THE ETHICAL BELIEFS AND ATTITUDES OF REGISTERED VALUERS IN NEW ZEALAND

RICHARD HOYT
University of Nevada

and

MICHAEL WRIGHT and CEDRIC CROFT
Lincoln University

ABSTRACT

This study examines the ethical and moral beliefs held by registered valuers in New Zealand. A self-administered survey questionnaire was utilised to measure the five constructs concerned with Deceit, Fraud, Coercion, Self-interest and Influence Dealing. Significant differences between respondent's beliefs and attitudes were measured based upon variances in age, valuation experience, education and type of employment. Respondents who indicated they held Public Liability Insurance were more tolerant of unethical behaviour than those without such insurance. Additionally, respondents who had taken a professional ethics course were more tolerant of fraudulent behaviour, suggesting that professional ethics courses are not achieving their desired result.

Keywords: Ethics, morals, property, valuers

INTRODUCTION

Registered valuers or real estate appraisers, and other professionals in the commercial world are often subjected to pressures that may result in a compromise of accepted ethical behaviour.

Although professional property or real estate organisations have developed codes of ethics to which members are expected to subscribe (eg. NZPI Code of Ethics), there has been little empirical research pertaining to ethics in real estate. The majority of papers on real estate ethics have been descriptive and often included case studies or examples of ethical issues. For example, Real Estate Issues, published by The Counsellors of Real Estate (1994) devoted an entire issue to ethics in real estate, with all articles being descriptive. Sharplin et al (1992) wrote on the concept of ethics for property managers. Hurley (1996) wrote an essay on changes in the regulatory environment and ethical demands placed upon real estate appraisers. Similarly, books pertaining to ethics in real estate such as Long (2001), Pivar and Harlan (1995), Shaw (1991) and Roulac (1999) follow the descriptive and case study format.

Empirical studies include Allmon and Grant (1990) who used voice stress analysis on real estate sales agents. They found that 20% of respondents gave stressed responses to ethical questions, which implies they either broke the code of ethics or were uncomfortable with it. Sayre et al (1991) found that for ethical code violations, female real estate licensees in California are not penalised any less severely than males, and that females have less unethical violations than men do. Long and Guglielmino (1994) administered a test of ethical judgment, the DIT (Defining Issues Test), to real estate licensees in Florida. The DIT was originally developed by James Rest (1979) as "a measure of moral judgement based on Kohlberg's CMD (Cognitive Moral Development) theory" (Wright, 1995). Long and Guglielmino's (1994) results indicated that licensees are ethically immature compared to other professionals. The data also revealed no relationship between the DIT test scores and gender, age, years of real estate experience, real estate income or formal education. Okoruwa and Thompson (1994) found that the higher the income level, the more likely a real estate agent will "bend the rules" to close a transaction. They also found that female real estate agents are less likely to "bend the rules" than male agents. Nelson (1995) studied ethical behaviour complaints against real estate licensees and found no statistically significant differences for age and experience, and the disciplinary actions of probation and license revocation.

Izzo (2000) utilised Rest's DIT in conjunction with his own RES (Real Estate Survey) score, an industry specific DIT measure. Izzo set out to compare the responses of real estate salespeople in California (where ethics education is mandatory) with those of their counterparts in Florida where no such compulsion exists. Izzo found no statistically significant difference between the responses of the two groups and concluded "the value of compulsory ethics education as an intervention to improve the moral reasoning of real estate practitioners is highly questionable". However, Izzo's survey sample was not randomly selected, but respondent self-selected and was additionally small relative to the populations of salespeople in the two States. These factors may have effected the validity of the results.

The valuation profession is one that provides many opportunities for ethical conflict. Valuers are constantly placed in positions where they have a principal who engaged them as well as other known or unknown third parties. This often places valuers in a position of ethical conflict. Furthermore, as many valuers' earning potential is dependent upon the level of fees they generate, there may be potential to bend ethical behaviour in order to please clients and generate valuable repeat business. As Ferrell and Gresham (1985) indicate, opportunity strongly influences ethical behaviour and can override ethical beliefs. Allen and David's (1993) finding that high personal and professional beliefs and attitudes related to professional ethics diminished when ethical dilemmas were experienced in the marketplace supports this.

However, the credibility of valuers and their usefulness to society is based around the expectation that they will observe certain professional behaviours such as independence and competency and not succumb to pressures such as advocacy and conflicts of interest. These expectations are confirmed and published in the code of ethics statements (eg. NZPI Code of Ethics) provided by the institutes to which the valuers are required to be members. They also tend to be the focus of case study based ethics modules, such as the Dare (annual) module run by the NZIV in New Zealand. These are mandatory for valuers in many countries.

The Valuers Registration Board is the statutory body responsible for the conduct of registered valuers in New Zealand. Occasionally, the NZIV has published summaries for cases brought before the Board. Many deal with ethical issues relating to overvaluation (Case V: 10/7/96 & 20/10/96, NZIV (1997)), deceit (Case: 31/1/96, 10/4/96 7 31/12/96, NZIV (1997)) and fraud and self-interest (Case V: 16/11/93, 16/12/93, NZIV, (1994)). The NZIV/NZPI has not however published these case summaries for some time.

Hoyt & Aalberts (1997) and Hoyt and Schwer (1998) were the first to apply the current measure to the ethical beliefs and attitudes of real estate industry professionals. The first of these studies focused upon licensed real estate appraisers practising in the State of Nevada, USA and the second on real estate salespeople licensed in Nevada. Both papers reported differences in response based upon differences in gender and position within the firm, but interestingly not depending on whether or not the respondent had completed a professional ethics module. These studies are based upon a model developed by Harris (1990) to measure specific ethical domains *(deceit, fraud*, etc) in contrast to the DIT's more generalist measure of moral development. Harris developed and trialed the model on a single firm, an established regional organisation with a hierarchical structure and "clearly defined code of corporate ethics" in place. Unlike the later studies of Hoyt & Aalberts (1997) and Hoyt and Schwer (1998), no statistically significant difference was found for gender, but hierarchy within the organisation was identified as significant just as the Hoyt & Aalberts (1997) and Hoyt and Schwer (1998) results indicated. Results of this nature have also been generated by other studies using models based upon tailored scenarios or vignettes. Examples include Dawson (1997) and Lund (2000) in sales and marketing, Hoffman (1998) with listed company managers, and Bacur and Hisrich (2001) comparing managers with entrepreneurs.

In summary, empirical data pertaining to the study of ethics in the property industry is generally lacking. Therefore, this study seeks to add to the literature on real estate/property ethics and identify areas that need to be emphasised in the ethical education for valuers. In particular, this paper examines the ethical beliefs and attitudes of registered valuers in New Zealand. Five constructs, or domains of ethics are examined. The constructs are *deceit* (deceitful practice), *fraud* (fraudulent activities), *coercion* (coercive power), *self-interest*, and *influence dealing*. The constructs are adapted from those developed by Harris (1990) and allow investigation of respondents' ethical beliefs and attitudes. The paper reports on the differences that various demographic factors may have upon valuers' ethical beliefs and attitudes. Variables such as gender, age, valuation experience and type of work performed are considered.

The study measures ethical beliefs and attitudes using multi-layered constructs. This differs from the common methodology of treating a range of ethical beliefs as a single construct, reported as a single additive score. For each construct, there are three different vignettes or scenarios, for a total of fifteen scenarios. This multi-layered approach allows the analysis of specific areas of ethical beliefs in which there are statistically significant differences.

RESEARCH METHODOLOGY

Fifteen vignettes, three for each of the 5 constructs of (1) *deceit*, (2) *fraud*, (3) *coercion*, (4) *self-interest* and (5*) influence dealing*, were assembled into a self-administered survey questionnaire. An explanation of the five constructs is provided in Table 1.

Table 1: Construct Descriptions

Deceit	Deceiving or misleading by concealing the truth [1]
Fraud	Use of false representations to gain an unjust advantage [1]
Coercion	Persuade or restrain (not physically) by force [1]
Self-Interest	Personal interest or advantage
Influence Dealing	Exercise power

Each vignette was accompanied by a 5 point Likert-type scale, requiring respondents to indicate their level of approval or disapproval of the scenario described in each vignette.

1. The Concise Oxford Dictionary

To aid understanding by respondents, the vignettes were tailored for local use. This required only minor word changes from the original instrument used in the Hoyt & Aalberts (1997) and Hoyt and Schwer (1998) studies. Although it is acknowledged that the use of a survey developed in a different cultural context can reduce the reliability of results, it is also recognised that differently worded vignettes do not allow valid cross-cultural comparisons.

Research Objective

The specific objective of this research is to determine if statistically significant differences exist in the ethical beliefs and attitudes of individuals operating as registered valuers in New Zealand, based upon differences in:

1. Age
2. Gender
3. Level of education
4. Level of valuation experience
5. Type of work undertaken
6. Employment type
7. Primary work location
8. Income
9. Membership of professional organizations
10. Coverage by Professional Liability Insurance (PLI)
11. Completion of a professional ethics module.

Research Administration

Participants in this study comprised all property valuers holding registered valuer status with the New Zealand Property Institute (NZPI). With assistance from the NZPI, 1480 questionnaires were mailed out to this group in January 2000. A covering letter with the questionnaire explained that the research was aimed at seeking information on property industry practices. As an incentive to responding, three cases of wine were offered under a special prize draw.

The mailing produced a response of 619 useable questionnaires for a response rate of 41.7%. This is a good response rate compared with the studies of Hoyt & Aalberts (1997) of 31% and Hoyt and Schwer (1998) of 19%.

Demographics

Of those responding, 557 (92.7%) identified themselves as male and 43 (7.3%) as female. The ages of respondents were grouped and the largest age group represented was 36 to 45 years (32.4%), followed by 46 to 55 years (30.1%). 78.3% of respondents were over 36 years of age. The majority of respondents have a tertiary qualification, being either an undergraduate degree (71.1%) or technical college qualification (22.6%). Twenty-four respondents (4.2%) hold an advanced degree (Masters or PhD). An approved undergraduate degree has been the minimum educational requirement for gaining registration as a valuer in New Zealand since 1980.

Despite the majority of respondents being over 36 years of age, 31.2% have had 10 years or less experience as valuers, 30.8% had 11-20 years experience, and 38% had more than 20 years experience. 554 (90.4%) respondents identified themselves as registered valuers and 59 (9.6%) as near-registered valuers. 33.6% of respondents work predominantly in residential valuation. 45% of respondents indicated that they were self-employed, with the next largest employment category being Government agency (12.7%) followed by consultants (11.7%).

All respondents belong to the NZPI and 23.6% to additional professional organisations, such as the Real Estate Institute of New Zealand (REINZ) and the Property Council of New Zealand.

Members of the NZPI and REINZ are expected to subscribe to defined professional standards and codes of ethics. The NZPI has additionally mandated that all registered valuers take the Institute's 7-hour Professional Practise and Ethics Module before 2002 as part of their continuing professional development requirement (which is 20 hours per annum).

69.8% of respondents indicated that the length of their last professional ethics course was 4-8 hours and 70.4% of respondents had undertaken a professional ethics course within the last 3 years.

Analysis

The five constructs and vignettes used by Harris have been tested and reported upon in previous studies including Harris (1990), Harris (1991), O'Clock and Okleshen (1993), and Okleshen and Hoyt (1996). The integrity of each of Harris' constructs was retained, but the vignettes for each construct rewritten to correspond with situations pertaining to the real estate industry, and to contextualise for the New Zealand environment.

Each construct (*deceit, fraud, coercion, self-interest,* and *influence dealing*) has three different vignettes, oriented toward real estate sales, valuation and lending. The real estate industry is sufficiently interrelated for individual participants to be knowledgeable in the basics of each of the three areas (sales, valuation and finance) and thus should have some familiarity with the concept addressed in each vignette.

Responses to each vignette were requested using a 5-point Likert scale, with 1 indicating greatest approval and 5 indicating greatest disapproval. The responses to the three vignettes for each construct are summed, resulting in a possible range from 3 (most approval) to 15 (greatest disapproval). On a range of 3 to 15, the point of indifference is 9.

RESULTS

The means and standard deviations for the five constructs are presented in Table 2.

Table 2: Construct Means And Standard Deviations

Construct	Mean	Standard Deviation
Deceit (n = 611)	11.76	2.30
Fraud (n = 616)	13.76	1.80
Coercion (n = 611)	11.11	2.45
Self-Interest (n = 606)	9.09	2.40
Influence Dealing (n = 605)	7.09	2.66

Of interest is the observation that the greatest level of disapproval is in the area of *fraud* (13.76) and the greatest level of approval is in the area of *influence dealing* (7.09). An analysis of these five constructs by the various demographic variables follows.

Table 3: Gender

Construct	Male (n = 543 to 553)	Female (n = 42 to 43)
Deceit t = -0.12	11.75 (2.32)	11.79 (2.13)
Fraud t = 0.75	13.76 (1.80)	13.55 (1.69)
Coercion t = 1.25	11.13 (2.46)	10.65 (2.15)
Self-Interest t = -0.12	7.09 (2.68)	7.05 (2.38)
Influence Dealing t = 0.11	9.07 (2.40)	9.12 (2.18)

* 2-sample, 2 tailed, t-test, statistically significant @ 5% level.
Standard deviation in parentheses.

Table 3 presents the means and standard deviations of the respondents by gender, using a 2-sample, 2 tailed, t-test with significance at the 5% level. The results show that female valuers as a group are no more concerned than their male counterparts on matters concerning *deceit, fraud, coercion, self-interest* or *influence dealing* activities. Thus, we find there is no statistical difference between the female and male valuers, although these results should be treated with caution given the small sample of female respondents. This contrasts with the findings of Harris (1990) who found a significant difference in the *self-interest* construct and Hoyt & Aalberts (1997) who found significant differences in *influence dealing* and *self-interest* constructs for US valuers.

The following analysis utilises ANOVA to compare the variability of within group means to the variability between groups. The F-Statistic accompanying each construct is marked with an asterisk(s), when significance is measured and the degree of significance noted at the foot of each table.

A significant difference was indicated for two of the constructs, *fraud* and *coercion,* depending on respondents' level of education. An analysis of responses by education is presented in Table 4.

Table 4: Education

Construct	**Some or high school (n=6)**	**Polytech or professional qualification (n=123-129)**	**Incomplete or complete undergraduate degree (n=398-404)**	**Incomplete graduate degree (n=5)**	**Masters or PhD university Degree (n=23-24)**
Deceit F=1.07	11.50 (2.74)	11.76 (2.46)	11.71 (2.25)	10.40 (2.19)	12.47 (1.56)
Fraud* F=2.92	14.33 (1.21)	14.16 (1.45)	13.56 (1.84)	14.00 (1.73)	13.75 (2.40)
Coercion* F=3.19	13.33 (1.86)	11.44 (2.49)	10.84 (2.45)	10.40 (2.61)	11.50 (2.11)
Self-Interest F=1.54	8.33 (3.98)	7.42 (2.69)	6.85 (2.61)	7.25 (2.50)	7.25 (2.54)
Influence Dealing F=1.90	11.50 (2.26)	9.06 (2.37)	8.96 (2.31)	8.40 (1.14)	9.29 (2.96)

* ANOVA statistically significant @ 0.05 level.
Standard deviation in parentheses.

In the area of *fraud*, the highest levels of disapproval are among those with 'some or high school' and 'polytech or professional qualification'. A similar relationship is evident for *coercion* (although the measure for 'Masters or PhD university degree' holders exceeds 'polytech or professional'). The 'some or high school' and 'polytech or professional qualification' groups would generally represent older members of the profession as it has not been possible to obtain registered valuer status without the minimum qualification of an undergraduate degree since 1980.

This relationship is further supported by comparison on the basis of age. Table 5 demonstrates that for all but the *deceit* construct, age of the respondent is a significant variable (2-sample, 2 tailed, t-test with significance at the 0.1% level). Generally, the older the respondent, the higher the level of disapproval expressed for the scenarios presented.

Table 5: Age

Construct	**18-35 years (n=129-132)**	**36-45 years (n=194-198)**	**46-55 years (n=176-183)**	**56-65 years (n=75-77)**	**Over 65 years (n=19-20)**
Deceit F=1.08	11.80 (2.12)	11.53 (2.38)	11.94 (2.27)	11.60 (2.34)	12.25 (2.99)
Fraud*** F=8.37	14.21 (1.83)	13.59 (1.98)	14.01 (1.62)	14.35 (1.22)	14.70 (0.73)
Coercion*** F=4.90	11.53 (2.29)	11.04 (2.47)	11.11 (2.54)	11.93 (2.15)	12.10 (2.59)
Self-Interest*** F=5.24	6.69 (2.37)	6.76 (2.62)	7.35 (2.64)	7.56 (2.86)	9.00 (3.10)
Influence Dealing*** F=8.64	8.44 (2.21)	8.86 (2.31)	9.26 (2.24)	9.81 (2.64)	11.11 (2.84)

*** ANOVA statistically significant @ 0.001 level.
Standard deviation in parentheses.

This relationship is further evident in the measure of valuation experience indicated by respondents. Table 6 shows statistically significant differences exist for the *fraud, coercion*, and *influence dealing* constructs depending on the respondents experience as a valuer. Generally, the longer the respondent has been practicing, the less tolerant that person's response to examples of *fraud, coercion* and *influence dealing*.

Table 6: Number Of Years Practiced As A Valuer

Construct	0-9 years (n=129-132)	10-19 years (n=194-198)	20-29 years (n=176-183)	30-39 years (n=75-77)	Over 40 years (n=19-20)
Deceit F=0.51	11.77 (2.14)	11.94 (2.24)	11.72 (2.44)	11.53 (2.29)	11.61 (3.10)
Fraud** F=3.66	13.53 (1.70)	13.59 (1.95)	13.74 (1.92)	14.33 (1.21)	14.28 (1.27)
Coercion* F=3.17	10.78 (2.37)	11.21 (2.48)	10.82 (2.53)	11.64 (2.37)	12.17 (2.46)
Self-Interest F=2.04	6.87 (2.47)	6.95 (2.63)	7.10 (2.58)	7.76 (2.95)	7.83 (3.43)
Influence Dealing** F=2.60	8.75 (2.13)	9.04 (2.43)	9.01 (2.242	9.50 (2.52)	10.33 (3.00)

* ANOVA statistically significant @ 0.05 level.

** ANOVA statistically significant @ 0.01 level.

Standard deviation in parentheses.

Although income is also potentially correlated with age and experience, our analysis revealed no significant difference among the constructs for different levels of income.

There were no significant differences found involving the time since the respondents had taken a professional standards or ethics course, or the length of such a course (less than four hours, four to eight hours and over eight hours) for any of the five constructs. However, analysis shows that respondents who had completed an ethics course were more approving of *self-interest* scenarios than respondents who had not taken such a course. There were no significant differences found between these two groups for any of the other constructs. Table 7 records the results of this analysis.

Table 7: Taken Professional Ethics Course

Construct	Yes (n=417-423)	No (n= 181-185)
Deceit F=0.08	11.71 (2.54)	11.77 (2.20)
Fraud F=1.37	13.89 (1.64)	13.70 (1.87)
Coercion F=0.00	11.11 (2.31)	11.11 (2.53)
Self-Interest* F= 4.59	7.43 (2.58)	6.93 (2.69)
Influence Dealing F=0.55	9.20 (2.38)	9.04 (2.42)

* ANOVA statistically significant @ 0.05 level
Standard deviation in parentheses.

Respondents were asked if they had Professional Liability Insurance (PLI). 487 (78.3%) indicated that they are covered by PLI and 123 (19.8%) that they are not. We found no significant difference (2-sample, 2 tailed, t-test with significance at the 5% level) between those who have PLI insurance and those who do not in all of the constructs except *fraud*. Respondents not holding PLI indicated that they were significantly less tolerant of fraudulent behaviour than those with PLI insurance at the 0.1% level. This indicates that having such insurance may alter the tolerance for unethical practices. The results of this analysis are shown in Table 8.

Table 8: Hold Professional Liability Insurance

Construct	Yes (n=472-477)	No (n= 122-123)
Deceit F=0.54	11.77 (2.35)	11.60 (2.14)
Fraud*** F=1.37	13.64 (1.88)	14.31 (1.18)
Coercion F=0.28	10.08 (2.50)	11.21 (2.29)
Self-Interest F= 1.21	7.17 (2.70)	6.87 (2.55)
Influence Dealing F=1.11	9.13 (2.45)	8.86 (2.17)

*** ANOVA statistically significant @ 0.001 level
Standard deviation in parentheses.

Focusing on type of employment, significant differences were found for the *deceit* and *self-interest* constructs depending on respondents' type of employment. Respondents employed as valuers were less tolerant of *self-interest* than those employed in the lending/finance, insurance, consultancy or in Government agency (including State Owned Enterprises (SOE)), and those employed in the lending/finance sector were more tolerant of the scenarios described in the *deceit* vignettes than others. Table 9 shows the results of this analysis.

Table 9: Employment

Construct	**Self-employed or employed valuer (n=335-346)**	**Lending or finance sector (n=73)**	**Government agency or SOE (n=77-78)**	**Consultant (n=71-72)**	**Life insurance (n=17-18)**	**Retired or other (n=23)**
Deceit* F=3.54	11.87 (2.32)	11.75 (2.36)	11.99 (2.15)	11.93 (2.33)	12.28 (2.08)	12.22 (1.91)
Fraud F=0.83	13.82 (1.64)	13.86 (1.57)	13.39 (2.21)	13.77 (2.04)	13.89 (1.49)	13.83 (2.01)
Coercion F=0.78	11.23 (2.47)	11.18 (2.35)	10.75 (2.44)	11.00 (2.55)	11.12 (2.15)	10.52 (2.50)
Self-Interest* F=2.26	7.38 (2.70)	6.40 (2.33)	6.99 (2.58)	6.22 (2.51)	7.04 (2.80)	7.10 (2.66)
Influence Dealing F=1.78	9.32 (2.38)	8.71 (2.23)	8.81 (2.29)	8.75 (2.57)	8.44 (2.83)	9.04 (2.16)

* ANOVA statistically significant @ 0.05 level
Standard deviation in parentheses.

Analysis failed to measure any significant difference based upon valuers' primary valuation work (greater than 50% of income earned) whether residential (n=371) or other (n=188). Similarly, no difference was found for primary work location, whether South Island, or North Island.[2]

In summary, Table 10 records all the factors (and associated statistical significance) where an effect was measured.

2. New Zealand is primarily comprised of 2 main islands known as the South Island and North Island.

Table 10: Statistical Significance Where An Effect Was Measured

Factor/Domain	Deceit	Fraud	Coercion	Self-Interest	Influence Dealing
1. Age		F=8.37 ***	F=4.90***	F=5.24***	F=8.64***
3. Education		F=2.92 *	F=3.19*		
4. Experience		F=3.66 **	F=3.17*		F=2.60**
6. Employment type	F=3.54*			F=2.26*	
10. Public Liability Insurance		F=1.37 ***			
11. Professional Ethics Course				F=4.59*	

* ANOVA statistically significant at 0.05 level.
** ANOVA statistically significant at 0.01 level.
*** ANOVA statistically significant at 0.001 level.

CONCLUSIONS

Of the five ethical constructs (*deceit, fraud, coercion, self-interest,* and *influence dealing*) viewed by the registered valuers, the greatest disapproval of situations involved *fraud*, followed by *deceit* and *coercion*. Of interest is the approval of situations *involving self-interest* and *influence dealing*, which supports earlier studies by Harris (1990), Okleshen and Hoyt (1996) and Hoyt & Aalberts (1997). For registered valuers, the acceptance of these types of activities may reflect the independence generally associated with the vocation. The *fraud, coercion* and *self-interest* constructs are the predominant constructs (three out of six each) showing statistically significant differences when evaluated using various demographic factors. These are followed by the *influence-dealing* construct with three out of six statistically significant differences.

The finding that male valuers are no more tolerant than female valuers is contrary to the Hoyt & Aalberts (1997) and Harris (1990) studies which both found a difference for the *self-interest* construct. Hoyt & Aalberts (1997) additionally found differences for *influence dealing* and Hoyt & Schwer (1998) for the *fraud, coercion,* and *influence dealing* constructs.

Age, experience and education were identified as significant variables, although there is intuitively some correlation between these variables when applied in the context of this study. Generally, the older and more experienced a respondent, the less tolerant he/she will be to an unethical scenario. Although in a different commercial sector, Lund (2000) also found age and education significant in his study of marketing professionals. This finding reflects the moral development of individuals hypothesised by Kohlberg in his CMD theory.

Our finding that respondents who have undertaken a professional ethics module are more inclined to respond positively to *self-interest* scenarios is of concern, both for those delivering professional ethics modules and the professional organisations promoting them. The insignificant differences measured for the other constructs may also be of concern indicating that the ethics oriented courses required by professional organisations are failing to alter attitudes toward ethical behaviour.

Another finding of concern is the statistically significant difference measured between those with PLI and those without with respect to the *fraud* construct. The results indicate that respondents with PLI are more tolerant of the fraudulent scenarios than those without.

The authors acknowledge some limitations to this research. These include the possible effect of cross-cultural differences in the survey instrument influencing responses; the low sample numbers of some measures (gender) affecting results; and the likelihood of differences between what people say (as measured in the survey) and what they actually do (in their everyday business conduct).

This study has identified some areas in which there are significant differences in ethical beliefs among registered valuers in New Zealand. The study should be replicated in other sectors of the property industry in New Zealand and there are also opportunities to undertake cross-cultural comparisons with sectors of the property industry in the USA and other countries. Local and/or regional influences may impact upon valuers' ethical beliefs differently. Differences in ethical beliefs may have an effect upon the interaction of property participants. Being aware of and resolving any differences can assist in building relationships of trust between those who use valuers and other property professionals and those professionals. Finally, although this study indicates (with the exception of *self-interest*) that professional ethics courses may not significantly affect ethical behaviour, it has identified areas of ethical behaviour that need to be emphasised in existing professional standards and ethics courses.

REFERENCES

Allen, J. and David, D. (1993), "Assessing Some Determinant Effects of Ethical Consulting Behavior: The Case of Personal and Professional Values", Journal of Business Ethics, June, 12: 449-458.

Allmon, D. and Grant, J. (1990), "Real Estate Sales Agents and the Code of Ethics: a Voice Stress Analysis", Journal of Business Ethics, 9: 807-912.

Bucar, B. and Hisrich, R. (2001), "Ethics Of Business Mangers Vs. Entrepreneurs", Journal of Developmental Entrepreneurship, April, 59-82.

The Counsellors of Real Estate (1994), Real Estate Issues, December, 19: 3.

Dare, T. (annual), "Values & Valuers: A Professional Ethics Module", NZIV.

Dawson, L. (1997), "Ethical Differences Between Men And Women In The Sales Profession", Journal of Business Ethics, August, 1143-1152.

Ferrell, O. and Gresham, L. (1985), "A Contingency Framework for Understanding Ethical Decision Making in Marketing", Journal of Marketing, 49: 87-96.

Harris, J. (1990), "Ethical Values of Individuals at Different Levels of the Organizational Hierarchy of a Single Firm", Journal of Business Ethics, 9: 741-750.

Harris, J. (1991), "Ethical Values and Decision Processes of Business and Non Business Students; A Four Group Study", Journal of Legal Studies Education, 9: 216-230.

Hoffman, J. (1998), "Are Women Really More Ethical Than Men? Maybe It Depends On The Situation", Journal of Managerial Issues, Spring, 60-73.

Hoyt, R. and Aalberts, R. (1997), "Ethical Beliefs and Values of Real Estate Appraisers", Paper presented at the annual meeting of the American Real Estate Society, April.

Hoyt, R. and Schwer, R. (1998), "Ethical Beliefs and Values of Real Estate Salespeople", Paper presented at the annual meeting of the American Real Estate Society, April.

Hurley, N. (1996), "Ethics and Ethical Behavior in the Property Valuation Profession", The Appraisal Journal, April, LXIV 2: 125-128.

Izzo, G. (2000), “Compulsory Ethics Education And The Cognitive Moral Development Of Salespeople: A Quasi-Experimental Assessment”, Journal of Business Ethics, 28 (3): 223-241.

Long D. (2001), Doing the Right Thing: A Real Estate Practitioner’s Guide to Ethical Decision-Making, 3rd Ed, Prentice Hall.

Long, D. and Guglielmino, L. (1994), “Are Real Estate Agents Really Unethical?: A Study of the Ethical Reasoning Ability of Florida Real Estate Licensees”, unpublished paper Florida Atlantic University, July.

Lund, D. (2000), “An Empirical Examination Of Marketing Professional’s Ethical Behavior In Differing Situations”, Journal of Business Ethics, April, 331-342.

Nelson, W. (1995), “Empirical Measures of Ethics in the Real Estate Industry”, Paper presented at the annual meeting of the American Real Estate Society, March.

New Zealand Institute of Valuers. (1994), Valuers Registration Board & Valuation Board of Appeal: Decisions, No. 3, May.

New Zealand Institute of Valuers. (1996), Valuers Registration Board & Valuation Board of Appeal: Decisions No. 6, May.

New Zealand Property Institute, Code of Ethics.

O'Clock, P. and Okleshen, M. (1993), “A Comparison of the Ethical Perceptions of Business and Engineering Majors”, Journal of Business Ethics, 12: 677-687.

Okleshen, M. and Hoyt, R. (1996), “A Cross Cultural Comparison of Ethical Perspectives and Decision Approaches of Business Students: United States of America Versus New Zealand”, Journal of Business Ethics, 15: 537-549.

Okoruwa, A. and Thompson, A. (1994), “An Empirical Analysis of Real Estate Brokerage Ethics”, Paper presented at the annual meeting of the American Real Estate Society, April.

Pivar, W., and Harlan, D. (1995), Real Estate Ethics: Good Ethics = Good Business, 3rd Edition, Real Estate Education Company.

Roulac, S. (1999), Ethics in Real Estate, Kluwer Academic Publishers.

Sayer, S., Joyce, M., and Lambert, D. (1991), "Gender and Sales Ethics: Are Women Penalized Less Severely Than Their Male Counterparts?", Journal of Personal Selling and Sales Management, Fall, XI (4): 49-54.

Sharplin, A., Premeaus, S., Binning, M., and Worley, L. (1992), "Business Ethics: A Primer for Managers", Journal of Property Management, September-October, 57 (5): 42-45.

Shaw, W. (1991), "Business Ethics", Wadsworth Publishing Co.

Wright, M. (1995), "Can Moral Judgement And Ethical Behaviour Be Learned? A Review Of The Literature", Management Decision, 33 (10): 17-28.