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Arming students with the skills in business ethics

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Modern society has placed wealth at the top of its hierarchy. From there, business schools teach that implementing ethical decisions should depend more on profitability (Giacalone and Thompson, 2006) and less on social responsibility. They have produced graduates embroiled in scandals regarding profit maximization at the detriment of ethical considerations (Podolny, 2009). As companies seek to avoid damage to their reputations, they vie for graduates with a strong business ethics background. For business schools unfortunately, their courses need radical restructuring as their mantra supporting the importance of generating profits (Neubaum et al., 2009) now seems somewhat archaic.

Naturally, Socrates' question on whether ethics can be taught comes to the fore. If not, then business schools are not to be blamed. If so, then the curriculum needs to be changed. This paper sides tentatively with the latter response – the curriculum should be changed, but not to teach ethics, rather to teach the skills behind ethical thinking to encourage students to act more ethically (Sims and Felton, 2006). Whether students engage in ethical behaviour is their choice. To achieve this, business schools should have an integrated theoretical component of business ethics learning, and a practical component whereby students create a social enterprise.

Business ethics is defined as the consideration of an organization's actions or activities where moral concerns are addressed (Crane and Matten, 2015), which could include analyzing the organization's impacts on the environment and on communities. While consideration for stakeholders has increased, the current business environment still revolves around profits, which can lead to an unsustainable focus on short term gains (Giacalone and Thompson, 2006).

Although a business ethics education is essential, increased ethical consideration not only hinge on students' actions, but on whether these theories can be taught. One argument suggests that by adulthood, an individual's character and beliefs have already been formed and therefore, ethics cannot be taught (Cragg, 1997). Neubaum et al. (2009), however, suggest that although factors such as age and gender may predispose students to certain moral beliefs, university education yields substantial influence to shape a student's moral position. Furthermore, Ritter (2006) suggests that if students are prepared to study ethics and morality before entering business school, they can internalize and understand the theories better.

Accordingly, there are several ways ethics can be taught. In some universities, ethics is not taught at all, the closest topic being corporate social responsibility, while in others, ethics is taught as a stand-alone course. If the latter is chosen, students may see ethics in isolation to business, and fail to see the reality of the commercial environment (McDonald, 2004). Therefore, this paper recommends, in accordance with popular discourse, that ethical principles should be integrated into business courses for students to understand its pervasiveness and complexity in commercial scenarios (Alsop, 2006; McDonald, 2004; Ritter, 2006; Trevino and McCabe, 1994).

An integral component of this recommendation is the discussion of business ethics because ethical problems often lack a clear answer (Sims and Felton, 2006). When the diverse opinions of all students and academics are heard, students understand the intricacies of ethical issues more deeply and develop their critical thinking skills. These skills will be useful beyond their degree, and prepare

them for the challenges of the changing business environment. Consequently, they will develop a more holistic and considered world view that is not solely focused on profits. Furthermore, students' regular consideration of ethics in business school may even become habitual, increasing the likelihood for such considerations to become part of their life in the workforce (Oddo, 1997).

Integrated ethics, however, may require a systemic reorientation of business faculties. While students need to learn about ethics, a similar onus is placed upon academics, who are unlikely to be trained as ethicists. Only until teachers fully understand and are convinced of the need for business ethics will students develop a similar acknowledgement and concern.

Another recommendation involves the creation of a social enterprise. A social enterprise is defined as an organization that generates social value but is also commercially viable, such that revenues can be used to increase the organization's social constructiveness (Tracey and Phillips, 2007). Students should create social enterprises, as opposed to other organizational structures such as charities or companies, because the added element of social considerations prevents individuals from purely focusing on profits, which changes business processes (Emerson, 1999). For students, the greatest challenge would be to ensure that profit motives do not overpower social considerations. While they may fail to succeed at this challenge, acknowledging the complex tension between the two elements, and developing the practical skills to assess and change business structures, will be of immense importance.

For this course to succeed, students should work in teams to create an idea that fulfils a social need, and teachers should help students to develop ideas that are viable. Students could create an idea in their first year of university, and then revisit their business a year later. Personally, they can observe how their understanding of business ethics theories has changed over a year and discover that developing an ethical mindset is a process. More importantly, they can assess and modify their plans to suit the changing market, allowing them to critically analyze short-term and long-term issues.

The current discourse is that business schools fail to teach ethics adequately to students. This paper makes some recommendations – many more abound in the academic literature. For any of these recommendations, it would be too simplistic, however, to hope that students would leave business school as more ethical individuals, as they are likely to be influenced by factors beyond the university's power. Rather, the objective of teaching ethics should be to arm students with the theories and understanding that will help them, should they choose, to act ethically in the business environment.

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