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A Case for Including Ethics in Business Education: Why and How?

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Introduction

In the last several years there has been an increased emphasis on including ethics in business curricula, particularly as a result of a number of high-profile business ethics related scandals. Despite the inroads that ethics has made into business programs so far, there still appears to be a long way to go before our future business leaders are adequately prepared to deal with the complex ethical challenges that are part and parcel of today's fast-moving business world. This paper addresses the purpose and value of including ethics in business curricula and proposes a method by which business schools can effectively include ethics into degrees.

The Purpose and Value of Ethics in Business Education

It is evident that the unethical behavior of individuals acting unscrupulously has led to corporate failures (such as the Enron and Lehman Brothers bankruptcies) and created negative consequences for stakeholders and wider society (Giacalone and Jurkiewicz, 2003). As the business leaders of tomorrow are the students of today, it is imperative that business schools include ethics in their education offerings. A survey of literature indicates there are numerous reasons to provide students with an ethics education. Firstly, an ethics education is fundamental in developing students' awareness of, and sensitivity to, ethical issues in business and society (Stead and Miller, 1988; Williams and Dewett, 2005; Bean and Bernardi, 2007). It also builds students' understanding of important ethical theories, such as the deontological or utilitarian theories (Rossouw, 2002) and concepts, such as corporate social responsibility (CSR) and corporate citizenship (Christensen et al., 2007). Further, it equips students with requisite skills in ethical reasoning, judgment and decision making (Rossouw, 2002; Lowry, 2003) and aids students' moral development and tolerance (Luthar and Karri, 2005; Williams and Dewett, 2005). It is also familiarises students with ethical issues that they will face in the workplace (Bishop, 1992; Felton and Sims, 2005) and assists them to consider their personal values when grappling with ethical dilemmas (Oddo, 1997).

Moreover, the value of including ethics within a business education is significant for students, businesses, business schools and wider society. Evidence indicates that an ethics education will benefit students by better preparing them to handle ethical challenges in the workplace (Sims, 2002a; Williams and Dewett, 2005). Studies show an ethics education improves students' ethical reasoning and decision-

making skills (O'Fallon and Butterfield, 2005; Cloninger and Selvarajan, 2010) and decreases their tolerance for unethical behavior (Lau, 2010). As there exists a positive link between ethical behaviour in the workplace, career progression and job satisfaction (Koh and Boo, 2004; Rubin, Dierdorff and Brown, 2010) students will clearly gain lifelong value from an ethics education. Furthermore, the positive connection between ethical practice and organisational performance (Luthar and Karri, 2005) illustrates that an ethics education also benefits businesses, as the future employers of students.

For business schools incorporating ethics into their education offerings, value can be realised over the long-run through the reputational benefits associated with building a strong ethics message to students (Vidaver-Cohen cited in Swanson and Fisher, 2008). Business schools can also derive value by contributing to the development of socially responsible individuals. Beyond the business school, this is also valuable for, and in the interests of, society as a whole.

How to Include Ethics in the Degree

Given the broad range of benefits that can be derived from ethics in business education, how can business schools include ethics into degrees? Studies indicate there are several criteria for the effective delivery of ethics in business education (McWilliams and Nahavandi, 2006). Firstly, students must be educated in theoretical frameworks (White and Taft, 2004). Secondly, ethical issues should be incorporated with other knowledge (McDonald, 2004; Wilhelm, 2008). Students must also be provided with opportunities for the practical application of theory (Sims and Sims, 1991). Moreover, it is vital that learning activities require emotional involvement (Sanyal, 2000), facilitate an examination of personal values (Sims, 2002a) and hold students accountable for their decisions (McWilliams and Nahavandi, 2006).

This paper proposes a three-step delivery method that fulfills the criteria for an effective ethics education. By design, it incorporates both the discrete and pervasive methods of teaching ethics in addition to extra-curricular initiatives. The first step requires implementing a mandatory ethics 'toolkit' course in first-year that introduces students to ethics, CSR and frameworks of ethical decision making. In turn, students are equipped with a toolkit of knowledge, concepts and skills to navigate ethical dilemmas (Weber, 2006; Dzurainin, Shortridge and Smith, 2012). The second step involves incorporating contextualised ethics content into the wider curriculum. This is achieved through drawing on case material relevant to subject matter and encouraging critical analysis of the ethical issues presented. Utilising contextualised ethical cases promotes more meaningful ethics learning (Maclagan, 2003; Sims and Felton, 2006; Falkenberg and Woiceshyn, 2008) and allows students to build on their toolkit (Trevino and McCabe

1994). The final step entails offering extra-curricular 'learning-by-doing' activities, including competitions, debates and work experience.

Experiential initiatives are powerful methods for teaching ethics because they merge ethical theory and practice, demand substantial emotional engagement (Weber and Glyptis, 2000; Sims, 2002b) and require students to assert responsibility for their values and choices (McWilliams and Nahavandi, 2006). Furthermore, offering practical initiatives outside of the classroom provides students with invaluable opportunities to apply their toolkit to solving ethical problems and experiencing ethical decision making first-hand prior to entering the workforce (LeClair et al. 1999).

Conclusion

Based on a review of literature, ethics in a business education has several purposes and creates great value for students, businesses, business schools, and the wider community. Moreover, the method of including ethics in the degree put forth by this paper is holistic and effective. At its heart, it ensures continuous and experiential learning for students throughout their university career. Though discussions surrounding ethics in business education are likely to continue, one thing is certain: ethics can and must be included in business education programs in order to effectively prepare our future business leaders to meet the ethical challenges that they will encounter in today's marketplace.

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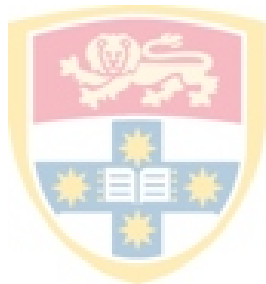
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