3). In each

hierarchical model, the variable identifying moral sensitivity (Rest's model, step 1) is entered first, followed by moral judgment (Rest's model, step 2), followed by the personality traits of empathy and selfism. In all situations (V1 bribery, V2 theft of cash, or V3 check tampering, V4 the conflicts of interests), empathy is a significant determinant of whistleblowing and selfism is significant in three out of four situations examined in this study (nearly significant for V1 bribery, p value = 0.073.) Further, we see a significant F change in all models after entering the personality variables of empathy and selfism and a significant improvement in the adjusted R2 of all models.

These results confirm hypothesis H1b that higher rates of empathy predicts whistleblowing intentions. It is possible that individuals with higher rates of empathy try to understand the needs of others and put themselves in another's position. If they were aware of unethical behavior, they may report it because they may feel bad for the person or organization being treated unfairly. However, this study does not confirm hypothesis H1a that higher rates of selfism would predict less whistleblowing intentions. The results of this study indicate the opposite, that individuals with higher rates of selfism are also likely to report unethical behavior.

This study provides empirical evidence that supports the sentiments of Dozier and Miceli (1985) that whistleblowing involves both selfish and unselfish motives. Selfish motives can be dominant for individuals who may blow the whistle to gain a reward, particularly a financial reward. Section 922 of the Dodd-Frank Act requires the Securities and Exchange Commission (SEC) to give a significant financial reward to any whistleblower who discloses original information concerning fraudulent activities (Davis, 2012). Another possible explanation is that that altruism cannot be viewed as the simple opposite of selfism (Phares and Erskine, 1984). To explore this further, the data was split based on the mean into high and low groups for selfism and empathy. After splitting them into highs and lows, there are a considerable number of people that scored high on both scales. This provides support

that altruism may not be the simple opposite of selfism. We find that individuals that rate high on the selfism and empathy scales are more likely to whistleblow.

We explored the impact of demographic variables on all independent and dependent variables in the study. Gender is positively correlated to empathy as females reported a higher level of empathy compared to males. Age and experience are negatively correlated with selfism. Otherwise, political view, major (business or nonbusiness), and number of ethics courses were not correlated to the variables in this study. To further analyze the effect of demographic variables, we completed a second set of hierarchical regressions adding the demographic variables to each model. None of the demographic variables emerged as significant in V1 bribery, V2 theft of cash, or V3 check tampering. In V4, the conflicts of interest scenario, gender, major, and ethics courses had a significant relationship to whistleblowing intentions. In cases of conflicts of interest, it is more likely that females, non-business majors, and those who have taken an ethics course are likely to whistleblow.

CONCLUSIONS

We find that personality traits of empathy and selfism are significant predictors of whistleblowing intentions. Further, this study provides empirical evidence that whistleblowing intentions may not be an act of pure altruism. An important practical implication of these results is that it may be possible to mitigate future losses to fraudulent activities. In an effort to create more whistleblowers, ethics education should support whistleblowing by encouraging feelings of empathy and selfism within their students, since they quickly become professionals in industry once completing their education programs.

Further, organizations who offer training should encourage employees to report wrongdoing by appealing to a sense of empathy for others as well as identifying any rewards that are available for uncovering or reporting fraud to appropriate

management, human resources, or company provided hotlines. Individuals who experience high levels of empathy and selfism are more likely to blow the whistle and therefore reduce potential fraud losses.

Some may question the motives of an employee who blows the whistle. If an employee acts out of empathy, then the decision to blow the whistle may be perceived as justified by others. However, others may also perceive that self-interest and financial rewards motivates a whistleblower causing animosity within an organization. There is a possibly that an employee who is aware of unethical behavior in an organization would whistleblow immediately to an external party, such as the SEC in order to receive significant financial compensation. Although, some may question the motives of an employee who blows the whistle, individuals who choose to whistleblow are entitled to the same financial reward and protection from retaliation whether empathy or selfism was the dominant factor in their decision.

Recently, the SEC reported that a compliance officer will receive between $1.4 million and $1.6 million for reporting misconduct after responsible management became aware of potentially impending harm to investors and failed to prevent it. Whistleblower awards can range from 10 percent to 30 percent of the money collected in a successful enforcement action with sanctions exceeding $1 million (SEC, 2015).

In the whistleblowing process, an employee who is aware of unethical practices should exhaust all internal resources before involving an outside party. The False Claims Act makes it tempting for an employee to inform the SEC of problems within the organization before bringing it to the attention of the internal auditors or other internal parties. Organizations and individuals may benefit by encouraging feelings of empathy and selfism. Organizations reduce their losses caused by fraud while the employee who blows the whistle earns monetary rewards and retaliation protections granted by the SEC. All of these issues should be explored thoroughly in college classrooms and employee

training sessions so that individuals will be better prepared to handle these situations as professionals in the corporate world.

There are limitations to this study. Attitude-behavior literature suggests that measuring intentions is a reasonable surrogate for measuring behavior (Ajzen 1991); however an individual may not actually behave in a manner similar to how they responded in this survey when confronted similar dilemmas in a business environment. In addition, the sample came from one educational institution. Future research may wish to explore the effects of other variables including job satisfaction, ethical climate, reporting policies, directly assess the impact of regulations on whistleblowing intentions, or expand the sample to other educational institutions or groups of professionals.

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Appendix A

V1 Bribery/Kickbacks
Due to economic conditions, ABC Corporation has lost several major clients in the past year. John, a manager at ABC Corporation, was convinced that if he could encourage one of their major clients to order additional service contracts, he would receive the promotion he has been working towards. In a conversation with Paul, one of the company's clients, John learned that Paul was struggling financially with his wife who is pregnant with their fourth child. John promised Paul that if he helped secure additional contracts for ABC, he would pay Paul $1,000 cash for each contract. John said that this would not hurt anyone and they would both benefit because John would get his promotion and Paul would have additional income to provide for his family. Action: Paul provided John with 3 additional contracts and John paid Paul $3,000.

V2 Theft of Cash
Debbie, a full-time student and part-time employee, works the cash register at a popular department store. Employees of the department store receive a 15% discount on all purchases. Debbie secretly enters her employee discount when entering customer orders, but charges the customer full price when Debbie's manager goes on break. Action: Once the customer leaves, Debbie takes the difference and puts the money in her pocket.

V3 Check Tampering
Mike works in the accounts payable department at ABC Corporation. Mike contacts his friend who works at XYZ Corporation in the billing department. Mike asks his friend to create a fictitious invoice for service provided by XYZ Corporation. After receiving the fictitious invoice, Mike proceeds to issue an ABC company check for that bill. Action: Mike cashes the check and splits the money with his friend.

V4 Conflicts of Interest

Megan started her new job in the purchasing department at RST Corporation. As a purchasing agent, Megan has the authority to select vendors to provide products and services to RST Corporation. Megan's brother-in-law owns a cafeteria and vending machine service firm. Action: Megan does not reveal a personal relationship with her brother-in-law and hires his company to provide cafeteria and vending services for RST.

TABLE I

Demographics

Panel A: Gender of Participants

Gender	Number of Participants	Percent of Total
Female	73	59%
Male	51	41%
Total	124	100%

Panel B: Political View of Participants

Political View	Number of Participants	Percent of Total
Very Liberal	8	6%
Somewhat Liberal	37	30%
Neither Liberal or Conservative	38	31%
Somewhat Conservative	31	25%
Very Conservative	10	8%
Total	124	100%

Panel C: Major

Major	Number of Participants	Percent of Total
Business	49	40%
Non-Business	75	60%
Total	124	100%

Panel D: Ethics Courses

Ethics Courses	Number of Participants	Percent of Total
0	24	19%
1	44	36%
2	44	36%
3 or more	12	10%
Total	124	100%

Panel E:Work Experience

Work Experience	Number of Participants	Percent of Total
under 1 year	10	8%
1 -2 years	30	24%
3 to 5 years	50	40%
6 to 10 years	22	18%
over 10 years	12	10%
Total	124	100%

TABLE II
Empathy and Selfism

Items	Mean	Std. Dev.
Selfism	3.778	1.131
Thinking of yourself first is no sin in this world today.	3.565	1.813
It is more important to live for yourself rather than for other people, parents, or for posterity.	3.565	1.862
I regard myself as someone who looks after his/her personal interests.	4.605	1.556
It's best to live for the present and not worry about tomorrow.	3.250	1.793
Getting ahead in life depends mainly on thinking of yourself first.	3.371	1.620
Call it selfishness if you will, but in this world today, we all have to look out for ourselves first.	3.677	1.815
In striving to reach one's true potential, it is sometimes necessary to worry less about other people.	3.887	1.619
Not enough people live for the present.	4.306	1.594
Empathy	5.423	1.036
I make people feel welcome.	5.589	1.210
I anticipate the needs of others.	5.315	1.205
I love to help others.	5.879	1.298
I am concerned about others.	5.742	1.293
I have a good word for everyone.	4.726	1.483
I am sensitive to the feelings of others.	5.105	1.508
I make people feel comfortable.	5.460	1.252
I take time for others.	5.573	1.127

TABLE III
Descriptive Statistics

Moral Sensitivity	**Mean**	**Std. Dev.**
V1 Bribery/Kickbacks	3.008	1.570
V2 Theft of Cash	1.266	0.688
V3 Check Tampering	1.395	1.110
V4 Conflicts of Interest	3.306	1.563
Moral Sensitivity Average	2.244	0.866

Moral Judgment	**Mean**	**Std. Dev.**
V1 Bribery/Kickbacks	3.169	1.756
V2 Theft of Cash	1.427	1.098
V3 Check Tampering	1.395	1.035
V4 Conflicts of Interest	3.290	1.561
Moral Judgment Average	2.321	0.938

Whistleblow Intent	**Mean**	**Std. Dev.**
V1 Bribery/Kickbacks	3.968	1.577
V2 Theft of Cash	5.169	1.970
V3 Check Tampering	5.282	1.828
V4 Conflicts of Interest	3.500	1.511
Whistleblow Intent Average	4.480	1.269

TABLE IV
Pearson Correlation Coefficients

Panel A: Vignette 1 Bribery/Kickbacks

	Moral Sensitivity	Moral Judgment	Whistleblow Intent	Empathy	Selfism
Moral Sensitivity	1.000				
Moral Judgment	0.843**	1.000			
Whistleblow Intent	-0.332**	-0.318**	1.000		
Empathy	-.048	-.108	0.181*	1.000	
Selfism	.089	0.164*	0.216**	.011	1.000

Panel B: Vignette 2 Theft of Cash

	Moral Sensitivity	Moral Judgment	Whistleblow Intent	Empathy	Selfism
Moral Sensitivity	1.000				
Moral Judgment	0.655**	1.000			
Whistleblow Intent	-0.243**	-.124	1.000		
Empathy	-0.225**	-.146	0.335**	1.000	
Selfism	.105	.106	0.191*	.011	1.000

Panel C: Vignette 3 Check Tampering

	Moral Sensitivity	Moral Judgment	Whistleblow Intent	Empathy	Selfism
Moral Sensitivity	1.000				
Moral Judgment	0.741**	1.000			
Whistleblow Intent	-0.216**	-0.270**	1.000		
Empathy	-.100	-0.243**	0.300**	1.000	
Selfism	.056	0.211**	0.203*	.011	1.000

Panel D: Vignette 4 Conflicts of Interest

	Moral Sensitivity	Moral Judgment	Whistleblow Intent	Empathy	Selfism
Moral Sensitivity	1.000				
Moral Judgment	0.817**	1.000			
Whistleblow Intent	-0.372**	-0.369**	1.000		
Empathy	.139	.118	0.155	1.000	
Selfism	0.367**	0.282**	.061	.011	1.000

Panel E: Average All Vignettes

	Moral Sensitivity	Moral Judgment	Whistleblow Intent	Empathy	Selfism
Moral Sensitivity	1.000				
Moral Judgment	.845**	1.000			
Whistleblow Intent	(-2.42)**	(-.196)*	1.000		
Empathy	-0.036	-0.111	.340**	1.000	
Selfism	.245**	.283**	.232**	0.011	1.000

*. Correlation is significant at the 0.05 level (2-tailed).

**. Correlation is significant at the 0.01 level (2-tailed).

TABLE V
Hierarchical Regression

Panel A: Vignette 1 Bribery/Kickbacks								
Dependent Variable: Moral Judgment								
Model	**Variable**	**t**	**Sig.**		**Adj R2**			
1	Moral Sensitivity	17.309	.000	*	0.708			
Dependent Variable: Whistleblowing Intent								
Model	**Variable**	**t**	**Sig.**		**Adj R2**	**F Change**	**Sig F Chg.**	
1	Moral Sensitivity	-3.883	.000	*	0.103	15.079	0.000	*
2	Moral Sensitivity	-1.383	.169					
	Moral Judgment	-.834	.406		0.100	0.696	0.406	
3	Moral Sensitivity	-1.294	.198	*				
	Moral Judgment	-1.144	.255					
	Empathy	1.808	.073					
	Selfism	3.144	.002	*	0.179	6.797	0.002	*

Panel B: Vignette 2 Theft of Cash								
Dependent Variable: Moral Judgment								
Model	**Variable**	**t**	**Sig.**		**Adj R2**			
1	Moral Sensitivity	9.518	.000	*	0.425			
Dependent Variable: Whistleblowing Intent								
Model	**Variable**	**t**	**Sig.**		**Adj R2**	**F Change**	**Sig F Chg.**	
1	Moral Sensitivity	-2.772	.006	*	0.052	7.686	0.006	*
2	Moral Sensitivity	-2.439	.016					
	Moral Judgment	.535	.593		0.046	0.287	0.593	
3	Moral Sensitivity	-2.085	.039	*				
	Moral Judgment	.439	.661					
	Empathy	3.388	.001	*				
	Selfism	2.484	.014	*	0.159	9.135	0.000	*

Panel C: Vignette 3 Check Tampering								
Dependent Variable: Moral Judgment								
Model	Variable	t	Sig.		Adj R2			
1	Moral Sensitivity	91.799	.000	*	0.545			
Dependent Variable: Whistleblowing Intent								
Model	Variable	t	Sig.		Adj R2	F Change	Sig F Chg.	
1	Moral Sensitivity	-2.439	.016	*	0.039	5.947	0.016	*
2	Moral Sensitivity	-.265	.792					
	Moral Judgment	-1.878	.063		0.058	3.526	0.063	
3	Moral Sensitivity	-.153	.879					
	Moral Judgment	-1.927	.056					
	Empathy	2.723	.007	*				
	Selfism	2.982	.003	*	0.167	8.917	0.000	*

Panel D: Vignette 4 Conflicts of Interest								
Dependent Variable: Moral Judgment								
Model	Variable	t	Sig.		Adj R2			
1	Moral Sensitivity	15.632	.000	*	0.664			
Dependent Variable: Whistleblowing Intent								
Model	Variable	t	Sig.		Adj R2	F Change	Sig F Chg.	
1	Moral Sensitivity	-4.423	.000	*	0.131	19.564	0.000	*
2	Moral Sensitivity	-1.460	.147					
	Moral Judgment	-1.349	.180		0.137	1.819	0.180	
3	Moral Sensitivity	-2.347	.021					
	Moral Judgment	-1.347	.180					
	Empathy	2.744	.007	*				
	Selfism	2.723	.007	*	0.217	7.161	0.001	*

Panel E: Average All Vignettes								
Dependent Variable: Moral Judgment								
Model	Variable	t	Sig.		Adj R2			
1	Moral Sensitivity	17.446	.000	*	0.712			
Dependent Variable: Whistleblowing Intent								
Model	Variable	t	Sig.		Adj R2	F Change	Sig F Chg.	
1	Moral Sensitivity	-2.755	.007	*	0.051	7.590	0.007	*
2	Moral Sensitivity	-1.613	.109					
	Moral Judgment	.172	.864		0.043	0.030	0.864	
3	Moral Sensitivity	-2.279	.024	*				
	Moral Judgment	.277	.783					
	Empathy	4.114	.000	*				
	Selfism	3.635	.000	*	0.231	15.749	0.000	*