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GENDER DIFFERENCES IN THE CORPORATE SOCIAL RESPONSIBILITY ORIENTATION OF CREDIT UNION BOARD MEMBERS

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ABSTRACT

Credit unions serve an important purpose in the U.S. economy by providing financial services to low- and moderate-income individuals. Their assets have steadily grown from $217 billion to $655 billion between 1990 and 2004. In spite of these impressive growth rates, a number of writers have expressed great concern regarding credit union governance, particularly over the role and functions of the board's members. More recently, the financial crisis has raised important questions regarding the board's level of involvement and its ethical and social responsibilities in corporate decision making. One area which has remained relatively unexplored concerns the attitudes of credit union board members toward corporate social responsibility. Furthermore, to date very little is known regarding the extent of similarities and differences between these organizations' male and female board members with respect to this issue.

The present study was designed to investigate this issue. A survey of 470 directors of 80 credit unions revealed significant differences between the genders with respect to the legal and ethical components of corporate social responsibility. Compared to their male counterparts, the female directors exhibited greater concern about the legal dimension of corporate responsibility and a weaker orientation toward ethics. No significant differences between the two groups were observed with respect to the economic and discretionary components.

INTRODUCTION

Lending institutions comparable to U.S. credit unions first developed in Europe. Cooperative banks or people's banks appeared in Germany in the 1850s. These spread to a number of other countries, and then to Canada, at the turn of the 20th century (Moody & Fite, 1984). The concept was brought to the United States in the early 1900s. The first credit union, St. Mary's Cooperative Credit Association, gained legal status in Manchester, New Hampshire, in 1909. Massachusetts also passed a similar act the same year (National Credit Union Administration, 2006). These and other similar credit unions developed to fill a niche in the loan market that was largely unfilled by existing banks and savings institutions. They were established as a cooperative association for the purpose of promoting thrift among their members (Moody & Fite, 1971; Moysich, 1990). Originally they concentrated on small unsecured consumer loans such as for the payment of a medical bill or to purchase a home appliance. Credit unions grew quickly in the 1920s and in the Great Depression era of the 1930s. In 1934, Congress passed the Federal Credit Union Act, authorizing the establishment of federally-chartered credit unions in all states. In 1970, the National Credit Union Administration (NCUA) was established to charter and supervise credit unions along with the National Credit Union Share Insurance Fund, which insures members' deposits.

Credit unions continue to serve an important purpose in the U.S. economy by providing financial services to low- and moderate-income individuals. However, since the passage of the Credit Union Membership Access Act of 1998, some have expanded the "membership base" far beyond the original intent of the Act. Some of them have grown aggressively and now match the size of large community banks while offering the same financial services provided by these banks. Credit unions share many features common to all depository institutions. They accept savings and checking deposits; make various types of loans; and have branch networks, ATMs, and Web sites for internet banking services to their customers. Today there are about 9,000 credit unions, 3,600 of which are state-chartered and 5,400 of which are federal credit unions (Credit Union National Association, 2006). Together they hold approximately $700 billion in assets which is over three times what it was in 1990. With over 80 million members, credit unions are important competitors in the market for consumer loans and deposits.

In spite of these impressive growth rates, a number of writers have expressed great concern regarding credit union governance, particularly over the role and functions of the board's members. More recently, the financial crisis has raised important questions regarding the board's level of involvement and its ethical and social responsibilities in corporate decision making. To date, the multiple roles and duties of credit union boards have been the most-studied aspect among all board investigations. Scholars and practitioners have specifically discussed the important role of directors with respect to strategic matters. They include member competence (Umholtz, 2001; Molvig, 2001), board accountability (Pippett, 2008), orientation of new members (Board Orientation Basics, 2006), training board members (Courter, 2006; Merrick, 1991; Storey, 2006), executive succession planning (Saul, 2007), measuring CEO and board performance (Gilpatrick, 2007; Storey, 2006), executive compensation (Bankston, 2007), organizational codes of ethics (Gilpatrick, 2007), and strategic risk management (Pactwa, 2006). Although these papers have focused attention on a wide variety of board functions and responsibilities there is still one area which has remained relatively unexplored - the attitudes of credit union board members toward corporate social responsibility.

LITERATURE REVIEW

Corporate social responsibility (CSR) has been defined as the obligation of a business "to use its resources in ways to benefit society, through committed participation as a member of society, taking into account the society at large...independent of direct gains of the company" (Kok et al., 2001, p. 287). CSR has been the subject of much investigation and debate for many years among both researchers and practitioners. This attention stems from the frequent outbreaks of ethical failings and revelations about questionable or abusive practices by many large corporations. They include the current mortgage and financial crisis; the near-collapse of the U.S. automobile industry; the downfall of Enron; the destruction of documents at Arthur Andersen; questionable CEO compensation packages and practices at Tyco, Home Depot, ING, and Scandia; and charges of fraud at Parmalat and WorldCom.

Such failures and scandals involving business leaders have highlighted many unethical, unwise, or illegal decisions of consequence not only to these executives but also to broader stakeholder communities. These occurrences have shaken the public's confidence and diminished investors' trust in the soundness of corporate decisions and the integrity and competence of business executives. Not surprisingly, with the backdrop of these developments, there have been numerous calls for reform, demands for closer scrutiny of business ethics, and heightened interest in corporate social responsibility and ethics in the business community (*The Economist*, 2008a; *The Economist*, 2008b; Husted & Allen, 2000; Gibbs, 2002), in academic research (Maignan & Ralston, 2002), and in studies of executive decision making (McGuire et al., 1988). The academic community has been addressing this subject by discussing social and ethical issues in business ethics or business-and-society courses or by infusing them throughout the business school curriculum (Matherne et al., 2006; Kurtz, 1999). It should be noted that these concerns have not been completely ignored by the business community. In response to numerous demands that corporations play a more active role in the overall welfare of society, many organizations have in recent years given considerable thought to the social impact of their economic activities. This attention has induced some to engage in certain purely social endeavors (Boo & Koh, 2001).

In his seminal paper on the obligations of business toward society, Carroll (1979) suggested that total corporate social responsibility consists of four distinct ordered components: economic, legal, ethical, and discretionary concerns. The first component requires management to maximize profits for the owners and shareholders by efficiently providing a supply of goods and services to meet market demands. Next, legal responsibility requires management to operate within the legal framework. To be ethical, a decision maker should act with fairness, equity, and impartiality. Finally, discretionary activities are purely voluntary; they are guided by management's desire to make social or philanthropic contributions not required by economics, law, or ethics. Carroll (1989) contends that these four components "address the entire spectrum of obligations business has to society" (p. 40).

The ordering of Carroll's four obligations reflects the historic evolution of business as each of those responsibilities in turn emerged. This order also depicts the order an organization progresses along to maturity, and along which it may regress as threatening or uncertain circumstances evolve. First an organization must be economically viable, then other responsibilities come somewhat sequentially to the fore as legal, ethical, and finally to the discretionary or volitional concerns. Today all of these exist simultaneously but how much the organization is focused upon each is a function of the perceived external environment at the time. Should that organization perceive a change in its environment presenting uncertain or threatening circumstances it may for a particular issue or stakeholder move along the responsibility continuum and shift from a legal responsibility to, say, an economic responsibility until the threat passes. Additional support for this view may be found in the social responsiveness continuum proposed by Wilson (1975) and previously described by McAdam (1973). They suggest that strategies or managerial approaches being taken by an organization at a point in time begin with Reaction (Fight all the way) as the least response, followed by Defense (Do only what is required), Accommodation (Be Progressive) and lastly Proaction (Lead the Industry), which is the most response. Along with the shift from a focus on economic to legal responsibilities, an organization might move back along the responsiveness continuum from proaction to a defensive (do what is required) posture until uncertainty or possible danger subsides.

One stream of research in this area is in response to calls by a number of writers for the study of the profiles and demographics of corporate upper echelons and managers as antecedent variables in order to understand an organization's strategic processes and ethical conduct (Hambrick & Mason, 1984; Pfeffer, 1983; Chaganti & Sambrharyra, 1987; Kelley et al., 1990). As a growing number of women graduate from business schools and rise to managerial and executive levels, the literature has appreciated the value of examining the influence of gender. According to Robin and Babin (1997), gender and age are the two most heavily researched variables in this literature. The purpose of such research is to investigate differences and commonalities of attitudes based on the gender of respondents. Indeed, one of the major criticisms of Kohlberg's (1969, 1984) path-breaking work on moral development has been that the critical data to empirically validate his model were drawn from an all-male sample.

Overall, empirical studies of the influence of gender have produced conflicting results. Much of this research has focused on one component of CSR – a person's attitude toward business ethics. Some investigations did not find any significant differences. For example, Barnett and Karson (1989) reported that among business executives, gender did not have an impact on ethical beliefs. Kidwell et al. (1987) concluded that female managers were more ethical for only one of seventeen ethical decision situations. Interestingly, they reported that, when asked to estimate the ethics of the opposite sex in each of the situations, respondents almost universally perceived the opposite sex to be more unethical than themselves. In their study of industrial buyers, Browning and Zabriskie (1983) found no significant differences between men and women. Two studies of accountants (Jones & Hiltebeital, 1995; Radtke, 2000) reported no significant differences between the genders regarding the appropriateness of ethical conduct. A meta-analysis by Jaffee and Hyde (2000) failed to indicate gender-based differences. In a more recent study of senior executives, Das (2005) found no significant differences between the genders regarding their ethical preferences. The only published study comparing the CSR Orientation (CSRO) of female and male board members reported that the former exhibited a stronger orientation only toward the discretionary component of corporate responsibility (Ibrahim & Angelidis, 1994). Their scores on the ethical dimension were not significantly different.

On the other hand, a number of studies produced different results. Simga-Mugan et al. (2005) reported that gender does have a significant impact on ethical sensitivity with the females showing greater ethical sensitivity. A more recent study found that "attitudes differed according to gender: Women students were more in favor of the stakeholder model and placed more weight to corporate ethical, environmental, and societal responsibilities than their men counterparts" (Lamsa et al., 2008, p. 45). When ethical differences in the sales profession were studied, Dawson (1997) concluded that females were more likely to agree that behaviors described in twenty scenarios were unethical. In her survey of 400 CPAs, D'Aquila (2001) found that females and males had different perceptions of management's ethical standards and expectations. In another study, Deshpande et al. (2000) reported that compared to male managers, female managers perceived questionable business practices as more unethical. A survey of 1,875 business people found that females assumed a more rigorous ethical stance than their male counterparts on 7 out of 19 vignettes (Weeks et al., 1999). Males, however, adopted a more ethical posture on 2 of the 19 vignettes. The results of a meta-analysis (Franke et al., 1997) based on data from 66 research studies showed that women are more likely than men to perceive business practices as unethical. Finally, using Reidenbach and Robin's (1990) Multidimensional Ethics Scale, a recent study by Nguyen et al. found that "women had a higher level of ethical judgment than men"(2008, p. 423).

Gender differences can also be considered within a contextual framework. The content which accounts for such differences could be quite varied and might include individual roles, organizational and professional norms, organizational, size, type and structure (Weber, 1990; Simga-Mugan et al., 2005; Smith & Oakley, 1997) and economic conditions and circumstances. Even Gilligan who posited the notion of sex differences along care and justice orientations clearly believes that the context of her work "itself must be considered for its influence on the likelihood of eliciting care or justice reasoning" and that such contextual questions should be raised (Gilligan & Attanuier, 1988).

A further specification of the contextual influence suggests that the particular work setting itself can influence the reasoning process and hence actual managerial behavior and decisions (Trevino, 1992). Derry (1989) did not find that the two modes of moral reasoning (justice and care) are gender related as did Gilligan (1982). His findings suggested that a correlation between gender and preferred mode may be context specific, or that it may be the result of the actor's adaptability and the options of choice in the mode of reasoning. The notion of choice and adaptability is supported by Galbraith and Stephenson (1993) when they concluded that "there is a greater diversity in decisions rules used by females than by males" and that "females use different decision rules when making ethical evaluations" (p. 227). In addition, Reiter (1996) believes that females "'contextualize' their moral responses by drawing on experience" resulting in neither "a weak or inferior mode of moral reasoning." There is also the suggestion that managerial decisions in a particular setting can either not support a particular actor to reach their highest cognitive moral development of which they are capable, or that the setting or attendant circumstances could actually retard one's moral reasoning from its present position (Trevino, 1992).

Consideration of decision processes in organizations often can focus on the rationalist approaches in which individuals deliberately use extensive moral reasoning to make important decisions. One such approach by Jones (1991) suggests that decision making is affected by the moral intensity of the issue at hand and is termed the Issue-Contingent Model. His approach rejects the theoretical models which posit that ethical decision making and behavior are independent of the nature of the issue. Rather he suggests that an issue must be recognized by the actor as a moral issue before the details and processes of moral decision making are relevant. Another rationalist approach by Trevino (1986) adds both individual moderators (ego strength, organizational culture, work characteristics) and situational moderators (job context, organizational culture, work characteristics) into an interactionist model. In this Person-Situation Interactionist Model decision makers reactions are determined by their cognitive moral development stage as moderated by both individual and situational variables.

Sonenshein (2007) offers a counter to the rationalist approach of decision making believing that individuals make intuitive judgments rather than engage in extensive and deliberate reasoning regarding ethical/moral issues. In this regard Sonenshein structures his argument with the Sensemaking-Intuition Model (SIM). Since "organizational life is often equivocal and uncertain", when faced with ethical issues decision makers immediately begin to intuitively judge and then react accordingly (Sonensheim, 2007, p.1027). Following these intuitive reactions one then begins to engage in sensemaking by using the rational process of moral reasoning to explain or justify their behavior. In the discussion of the practical implications of the SIM model he stresses the importance of recognizing that managers especially lack adequate time for reflection and instead have automatic responses based on experience. The SIM is conceptually consistent with the Trevino Person-Situation Interactionist model but with the placement of the cognition component following the decision or behavior.

The considerable attention to this issue is an ongoing testament to the importance placed on the influence of gender on the attitudes of business persons toward social responsibility in general and business ethics in particular. This effort brings together related elements of the CSR and ethical/moral decision domains. Despite these research efforts and the continued preoccupation on the part of researchers, regulators, and practitioners with the role of business in society, little attention has been devoted to the study of the corporate social responsiveness orientation of credit union directors. Furthermore, to date very little is known regarding the extent of similarities and differences between these organizations' male and female board members with respect to this issue. The present study was designed to investigate this issue.

METHOLOGY

Data were collected as part of a larger statewide study of credit unions. A total of 177 credit unions in Georgia were asked to participate in the study. All are members of the Georgia Credit Union Affiliates (GCUA), their state trade association. In addition to several demographic items, each participant's corporate social responsiveness orientation (CSRO) was measured with an instrument developed by Aupperle et al., (1985). It is based on the four-part construct proposed by Carroll (1979).

The instrument adopts forced-choice format. This format is especially functional in the corporate social responsibility research area since it can limit respondents' social desirability bias and compels them to prioritize, through the use of a ratio scale, a number of highly desirable alternatives (see, e.g., Randall & Fernandes, 1991). Respondents were asked to allocate up to ten points among four statements in each of several sets of statements. Each of the four statements in a set represents a different underlying dimension of Carroll's four components. The instrument used in this study contained 24 such statements. The mean of each respondent's scores on each of the four dimensions was calculated to arrive at an individual's orientation toward each of the four components.

The psychometric properties of the questionnaire have been thoroughly examined and it has been tested for its content validity and reliability (e.g., Aupperle et al., 1990; Smith &

Blackburn, 1988). The instrument has proved robust and a factor analysis "supported the existence of four distinct, but related, components" (Aupperle et al., 1985, p. 457). The coefficients of internal consistency for each of the four components were calculated when the instrument was used by numerous subjects and in a wide variety of settings; they ranged from .81 to .95 (e.g., Ibrahim & Angelidis, 1993; Unni & Chitgopekar, 1989).

Personalized letters to the CEO of each of the 177 members of the GCUA accompanied the surveys, encouraging participation by their board of directors in the research and assuring respondents of the confidentiality of their replies. The President/CEO of the GCUA urged participation both in a letter accompanying the mailing and in an email preceding it.

RESULTS

Two mailings over a period of two months yielded 478 responses from 80 credit unions. Interestingly, the response rate from each responding union credit union was in the 57 to 100 percent range. Eight respondents did not indicate their gender and, therefore, were excluded from the analysis.

Several tests determined the representativeness of the sample to its population. The combined responses from the first and second mail waves were compared to the known attributes on non-responding credit unions. T-tests and chi-square tests revealed that credit unions responding to the first and second mailings did not differ significantly in terms of the number of persons each of them employs (t = 0.92, p = .36), their net income (t = 0.05, p = .96), their total assets (t = 0.65, p = .51), how long the members have served on their boards (t = 1.10, p = 0.27), and whether the CEO serves on the credit union's board (χ^2 = 0.10, p = 0.75. Overall, these tests suggested that the sample did resemble its target population in key attributes.

Among the responding credit unions, the number of members serving on their boards ranged from 7 to 15 (mean = 8.8, sd = 1.8). The respondents were predominantly male (64.8%). The respondents' age ranged from 26 to 86 years; the overall average was 58 (sd = 10.7) years. Their years of service on their respective boards ranged from less than one year to 55 years; the overall average was 11.6 (sd = 9.9) years. Ten percent had a high school education, twenty-two percent had "some college" education, thirty percent had an undergraduate college degree, and thirty-eight percent had a graduate or professional degree. The results of a t-test showed that the male directors were slightly older than the female directors (59 versus 57 years old). Although this difference is statistically significant (t = 2.02, p = 0.04), it was not considered to be of any practical significance. The men had served slightly longer than women on their respective boards (12 years versus 11 years). However, a t-test did not show any significant difference between the two groups (t = 1.58, p = 0.11). Finally a chi-square test showed no significant difference between the genders with respect to their level of education (χ^2 = 4.90, p = 0.18).

Descriptive statistics show that, overall, both genders' scores were highest for the legal component (3.63), followed by scores for the economic (2.87), ethical (2.28), and discretionary (1.08) dimensions. On average, the females' mean score for the economic component of their CSRO was 2.85 (se = 0.06) and males' was 2.89 (se = 0.05). For the legal dimension, their scores were 3.84 (se = 0.08) and 3.51 (se = 0.06), respectively. The ethical component's scores were 2.15 (se = 0.06) and 2.34 (se = 0.04), respectively. Finally, their scores for the discretionary component were 1.01 (se = 0.06) and 1.12 (se = 0.04), respectively.

The analysis of the results was conducted in several stages. First, since the means of the two groups' scores on each of the four dimensions are different, a multivariate analysis of variance (MANOVA) procedure was considered to be the most appropriate analytic technique for exploring differences in scores between male and female board members. This procedure compensates for variable inter-correlation and provides an omnibus test of any multivariate effect. However, as a preliminary check for robustness, Box's *M* test was conducted a priori to determine if the covariance matrices of the two genders are equal. Results indicated they were not significantly different thus validating the appropriateness of the use of the MANOVA for the analysis. The MANOVA revealed significant differences between the two groups (Wilks' Λ = .522, p = .027). That is, overall, the two groups had different scores for the four components. Next, to understand the underlying contributions of the variables to the significant multivariate effect, each independent variable was tested using a one-way analysis of variance (ANOVA) with the two groups treated as our two levels of the independent variable. The results, depicted in Table 1, show that differences between the two groups were significant on two of the four dependent variables. Important differences exist between the groups with respect to the legal ($F_{1,468}$ = 10.54, p = .001), and ethical ($F_{1, 468}$ = 6.47, p = .011) components. Compared to the male counterparts, the females' directors exhibited greater concern about the legal dimension of corporate responsibility and a weaker orientation toward ethics. No significant differences between the two groups were observed with respect to the economic ($F_{1,468}$ = 0.25, p = .620) and discretionary ($F_{1,468}$ = 2.27, p = .133) components.

TABLE 1
Anova Results For Differences Between Female and Male Board Members

Dependent Variables	Group Means [a] Females (n = 165)	Males (n = 305)	F	p
1. Economic	2.85 (0.06)	2.87 (0.05)	0.25	0.620
2. Legal	3.84 (0.08)	3.53 (0.06)	10.54	0.001
3. Ethical	2.15 (0.06)	2.34 (0.04)	6.47	0.011
4. Discretionary	1.01 (0.06)	1.12 (0.04)	2.27	0.133

[a] Figures in parentheses are standard errors.

DISCUSSION

The social responsibility of organizations has been one of the principal issues confronting business for more than three decades. Of particular interest to researchers, practitioners, and regulators is the extent to which executives and directors are responsive to the expectations of their stakeholders. Visible indicators of problematic leadership eventually surface in the form of corporate crises such as bankruptcy, executive turnover, legal predicaments, ethical failings, and hostile relations with various stakeholders.

Little attention has been given to investigating credit unions and credit union management. These organizations are somewhat unique in their mix of organizational culture, management, mission, and ownership. Thus such research in this environment may assist in informing studies in organizational culture, person/individual moderators in decision making, and management of non-profit or eleemosynary organizations. A particularly important subject concerns similarities and differences between the genders with respect to their CSRO. An interesting aspect of the present study is that it analyzed separately the four components of CSR. This study led to several insights about this relationship with important implications for practitioners and regulators.

The results in Table 1 show that both genders are more inclined toward legal responsibilities than economic. In addition, compared to their male counterparts, female credit union board members exhibit a greater orientation toward legal responsibilities. Furthermore, male directors' scores for the ethical component of CSR are greater than those of the females. An explanation of these results can be aided with a restatement and summary of the central points from the relevant elements of the foregoing literature review.

- Organizations evolve along a continuum of social responsibility concerns from economic to legal, ethical and discretionary respectively. In their decisions management can move it back along that same continuum in threatening or uncertain conditions.
- Similarly, organizations strategic approaches move from Reaction through Defense and Accommodation, to Proaction and can also move back as circumstances would seem to warrant.
- Women may, because of their 'different voice,' perceive from a perspective of care and nurturing more so than men who commonly do so from a perspective of justice or legal concerns.
- Women are thought to be somewhat more sensitive to ethical concerns and perceive difficulties more readily perhaps from a different threshold of care which results from the socialization process or an innate intuitive sense or both.
- Issues of different moral intensity may affect the decision, and such decisions may result more from intuition than rational processes.
- Gender differences in reaction to attendant circumstances are also influenced by the organization's external situations such and social and economic.
- Choice and adaptability to changing circumstances is likewise contextual with women sometimes displaying more sensitivity and who possess and use a greater range of decision rules than do men.

Contrary to Carroll's model, both genders' scores for the legal dimension were higher than their scores for the economic dimension. Concerning the legal dimension, this finding is not surprising given current trends in American society. Numerous laws and extensive government regulation affect virtually every aspect of business activities (Carroll, 1989). They touch "almost every business decision ranging from the production of goods and services to their packaging, distribution, marketing, and service" (Carroll, 1989, p. 174). In addition, there is ample evidence that organizations face an increasingly litigious environment. Legal actions have driven otherwise financially sound corporations such as Texaco (Sherman, 1987) into bankruptcy. Indeed, the recent takeover battles and numerous scandals involving some of the largest corporations have resulted in a growing concern over risks of personal legal liability among managers and corporate directors (Kesner & Johnson, 1990; Janjigian & Bloster, 1990). In such an increasingly legalized business environment, managers and directors are fully aware of society's criminal and civil sanctions. The impact of this knowledge on managerial attitudes and behavior has been widely discussed and documented in both the popular and academic literature (Whitehill, 1989; Heydinger, 1987; Samuelson, 1990; Galen, 1992; Fisher, 1990).

The results of this study show that female directors are even more attuned and sensitive to the requirements of the legal and regulatory environment than their male counterparts. These results seem contrary to theory and findings which would have suggested that men would have been inclined toward legal concerns given their proclivity to a justice orientation. Women should have displayed a stronger ethical orientation than men given their greater ethical sensitivity and a focus on care. So why this seeming lack of fit with the conceptual findings of others? The respondents completed the research instruments at a time right before the economic crisis now being faced broke fully into public awareness. The clouds of economic uncertainty were gathering, as well as the fear engenderment which often accompanies the political activity in the period before a presidential election. The condition of the stock market, real-estate and automotive industries, financial institutions and government spending were being widely discussed and considered. Some would have taken these signs and discussions with little or no alarm as being either part of the usual economic cycle or an artifact of the political season or both. More prescient others may have seen something else or sensed it differently and hence would have been most concerned and worried. Therefore, female credit union board members seemingly were more sensitive and perceiving of the building calamity than male members as previous research suggests would be the case. That seems to have been reflected in the female responses vis-à-vis men's as they moved back along the axis of the Carroll model from an ethical concern to a legal concern. In contrast, men remained at that position that is focused on ethical responsibilities. This would explain the higher male ethical dimension score.

Females moving back to the legal position on the CSRO continuum would also be consistent with the findings of gender differences being contextual, which in this instance was a changing economic context which could significantly impact a credit union as a financial institution. Moving from an ethical concern to a legal is a move of caution and concern and protectiveness. That would be consistent with the other axis of the Carroll model if one were to retreat strategically from either Proaction or Accommodation to one of Defense (Do only what is required) as a strategic change in times of threat or uncertainty. Further support for this explanation is that choice and adaptability exists such that a different reasoning or focus can occur in response to external changes and that women may be more equipped given that they have greater diversity of decision rules than do men. If retreating to a more defensive and safer posture in the face of gathering clouds is a manifestation of care, then this is also consistent with the care and justice dichotomy as it applies to males and females in their directorship capacities. In essence the female board members were better canaries in their coal mine than were their male counterparts.

Although this study offers an improved understanding of differences and similarities between male and female credit union directors, caveats must be offered regarding the conclusions generated by this research. The first limitation concerns the generalizability of these results. Additional research with larger national samples would be necessary to confirm these findings. An additional cautionary note concerns the possibility of bias in the data provided by those who were sampled in this study. Although the survey instrument utilized a forced-choice format, such a bias cannot be completely ruled out. However, as a number of authors have pointed out, self-report measures are indispensable in organizational research (Gupta & Beehr, 1982; Podsakoff & Organ, 1986). Indeed, in certain research contexts, self-reports may provide more accurate estimates of population parameters than behavioral measures (Howard et al., 1980). Also, as previously mentioned, the instrument used in this study has been found to be highly reliable and psychometrically sound.

In conclusion, the findings of this study provide insights into an area of growing concern to society and all types of organizations. The numerous managerial ambiguities that are inherent in business decisions are further complicated by growing societal demands on corporations and increased attention on the ethical dimension of decision making. This issue is likely to gain increased attention by regulators and practitioners.

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