21st Annual Ethics Research Symposium
Abstracts

Session 2.1: Earnings Management

Culture's Consequence: The Relationship between Cultural Dimensions and Earnings Management After IFRS Adoption in the European Union

Joseph C. Ugrin, Kansas State University
Anna Emley, Kansas State University
Terry Mason, Kansas State University

Research has shown that earnings management has increased amongst firms in the European Union post-IFRS adoption. This study tests if the change in earnings management amongst EU firms post-IFRS adoption can be explained-in part-by the culture of the country in which the firm is based. Using the Hofstede Model of Cultural Dimensions, we test for relationships between cultures and the change in earnings management following the adoption of IFRS using discretionary accruals as a proxy for earnings management. We find a significant relationship between the post-IFRS increase in earnings management and the uncertainty avoidance, individualism vs. collectivism, short-term vs. long-term orientation, and restraint vs. indulgence cultural dimensions.

Examining the Effects of Performance Monitoring and Performance-Based Pay on Honest Behavior

Charles D. Bailey, James Madison University
Nicholas J. Fessler, The University of Texas at Tyler
Brian K. Laird, Arkansas State University

Honesty is an increasingly important topic in the business literature, especially as employers rely on information from frontline employees and managers in a complex environment. Using 88 participants in a 2×2 experimental design, we manipulate the presence of performance-based pay (PBP) and performance monitoring (PM) in the work environment. Once the participants are accustomed to their assigned work environment, we test for dishonesty across treatment groups by letting the participants privately roll dice to determine the size of a bonus gift card. We find an interaction effect of PBP and PM on dishonesty, where dishonesty is highest for those who were exposed to PBP but no PM, lowest for those who were exposed to both PBP and PM, and in between for the other two conditions. Additional analysis from our exit survey confirms that the effects of "feeling monitored" on honesty depend on compensation type. Explanations and implications are discussed.

Have They Changed the Way of Cheating? An Analysis of Management Fraud Schemes Pre and Post SOX

Lei Gao, SUNY, Geneseo
Rajendra P. Srivastava, The University of Kansas
Kyunghee Yoon, Rutgers, The State University of New Jersey
Discussant: John M. Thornton, Azusa Pacific University

This study investigates the changes of perpetration and concealment schemes of management fraud pre and post the Sarbanes-Oxley Act and SAS No. 99 in order to examine how regulations change the way of firms to commit fraud. By examining a large sample of fraud cases over the period of 1997 – 2011, this study analyzes how fraud schemes evolve with time, and determine what factors may affect the strategies of management to perpetrate and conceal frauds. After examining the changes of fraud schemes over different time periods, we find that fraud schemes evolved over time and could be significantly affected by external monitoring factors such as new regulations and strengthened enforcement. For instance, though the percentage of revenue frauds remains stable over time, there were switches among subcategories of revenue frauds. In further, there were more cases of expense frauds and other types of fraud post SOX. As for concealment schemes, while collusions with third parties seem to decline, collusions with related parties and other concealment schemes seem to increase over time.

Session 2.2: Ethical Issues in Tax

Factors that Affect Tax Preparers' Interpretations of Ethical Tax Standards
Wayne A. Tervo, Stephen F. Austin State University
Leigh R. Johnson, Murray State University
Amanda M. Grossman, Murray State University

This study examines how CPAs, practicing as tax preparers, interpret and apply the ethical tax standards established by the AICPA and the IRS, using a hypothetical situation. Specifically, we determine if preparers are more likely to apply the substantial authority standard as opposed to the reasonable basis standard under certain conditions. While we do not find that that a preparer's self-reported familiarity with the tax standards precipitates an inclination towards applying the substantial authority standard, we do find that a greater level of the following factors result in increased willingness to apply the standard: aggressiveness of the preparer, favorability of prior IRS dealings, aggressiveness of the tax client, IRS not pursuing contrary positions, and established tax client fees. Study results indicate that ambiguities in the tax code, in concert with mitigating preparer/client factors, may lead to significant discrepancies in interpretation and application.

The Dimensions of Tax Fairness: An Empirical Investigation
Dawn W. Massey, Fairfield University
Jonathan Farrar, Ryerson University
Linda Thorne, York University

Prior research shows that taxpayers' perceptions of fairness lead to greater cooperation and compliance with tax authorities (Torgler 2007). However, the lack of a comprehensive understanding of the dimensions of tax fairness has hampered our ability to understand how best to promote tax compliance through tax fairness strategies. To fill this void, we develop and administer a tax fairness survey to 299 Canadian taxpayers and then analyze the data using structural equations analysis. In so doing, we find two primary dimensions of tax fairness: 1) Fairness of Tax Burden Allocation, and 2) Fairness of the Tax Assessment Process – each of which has underlying secondary dimensions. We develop measures according to these dimensions, which meet or exceed recognized standards of reliability and validity. We then synthesize the tax-fairness compliance literature using the newly developed model and suggest implications and future research directions.

The Ethics of Sin Taxes and the Legalization and Sustainability of Marijuana: Results from a Recent Survey of College Students
Charles Stanley, Baylor University
Sarah Nguyen, Baylor University

Management accounting (hereafter MA) involves internal corporate accountants who provide information, advice and reports to assist management in making informed decisions. Despite the importance MA, there is surprisingly little empirical evidence of the ethical judgment and intentions to act ethically when engaging in the complex interactions and transactions that are associated with the MA function. To better understand key MA-related ethical dilemmas that often arise in practice, the present study addresses two ethical issues by employing two ethics-related base vignettes. This research is important because it will inform researchers of the likely responses managers will employ when they face such real-world ethical dilemmas and stressors. Survey questions probe respondents' perceptions relating to ethical issue recognition, ethical judgment, and ethical intentions, as well as moral intensity and perceived importance of an ethical issue (PIE). These constructs are driven by underlying ethical theory.

Session 2.3: Accounting Ethics Education

Online Testing and a Natural Experimental Lesson Replicating the Ring of Gyges

Carol A. Hartley, Providence College

This paper presents the results of observational event, a natural experiment that morphed into instructional lessons on ethics, morality, and cyber tracking. Because senior auditing students lacked adequate awareness of the detailed tracking available to professors in online learning systems, numerous students cheated on an unproctored reading quiz. Like Gyges the wearer of the invisibility ring in Plato's Republic, the students thought they were invisible and did not have a fear of punishment. The accounting profession relies upon professionals acting in the public interest and meeting their duty to others. Substantial audit work relies upon the honesty of audit staff to complete audit procedures they have signed off on in audit programs and it is not feasible to trace and verify that all audit work was faithfully completed. Therefore, we have high expectations for honesty in the professional services performed by audit staff. Can we trust them?

Apple, Inc. and Joplin, Missouri – An Accounting Ethics Case Study

Christine Kuglin, Metropolitan State University of Denver
Jenna Haynes, Metropolitan State University of Denver
Christine Noel, Metropolitan State University of Denver

On May 22, 2011, a tornado destroyed much of Joplin, Missouri. The tornado resulted in 158 fatalities and over 1,000 people injured. Six schools, including the city's only high school, were destroyed. Insurance would cover construction of new buildings but would not replace textbooks. Joplin had been an "Apple computer" district for many years. Thus, school representatives asked Apple, Inc. to help replace their textbooks with computers for online learning. Apple declined, offering only the standard educational pricing. During this time, Apple was also involved in questionable tax and stock back-dating issues. Conversely, the United Arab Emirates offered $500,000 and an additional $500,000 in matching funds to help Joplin replace their textbooks with computers.

This case describes the various stakeholders' positions, and encourages readers to contemplate levels of corporate social responsibility in the context of Kohlberg's Stages of Moral

An Exploration of the State of Ethics in U.K. Accounting Education

William F. Miller, University of Wisconsin–Eau Claire
Tara J. Shawver, King's College

A growing body of literature places blame for accounting frauds on the failure of educators to implement ethics training in accounting curriculums. Although, the professionalizing bodies in the UK espouse high ethical standards, others suggest they are failing to cover ethics in any meaningful way. This study surveys faculty about what is being taught and how much time is dedicated to ethics training. This is the first study to examine whether content suggested by the Ethics Education Framework (EEF) has been implemented in curriculums in the UK. In addition, we look to determine if there is a notable difference between what is covered in both pre-1992 (less vocational) and post-1992 (more vocational) UK universities. Although we find that pre-1992 (less vocational) institutions have implemented the EEF suggestions more than post-1992 (more vocational) UK universities, current ethics training is insufficient and has not changed much over the last two decades

Session 3.1: Ethical Issues involving Company Management

CEO-to-Worker Pay Disparity: Uncontrolled CEO Pay or Controlled Labor Costs?
Lijun Lei, Virginia Polytechnic Institute and State University

Using CEO-to-worker pay disparity computed from two different datasets, I find a significant and negative association between the change of CEO-to-worker pay disparity and the change of the cost of debt proxied by S&P Long-term Issuer Credit Rating. Furthermore, I find that the negative association is weakened when the CEO seeks more rents from the firm but stronger when labor costs are under effective control. The evidences are consistent with the hypothesis that creditors charge lower required returns from the firms with larger CEO-to-worker pay disparity because of effective labor cost control but increase the required returns in the presence of CEO rent-extracting. My findings are robust to using the interest rate as the alternative measure of the cost of debt, controlling for potential sample selection bias and reverse causality.

Does Fault Matter? How The Prospect of Fault Influences Managers' Compliance
Matthew Sooy, University of Western Ontario

The SEC relies heavily on 'no-fault' settlements in its enforcement, where targets avoid costly litigation by accepting sanctions without admitting or denying fault. This policy is argued to enable the agency to pursue greater numbers of violators. However, opponents argue that no-fault sanctions may be less effective, reducing fines to a 'cost of business'. In an experiment, I predict and find that managers in assigned-fault conditions perceive their compliance differently – as an ethical, rather than economic choice. Consequently, these managers comply more frequently with costly regulations and select higher quality compliance than do managers in no-fault conditions. In contrast, managers in strong financial penalty conditions do not exhibit more frequent or higher quality compliance, and do not perceive greater ethical perceptions than managers in weak financial penalty conditions. My findings are consistent with fault preserving managers' ethical decision frames, counteracting the tendency of sanctions to crowd-out 'civic virtue'. Supplementary analysis suggests that results are stronger among individuals high in 'dark triad' personality traits (narcissism, machiavellianism, and psychopathy), suggesting that findings generalize to subpopulations thought to be high in dark triad traits such as firm managers (O'Reilly et al. 2014).

Missing Quarterly Analysts' Expectations, CEO Turnover and Institutional Ownership
Juan Wang, Central Connecticut State University

The literature documents that dedicated institutions, who have concentrated holdings and long-term investment horizon, make management focus less on short-term firm performance. This study presents empirical evidence in terms of CEO career concerns that explains why managers focus less on short-term earnings results when dedicated institutions hold higher levels of ownership. Using quarterly consensus analysts' expectations as a proxy for short-term earnings benchmarks, we find that the likelihood of CEO turnover is less sensitive to the frequency with which management misses quarterly consensus analysts' expectations for firms with high dedicated institutional ownership than for firms with low dedicated institutional ownership. Such evidence is consistent with the notion that dedicated institutions reduce pressure on management in terms of career concerns for short-term results

Session 3.2: Issues in Accounting Ethics Research

The "New Statistics" and Nullifying the Null: Twelve Actions for Improving Accounting Research Quality and Integrity

Dan N. Stone, University of Kentucky

Leveraging accounting scholars' expertise in the integrity of information and evidence, and, in managerial use of self-interested discretion in information and reporting, offers the possibility of creating a community of scholars who lead in ensuring that accounting research produces results and inferences that are of the highest integrity and quality. Using the six principles from the recently released American Statistical Association (ASA) report on p-values as an organizing framework, I consider some implications of the ASA statement, and related literature, for accounting scholarship and offer twelve actions, in three categories (community actions, redefining research quality, and ranking academic accounting journals) for improving accounting research quality and integrity. I summarize and offer a "call to arms" for our community to lead in creating and adopting scholarship practices that make ours a literature of exception integrity and ethical conduct.

Ranking North American Accounting Scholars Publishing Accounting Ethics Research in Accounting and Business Ethics Journals

Richard A. Bernardi, Roger Williams University

While Bernardi and Bean considered publications in business-ethics and accounting's Top 40 journals, this study considers research in eight accounting-ethics-and-public-interest journals as well as 34 business ethics journals. This research provides accounting-ethics authors and administrators a benchmark for accounting's ethics research. We analyzed the contents of our 42 journals for the 25-year period between 1991 through 2015. We provide data on the top-10 ethics authors in each doctoral year group, the top-50 ethics authors over the most recent 10, 20 and 25 years, and a percentage distribution of ethics for these same periods. Our data indicate that only 394 (266) PhDs/DBAs who teach accounting at institutions located in North America had authored or coauthored one (more than one) ethics article; additionally, only 38 individuals have authored/coauthored more than five ethics articles. Consequently, of the approximately 4,900 PhDs/DBAs in accounting, 4,240 (86.5 percent) had never authored or coauthored an ethics article.

The Ethics of Predatory Journals

Alexander McLeod, Texas State University
Arline Savage, The University of Alabama at Birmingham
Mark G. Simkin, University of Nevada, Reno

Predatory journals are publication outlets that masquerade as legitimate scholarly journals, but whose primary purpose is to generate income for their owners. Predatory publishing is rampart. Consider the recent glossy annual report of an accounting department at a well-known Midwestern university. Its university as a whole ranks among the top 100 in the nation, the department's undergraduate accounting program ranks among the top 50 such programs, and its graduate program ranks among the top 25 graduate accounting programs (all rankings from US News and World Report). This annual report includes a list of publishing faculty as well as the journals in which they published. In total, the report lists 12 articles—the research productivity of the department—of which we found that 8 (or two thirds) of the reported articles were published in easily-recognized predatory journals. The chair himself published one article in a pay-to-publish journal. Using a stakeholder analysis, we found that there is little to defend about predatory publishing, and much to indict it. Authors, institutions of higher learning, the professions, and even accreditation bodies all suffer long-term costs of predatory publishing, and only the owners of such journals enjoy any short term benefits. On the basis of this analysis, it is difficult to justify any serious scholar from intentionally publishing in one of them.

Session 3.3: Public Interest and Corporate Social Responsibility

Carryforward Effects of CSR Champions
Mahfuja Malik, Sacred Heart University
Nancy Chun Feng, Suffolk University

This study investigates whether the socially responsible top executives carry forward their corporate social policies across firms. To identify the carryforward effects of the top executives on corporate social responsibility (CSR) policies, we construct a data set by tracking the movements of the top executives, including CEOs, CFOs, and COOs, across firms from 2001 to 2012. We consider a group of the top executives who demonstrate superior-quality CSR practices during their career to be CSR Champions. We find that the entrance of a CSR Champion into a new firm improves the CSR quality of that firm, an incremental positive effect to the existing CSR performance of the new firm. Our results also indicate that compared to the other top executives who switched from one firm to another firm, CSR Champions get higher compensation because of their CSR carryforward effects. Overall, we provide the evidence that socially responsible top executives carry forward their CSR strategies across firms and get rewarded for it.

Making Sense of Public Interest Narratives
Sara A. Reiter, Binghamton University, SUNY
Paul F. Williams, North Carolina State University

This paper analyzes different narratives from regulators and professional associations about the character and role of accountants/auditors in service of the public interest. The representations of these different groups illustrate different perspectives on the character and role of accountants/auditors, how they serve the public interest, and what the public interest is. Issues explored in this paper include examination of the boundaries of the accounting profession and inquiry about nature of the public interest. The history of the profession provides insights into current understandings of the role of accountants/auditors in relation to the public interest and the paper also explores the implications of the current rapid globalization of markets and the profession. To continue to serve the public interest, the accounting profession may have to move beyond a focus on disclosure (transparency) and take on new roles and responsibilities by providing accountability measures for organizations.

All That Glitters Is Not Gold: Competition as a Reason for Voluntary Disclosure of Bribery
Susana Gago, Universidad Carlos III de Madrid
Gilberto Márquez, Clarkson University
Manuel Nunez, Universidad Carlos III de Madrid

In this paper we analyze competition as a reason to disclose bribery. First, a firm reveal when bribery is an obstacle for developing efficiently its business, i.e., bribery is a “grabbing hand.” Second, a firm discloses bribery taking into account the intensity of its competition. Third, if the political regime in which a firm operates is an autocracy, this firm is more inclined to disclose bribery when it is a “grabbing hand.”

Session 4.1: Behavioral Ethics

Self-Fulfilling Prophecy? An Examination of Exposure to Agency Theory and Unethical Behavior
M. Christian Mastilak, Xavier University
Linda J. Matuszewski, Northern Illinois University
Fabienne Miller, Worcester Polytechnic University
Alexander Woods, The College of William & Mary

Scholars have claimed that agency theory acts as self-fulfilling prophecy, causing those who study it to become "economic actors," maximizing their own wealth at the expense of others. More specifically, such authors claim agency theory's assumptions of self-interest and indifference to ethical issues are so commonly used that they are institutionalized and lead to unethical, scandalous behavior in business. We report the results of an experiment to test whether exposure to agency theory contributes to unethical behavior. We find greater wealth-increasing unethical behavior among participants who were exposed to agency theory's assumptions through an experimental manipulation or prior economics coursework. We do not find such an increase in non-wealth-increasing unethical behavior. We thus find support for the claim that agency theory is a self-fulfilling prophecy. We find no evidence that the self-fulfilling prophecy effect results from decreased recognition of ethical issues among participants who have been exposed to agency theory.

Examining the Joint Effects of Narcissism and Psychopathy on Accounting Students' Attitudes Towards Unethical Professional Practices
Charles D. Bailey, James Madison University

Nonclinical psychopathy and everyday narcissism have received some attention in accounting literature. Both personality traits are members of a constellation of "dark" personality factors that can motivate or allow unethical or fraudulent behaviors. Although both involve callousness and a sense of entitlement, narcissism and psychopathy have relatively distinct characteristics and thus are not highly correlated. Hence, they may contribute jointly and independently to explain or predict behavior, each explaining some variance beyond the other. This study examines their effects jointly in a national survey of accounting majors and describes the levels in that population. Given that these traits are enduring, the participants are representative of practitioners. Implications for further research are discussed.

What Happens When Formal and Informal Norms Conflict?
Louis (Dutch) Fayard, The University of Tennessee at Chattanooga
Marie Kelly, Stephen F. Austin State University
Nikki Shoemaker, Stephen F. Austin State University

In general, if the company culture is ethical, then employee behavior will be, too. However, formal and informal organizational norms are often in conflict, which can result in misalignment of company of the culture (Trevino and Nelson 2014), confounding attempts to create an ethical culture and to achieving ethical employee behavior. To explore this conflict, we consider formal and informal norms regarding the use of company technology for personal tasks while at work. The increasing availability of personal technology and the incorporation of technology into every aspect of our lives has led to the merging of our work and personal lives. Although our younger workforce is the most tied into technology, and thus prone to the increasing bleedover of work demands into personal time, they also voice a desire to gain more balance in their work lives than previous generations. Informal norms regarding technology use are likely to change more quickly than company policies. Using a sample of 225 upper-level accounting students, we varied a company policy regarding personal use of company technology during work hours (formal norm) and the behavior of a peer employee's observed computer use (informal norm). Participants provided judgments of the ethicality of the behavior and the intention to engage in the same behavior. We found

that both formal and informal norms influence ethicality judgments and intentions. When the norms were in conflict, we found that formal norms were the stronger influence over ethicality judgments, yet informal norms had the stronger influence on intentions.

Session 4.2: Accounting Ethics Education and Behavioral Ethics

The Use of Short Role-Plays for Ethics Education in University Auditing Courses
Ross H. Taplin, Curtin University
Rosemary Kerr, Curtin University
Alina Lee, Curtin University
Abhijeet Singh, Curtin University

This paper explores how short 10 minute role-plays can be used as an effective tool for ethics education within a university auditing class. A mixed method approached elicited student perceptions of role-plays in developing ethical awareness and work readiness. While many students self-reported difficulty in recognising and dealing with the ethical dilemmas appropriately, most agreed they helped them to prepare for dealing with these issues in the workplace. This was especially the case for students with English as an additional language. Role-plays are a simple experiential learning approach that helps students' recognise ethical dilemmas, try strategies to deal with them in a safe environment, and practice listening and questioning skills to obtain information. Short role-plays can offer critical thinking opportunities that are more relevant to the student's personal experience than case studies of historical ethical breeches.

Ethical Dilemmas in Management Accounting: A Study of Ethical Judgment and Ethical Intentions to Act
Teresa M. Stephenson, The University of South Dakota
Gary M. Fleischman, Texas Tech University
Stacy Wade, Western Kentucky University

Management accounting (hereafter MA) involves internal corporate accountants who provide information, advice and reports to assist management in making informed decisions. Despite the importance MA, there is surprisingly little empirical evidence of the ethical judgment and intentions to act ethically when engaging in the complex interactions and transactions that are associated with the MA function. To better understand key MA-related ethical dilemmas that often arise in practice, the present study addresses two ethical issues by employing two ethics-related base vignettes. This research is important because it will inform researchers of the likely responses managers will employ when they face such real-world ethical dilemmas and stressors. Survey questions probe respondents' perceptions relating to ethical issue recognition, ethical judgment, and ethical intentions, as well as moral intensity and perceived importance of an ethical issue (PIE). These constructs are driven by underlying ethical theory.

Role of Peers and Collective Learning in Ensuring Ethical Behavior
Mouna Hazgui, HEC Montréal

How do auditors resolve ethical dilemmas or other uncertainties at work? To answer this question, we conducted a field study during which 20 auditors were interviewed individually. Overall, our results illustrate the importance of peers in the fulfilment of ethical behavior and the existence of a collective learning movement among auditors (Reynaud 1997; Lazega 2001). Collective learning occurs when an individual's decisions and behavior are not reserved solely for that person's own use, but are diffused and debated between peers. It instills a climate of social and mutual control among auditors, who seem more and more engaged in supervising and assessing each other's behaviors. Our results confirm that

professional ethics can no longer be perceived or taught as a purely personal attribute, but rather as a shared duty among members in the same profession. Ethical dilemmas and important decisions in case of uncertainty are often too complex for one individual to address. Consequently, collective learning between peers and the ensuing system of mutual control apparently favors ethical behavior more effectively than do the regulations themselves.

Session 4.3: Whistleblowing

Will Cognitive Style Impact Whistleblowing Intentions
Lori R. Fuller, West Chester University
Tara J. Shawver, King's College

This study explores the whistleblowing judgments and intentions of accounting students utilizing scenarios involving accounting earnings manipulations and fraud. Individual differences affect how one makes decisions, yet are rarely explored in the whistleblowing literature. As such we conducted an exploratory study to determine if one's cognitive style (the method a person uses to perceive incoming information and how they make decisions on it) affects whistleblowing judgment and intent.

Using multivariate regression we find that cognitive style significantly effects moral sensitivity, whistleblowing judgment and whistleblowing intent. This manuscript makes several important contributions to the existing literature. This is the first study that explores whether cognitive style affects moral sensitivity, whistleblowing judgments, and whistleblowing intentions. Second, it demonstrates that models that exclude individual differences are incomplete.

The Impact of Moral Reasoning on Whistleblowing Intentions
Tara J. Shawver, King's College
Todd A. Shawver, Bloomsburg University of Pennsylvania

Unethical business decisions and accounting fraud have occurred as a result of lapses in ethical sensitivity and judgment. The Association for Certified Fraud Examiners (ACFE) estimates that a typical organization loses 5% of its total yearly revenues to fraud; globally this translates into losses of over three trillion dollars each year. Regulations such as the Dodd-Frank Whistleblower Program and the Sarbanes Oxley Act encourage reporting wrongdoing to mitigate fraud losses. Although there are many studies that explore the characteristics of whistleblowers, there are few studies that have examined the impact of an individual's level of moral reasoning on whistleblowing intentions for financial statement fraud. This study finds that an individual's level of moral reasoning impacts whistleblowing intentions to internal management, but an individual's level of moral reasoning does not impact decisions to whistleblow.

Stuck between a Rock and an Even Harder Place: The Whistleblower's Dilemma
Robert L. Braun, Southeastern Louisiana University
Dann G. Fisher, Kansas State University
Amy Hageman, Kansas State University
Shawn Mauldin, Mississippi State University
Michael K. Shaub, Texas A&M University

In an effort to provide insight into who might blow the whistle and under what circumstances, prior research, which has been plentiful, has focused on the employee as whistleblower and the organization involved in wrongdoing. This study pivots toward the profession. That is, because whistleblowers find it difficult to remain in an employment relationship with the offending company, they often find themselves in the market for a new position. Given the conflicting attitudes that people have toward those who report wrongdoing and a lack of empirical research specifically examining subsequent hiring, it is an open question as to whether accounting professionals would want to work with former whistleblowers. We examine this question using an experimental design in which 489 participants evaluated an employment candidate who had blown the whistle on either intentional overbilling on a governmental contract or violations of the anti-bribery provisions of the Foreign Corrupt Practices Act of 1977. Results demonstrate that accounting professionals' intentions to hire a candidate with a reference to a whistleblowing past are lower than they would be if the candidate had no reference to a whistleblowing past. While this might suggest that the way forward for the potential whistleblower is to ignore the matter altogether, additional results demonstrate that the opposite is true. The accountant who does not blow the whistle internally is viewed most negatively. The accountant who blows the whistle internally but not externally is viewed more negatively than the candidate who blows the whistle externally after a superior takes no action following internal whistleblowing. The implication of these results is that the whistleblowing dilemma presents challenging options for the accountant. While blowing the whistle is likely to result in diminished employment prospects, failing to do so is perceived even more negatively.