

CONTENTS

Preface (to the Third [Current] Monograph Published by The IIA)	vii
Preface (to the Second Monograph Published by The IIA in 1994)	ix
Preface (to the Original Monograph Published by The IIA in 1983)	xi
About the Authors	xiii
Acknowledgments	xv
Chapter 1 — Introduction	1
Chapter 2 — Background	3
What is Ethical?	4
Ethics and the Law	5
The Statutory Environment	5
The Source of Ethics	6
Ethics Theory	7
Ethics and Relativism	10
Moral Absolutism	10
Ethics and Business and Government	11
The Concepts of Truth	11
The Institute of Internal Auditors	12
Chapter 3 — Ethics in Turmoil	17
The Turmoil	17
Management’s Responsibility for Ethics	19
The Chief Audit Executive’s Responsibility for Ethics	20
Managers Disregard Ethics	22
The Impact of Culture and Competition on Ethics	23
Assessing an Organization’s Ethical Climate	24
Materiality as a Consideration of Ethics	25
Two Models of Ethics	26
The Ethical Person	26
The Cost of Unethical Practices	27
FEI Issues, Recommendations, and a Revised Code of Ethics	27
A Set of Tools for Ethics	28
The Sarbanes-Oxley Act	29
The New Code of Ethics for Internal Auditors	30

Chapter 4 — The Project	33
The First Study (1983)	33
The Second Study (1994)	36
The Current Study (2003)	38
Chapter 5 — Situational Findings: Confidentiality	41
Situation 4	42
Situation 9	46
Chapter 6 — Situational Findings: Honesty and Objectivity	51
Situation 1	52
Situation 16	56
Chapter 7 — Situational Findings: Loyalty	61
Situation 7	62
Situation 12	65
Situation 17	69
Chapter 8 — Situational Findings: Conflicts of Interests	73
Situation 3	74
Situation 8	78
Situation 18	81
Chapter 9 — Situational Findings: Gifts	87
Situation 13	88
Chapter 10 — Situational Findings: Professional Competence	93
Evidence	95
Situation 6	95
Situation 14	99
Situation 19	102
Disclosure	106
Situation 5	106
Situation 10	110
Standards	113
Situation 20	113
Chapter 11 — Situational Findings: Striving for Proficiency and Effectiveness	119
Situation 15	119

Chapter 12 — Situational Findings: High Standards of Morality and Dignity	123
Situation 2	123
Situation 11	127
Chapter 13 — Analysis	131
Attitudes of Internal Auditors as Related to Perceived Organizational Attitudes	131
Attitudes Related to Internal Auditors' Staff Positions	134
Attitudes Related to Internal Auditors' Industry Associations	138
Attitudes Related to Internal Auditors' Locations	141
Gender Differences	144
Age Difference in Perception	145
Chapter 14 — Conclusion	151