A Case Example: Integrating Ethics into the Academic Business Curriculum

Gael M. McDonald

ABSTRACT. This paper combines a review of existing literature in the field of business ethics education and a case study relating to the integration of ethics into an undergraduate degree. Prior to any discussion relating to the integration of ethics into the business curriculum, we need to be cognisant of, and prepared for, the arguments raised by sceptics in both the business and academic environments, in regard to the teaching of ethics. Having laid this foundation, the paper moves to practical questions such as who should teach ethics, and when and how can ethics be taught. The paper presents alternative models for the teaching of ethics in the curriculum of undergraduate and postgraduate business programmes. An integrative model is elaborated on in more detail with a case example describing the six-stage process undertaken in the move from a single entry course to an integrated approach. The case study details not only the planning and initial implementation of ethical education in the context of an undergraduate business degree programme, but also the means by which a change in the way that ethics is taught was achieved in a business faculty in a tertiary institution.

KEY WORDS: alternative models, criticisms, ethics education, ethics outcomes, goals, teaching business ethics

The teaching of business ethics

To date, the teaching of business ethics has been examined from the descriptive, prescriptive, and analytical perspectives. The descriptive perspective has reviewed the existence of ethics courses (e.g., Bampton and Cowton, 2002; Barkhuysen and Rossouw, 2000; Bassiry, 1990; Cowton and Cummins, 2003; Cummins, 1999; Mahoney, 1990; Schoenfeldt et al., 1991; Singh, 1989), their histor-

Gael McDonald is Professor of Business Ethics and Vice President, International, at Unitec New Zealand. Her research interests are in the areas of cross-cultural business ethics and ethical decision-making.

ical development (e.g., Sims and Sims, 1991) cross cultural differences in the teaching of business ethics (e.g., Spence, 2000), and the format and syllabi of ethics courses (e.g., Hoffman and Moore, 1982). Alternatively, the prescriptive literature has centred on the pedagogical issues of teaching ethics (e.g., Brady, 1999; Castro, 1989; Garaventa, 1998; George, 1987; Golen et al., 1985; Gray et al., 1994; Hunt and Bullis, 1991; Lazere, 1997; Nielsen, 1998; Reeves, 1990; Stewart and Felicetti, 1996; Strong and Hoffman, 1990; Tucker and Stout, 1999; Wells, 2001); and on providing recommendations for teachers of business ethics (e.g., Hosmer and Steneck, 1989; Nappi, 1990) such as the use of role plays (Brown, 1994), and stressing the need for realistic business problems in which students deal with ethical dilemmas (Zych, 1999). From the analytical perspective, judgements have been made as to whether courses in ethics are, in fact, effective in achieving value and attitudinal modifications in students (e.g., Loeb, 1991; Marnburg, 2003; Martin, 1982; Pamental, 1989; Purcell, 1977; Weber, 1990; Wynd and Mager, 1989). While the literature on ethics education stated above is of relatively recent origin, it should be remembered that, in fact, deliberations on the efficacy of ethics education go back to the time of Plato.

The arguments raised by the sceptics

Before the introduction of ethics components into the business curriculum, we need to be cognisant of, and prepared for, the arguments raised by those both in the academic and business communities who are sceptical about whether ethics should and can be taught. Broadly, criticisms of ethics education range from the view that business obligations are restricted to the utilisation of resources in the process of

maximising profit and, as such, ethics is not an integral part of the domain of business, through to the pragmatic difficulties of introducing ethics into existing business school programmes (McDonald and Donleavy, 1995). Drucker (1981) defended business from needing its own ethics courses, as he considered ethics bound all individuals in all their activities equally and, accordingly, he could see no reason to 'victimise' business by requiring business to subscribe to a set of ethics which are different from those that bind ordinary individuals. Hoffman and Moore (1982), among others, have pointed out that it is precisely the failure of ''normal'' ethics to penetrate some areas of business that has given rise to ethical concern in various quarters and to the need for ethics training. Criticisms surrounding the teaching of business ethics, however, relate to the views that: courses are created largely for the sake of appearances; ethics involves a high level of abstraction that prohibits effective learning; the field of ethics is without an analytical foundation and, therefore, lacks credibility; courses are little more than indoctrination; ethics training can have little effect and students are unable to transfer their ethical skills into the business environment (McDonald and Donleavy, 1995).

A frequently debated question is whether ethics can, in fact, be taught. Hosmer (1985) has responded to criticisms that you cannot teach moral standards, with a statement of his primary goal in teaching ethics, ''I do not want to teach moral standards; I want to teach a method of moral reasoning through complex issues so that the students can apply the moral standards they have'' (Hosmer, 1985, p. 19). In discussing the pre-existence of moral standards, Hosmer has admitted that it is hard to change habits, beliefs and values, but such change is not the primary function of a course on managerial ethics. In his view, the primary function is to teach ethical systems of analysis, not moral standards of behaviour (Hosmer, 1985, p. 10). In a further response to the concern that ethics cannot be taught, Cooke and Ryan (1988, p. 31) have commented:

> ''The argument that the discipline of ethics is too abstract to be communicated to the average manager rests on the assumption that either executives are not sophisticated enough to grasp abstract ideas, or ethics cannot be simplified for practical application. Both possibilities are offensive''.

Therefore, if business schools (prompted by both industry and internal mechanisms) have a commitment to teach ethics, and some dimensions of ethics can, in fact, be taught, how should this be achieved?

Who should teach business ethics, when and how?

In Klein's 1998 article, he asserted that the one necessary condition for a business ethics course is that the teacher must be a philosopher, and argued that philosophers are best qualified to teach business ethics by virtue of their expertise in ethical theory (Klein, 1998). This view is naturally challenged by others. What philosophy has to offer is an inheritance, and it questions the meaning of the terms ''right'' and ''good'' which dominate the philosophical landscape, to the exclusion of questions about what actions are right, and what things are good, (Goodpaster, 2002).

Authors such as Raisner (1997), Giacalone and Knouse (1997), Frederick (1998), and Park (1998) have critiqued the acontextual nature of some business ethics teaching (Wilcox, 1999), and it has been argued that in order to teach business ethics successfully, one must address both the issues unique to ethical theory and the particular structures and contexts that are unique to making an ethical decision within the business environment (Morse, 1999). This would, therefore, suggest that the best individuals to teach business ethics are those grounded in normative philosophy and ethical theory but with an acute sensitivity to the business circumstances in which ethical decisions are being made.

The goals of ethics education

Given that there are a number of potential results to be derived from ethics training, it would seem appropriate to briefly mention what the goals could be. It seems common to make a distinction between courses that seek to have effects on awareness or attitudes on the one hand, and reasoning ability on the other. (Kavathatzopoulos, 1994; Weber, 1990). Weber (1990) uses a distinction between philosophically orientated courses that train students in reasoning, and courses that seek to strengthen a student's ability to recognise and focus on ethical issues.

A third category seeks to integrate the two objectives of awareness and reasoning (Marnburg, 2003). This type of course aims to bring about better awareness and tries to build on strong positive attitudes towards business ethics, as well as providing the student with analytical and decision-making techniques, while it is up to each institution to decide on what goals they wish to achieve in relation to ethics education. In what seems to be an eminently sensible proposal, Callahan (1980) has suggested five goals for courses in ethics

1. stimulating moral imagination,
2. recognising ethical issues,
3. eliciting a sense of moral obligation,
4. developing analytical skills,
5. tolerating and reducing disagreement and ambiguity.

Powers and Vogel (1980) appropriately added a sixth goal – that of integrating managerial competence with moral competence.

Alternative models for teaching ethics in the business curriculum

With goals established, how does one go about actually teaching ethics in the business curriculum? Naturally, there are alternative models for the teaching of ethics in the curriculum of undergraduate and postgraduate business programmes. The two more obvious models are, first, the stand-alone, one-semester, possibly compulsory, ethics module taught by a suitably qualified ethicist, and the second is the more detailed approach where ethics is fully integrated throughout the curriculum.

The isolation of ethics discussion from other disciplines through the use of a discrete course has been criticised for its potential to give students a false impression of the world of business by separating ethical considerations from real-world business consequences (Kohlberg, 1988). However, the use of a fully integrated model is also problematic, creating the need for a total curriculum review, staff training and ongoing monitoring.

The Wharton School's research into the teaching of business ethics endorsed the view that ethics should be fully integrated. It concluded that rather than limiting the study of ethics to separate courses, ethics should be integrated into the core business courses (Dunfee and Robertson, 1988). Gandz and Hayes (1988) also supported the contention that there should be a full integration of ethical consciousness, analysis and choice within all discipline areas of the business curriculum (Gandz and Hayes, 1988, p. 667). It is recognised that in a fully integrated model, where ethics is taught in numerous courses, the student not only obtains exposure to relevant ethical problems but also experiences specific applications of resolving ethical issues in relevant discipline domains. A further advantage is that ethical concepts are being communicated and promoted by a number of individuals and are, therefore, not the sole responsibility of one professor (assuming that all professors are adequately versed in business ethics).

The integrated model appears to be the norm in actual practice. When investigating how ethics is actually taught, in a survey of 239 deans who attended the 2003 Deans' Conference sponsored by AACSB International, their responses indicated that the majority of business schools integrate ethics and corporate social responsibility into the core curriculum of their MBA programmes, while a smaller number combine a stand-alone course with core curriculum integration. Fewer than 10% rely exclusively on a single, stand-alone course. When asked to describe what one change they would recommend to improve ethics and social responsibility education in their schools, 28% of respondents indicated that further integration of ethics topics into core courses would have the most effect (Woo, 2003).

In contrast to the apparently common practice of pursuing an integrated approach to ethics education in the business degree curriculum, in a study of personal opinions of Business Week readers as to how ethics should be taught, the majority of respondents (64%) thought that ethics should be required as a stand-alone course for MBA students, with fewer respondents (27%) being in favour of an integrated approach (Business Week Online, 17 January 2003). There appears, therefore, to be an interesting difference, with academic managers preferring an integrated model, and practitioners preferring the focused, stand-alone course model.

The case example: A six-stage process for integrating ethics into the curriculum

Documenting the move from the existing model of a stand-alone ethics course to an alternative integrated model, the following case experience describes the planning and implementation process undertaken in the context of an undergraduate business degree programme in a tertiary institution. The case study is based on the experience of the author in her capacity as Dean and Chair of the Ethics Steering Committee responsible for the change process in a business faculty. The case examines the history, rationale, planning and implementation surrounding the decision to replace a compulsory, introductory course in ethics with a fully integrated model.

Background

In the current case circumstance, the Faculty of Business at UNITEC Institute of Technology in New Zealand was presented with an opportunity to review their existing approach to ethics training and, specifically, the inclusion of ethics in their undergraduate programme. UNITEC Institute of Technology is located in Auckland, New Zealand. With over 9,000 students (3,000 equivalent full-time students) in the Faculty, there is a very strong representation of part-time students as well as a very diverse cultural and ethnic mix within the student population which includes international, Pacific Island, Maori and European students. UNITEC, as do all educational institutions in New Zealand, operates within a national educational framework. The national framework attempts to define the courses offered in programmes by level, with levels 1–3 being secondary school, levels 4–7 undergraduate, and levels 8–10 postgraduate. This is to ensure some consistency throughout educational institutions and to provide for transportability of courses from one programme to another.

The evolution of ethics in the business degree

The initial development of the Bachelor of Business Degree (BBS) at UNITEC in 1990 was based on an Accountancy major and there was, through the programme design, a focus on producing a graduate who had been exposed to general business issues as well as developing a discipline specialisation. The evolution of ethics in the business degree went through a number of steps.

Step 1: No Ethics – At the outset there was some discussion among staff and the degree developers of the importance of including ethics as a component in the degree, but this wasn't acted upon and it was hoped that ethics would find its way into the individual courses. Inclusion of ethics was, therefore, dependent on individual lecturers teaching and assessing appropriate learning outcomes. There was no clear commitment in the Faculty to ensuring that ethics, both in a business and professional context, was included. In hindsight, this lack of commitment was brought about more by ignorance than by design, with no staff having had experience in teaching ethics and with no champions of the topic.

Step 2: A Concern for Ethics – The Programme Committee responsible for the BBS soon became concerned at the potential for ethics to 'slip between the cracks' in a student's study. The need to remedy the absence of ethics or the voluntary manner by which it was addressed in various courses, soon became a priority of the Programme Committee.

Step 3: A Single Ethics Course – The Programme Committee took the opportunity in 1995, when seeking approval to restructure the entry-level courses, to include a single entry-level ethics course which covered specific learning outcomes, and which would partially achieve the desire to incorporate ethics in a more formal way into the degree. The 1995 restructure to foundation/first year courses in the degree, therefore, resulted in the introduction of a new course, "Business, Law and Ethics". It was deemed desirable by the Programme Committee that the ethics component of the degree be included as a compulsory entry-level course and that ethics was grouped with an introductory legal component. It was hoped that ethics would also be addressed at varying points throughout a student's study by other staff members. "The ethical principles discussed will act as a sound base for incorporation as themes in all subsequent courses studied" (Restructuring the foundation compulsory courses common to all BBS majors – An Application to the New Zealand Qualifications Authority). However, there was no formalisation of learning outcomes to

ensure that ethics would, in fact, be addressed in an applied manner throughout the remaining compulsory and elective courses within the degree.

Step 4: The Ethics Course Comes Unstuck – Despite the introduction of the new entry-level course, a problem became apparent to the Degree Programme Committee. With a single course in ethics there were administrative difficulties in that many students who had previously studied an introductory law course felt there was a significant overlap of substantive material and, therefore, wished to apply for a cross-credit for the new course. The Programme Committee made a policy decision which provided a partial cross-credit for the law component only, with the ethics component needing to be completed in order to obtain a cross-credit for the course. Although this solution remedied the immediate administrative problem, it was in reality a temporary solution to the problem which required a more substantive solution, given the importance of the entry-level course.

Step 5: It Gets Messy – Experience with the combined law and ethics course indicated that there was a difficulty distinguishing between the law and ethics components of the course. To many it seemed an obvious marriage, however, it soon became apparent to those responsible for delivery of the course that students were finding it difficult to isolate the differences and continued to rest on the law when it came to resolving ethical dilemmas. This problem may have evolved out of the inexperience or naiveté of the students who represented the entry-level intake. However, those responsible for the ethics learning outcomes in the entry-level course were concerned with the lack of sophisticated ethical analysis and sometimes the inability of students to see legality as only a foundation for ethical behaviour.

Step 6: A Band Aid – A further problem was the inability to introduce and develop a basic competency as far as ethical decision-making was concerned. The development of decision-making and ethical analytical competencies was hampered by the shortage of time devoted to this development and the overall lack of business experience of the students. Decision-making models were, consequently, introduced into the lesson plans of the course but the lack of business experience of entry level students was apparent in both the classroom

discussion and summative assessment. The more mature students were a little more comfortable with the introduction and practical application of decision-making models.

Step 7: Admit Defeat – General observation also suggested that the course might have been encouraging an isolationist attitude by students. It appeared that students were seeing the course as a compulsory requirement which, once completed, was the end of their business ethics education. This attitude revealed a fundamental flaw in the course and discouraged the development of competencies that would be further enhanced through later exposure in discipline specialisations. The above concerns indicated the course was not achieving its purpose and indicated the need for a more formal integration of ethics across all levels.

Step 8: Look for a New Approach – When the above concerns, expressed by the lecturers responsible for the delivery of the compulsory entry-level law and ethics course, were presented to the BBS Programme Committee, they resolved (in true academic fashion) to establish a sub-committee of the Programme Committee named the Ethics Steering Committee to investigate and make recommendations back to the BBS Programme Committee as to the best approach to take in order to ensure all students within the programme received appropriate exposure to ethics training. Upon completion of this process, it was deemed appropriate that the experience should be written up for publication and wider dissemination to assist other tertiary institutions that may be embarking on a similar journey.

The six-stage process[1]

Stage 1: Establishment of an ethics steering committee. The Ethics Steering Committee was comprised of the new Dean and Professor of Business Ethics (chair), the current lecturer responsible for the existing entry-level ethics and law course and, to avoid turf wars, equal staff representation from all the departments within the Faculty of Business. Prior to making a recommendation to the BBS Programme Committee, this group undertook to investigate industry attitudes to ethics education, review the rationales for teaching ethics, evaluate the Faculty's

commitment to ethics education and to undertake activities to support the steering committee's final recommendation.

Before embarking on a full review of the teaching of business ethics it appeared that a natural first question to be addressed was the fundamental concern of whether the business school should, in fact, be teaching ethics. The debate has been aired above, but it is clear that these concerns have continued to be expressed globally by media, professional groups, prominent business persons and academics. In New Zealand, e.g., a leading business person observed that, ''The greatest challenge facing New Zealand business is ethics. Some companies have started to lead the way in honesty and integrity and some still need to get up to speed'' (Stephen Tindall, The Warehouse, Management, December 1995).

Within the first stage of the six-stage process which examined whether the Faculty of Business should retain a commitment to the teaching of ethics (that is, did we think that we should be undertaking ethics education?), there was a period of soul-searching on the part of both the Faculty and the industry advisory personnel. The feedback from staff and industry advisory personnel who were surveyed was positive and encouraged the Faculty to continue with their commitment with ethics education. So, cognisant of the above discussion, sensitive to their responsibility, and supported by the industry advisory personnel, the Steering Committee recommended that the Faculty of Business at UNITEC reaffirm its commitment to the inclusion of ethics training in its programmes, and endorsed a list of competencies that would characterise a graduate from the Faculty. One of these seven competencies was, ''An understanding of equity, social, ethical, and environmental issues''. With an ethical dimension now included in the list of competencies contained in the graduate profile, it was considered imperative that the Faculty commit itself to the practicalities of developing this competency in its students.

Stage 2: Determine ethics pedagogy. Having confirmed this commitment, further issues were researched and debated, such as, if ethics is to be taught can it be taught and, if so, how should it be taught, that is, through an isolated course or by being fully integrated? The Steering Committee focused its

extensive discussion and research on whether ethics should be taught: (1) as a separate course (as had previously existed, although contained within a law course), possibly either as a mandatory or as an elective; or (2) be fully integrated into the course curriculum, either throughout all courses, or in specific core courses. A further consideration was whether exposure to ethical concepts should occur at the entry level (to ensure early awareness), at the senior level (having gained some knowledge of business), or at all levels of the programme.

As stated earlier, the existing ethics course was a compulsory course at the entry level conducted over a six-week period. The benefit of this approach was that all students were exposed to the same material, and underwent similar assessment with a concentration of learning on solely ethical concepts. As a separate course, each classroom session was devoted entirely to the examination of ethical theory, current ethical issues, and the development of decision-making skills. Kirk Hanson, a strong advocate of separate courses, feels that this is the only effective way to teach ethics. He contends that schools that argue against teaching ethics separately have usually ''failed to address the subject adequately'' (Naoh, 1987, p. 44).

Alternatively, it has been suggested that separate and distinct courses on business ethics, social responsibility, or similar themes are not the best way to handle business ethics. While students have acquired a good understanding of ethical terminology and a conceptual base, they may lack the necessary realism to ensure their ability to work within the rigors of the actual and somewhat disparate business environment. The isolation of ethical discussion from other disciplines through the use of a discrete course, has been criticised for the potential to give students a false impression of the real world of business by separating ethical considerations from real-world business consequences (Kohlberg, 1988). In addition to problems of adequate coverage of ethical concepts, the inability to develop ethical decision-making skills in a limited time frame has also been identified.

It was, therefore, concluded after much reflective comment within the Steering Committee, that a separate ethics course, whilst providing a concentrated teaching forum for ethics, is probably not as useful as ethics components taught within each relevant area of study such as accountancy,

marketing, and information technology. This latter approach provides repeated application of ethical concepts, principles, and decision tools as they occur in a variety of discipline-related circumstances and are presented by a variety of different staff all re-affirming the importance of ethics. So, following a full consideration of the current research and pre-vailing philosophies, the Steering Committee rec-ommended the disestablishment of the existing compulsory course, and supported the adoption of a fully integrated model for the teaching of business ethics within the BBS degree.

Stage 3: Review existing ethics outcomes. Having elected to pursue an integrated approach, the third stage in the process was a review of existing learning outcomes to see which course prescriptions already included ethical components. In addition, the learn-ing outcomes were critiqued for their appropriateness, not only by educationalists within the business school, but also by external industry advisory personnel. The first practical task of the Steering Committee was, therefore, to locate and produce current course pre-scriptions in order to assess accurately where, if at all, ethics learning outcomes already existed in courses within the business degree. From these prescriptions relevant ethics outcomes were isolated. The intention was not only to identify where ethics might currently be discussed, taught and/or assessed, but also to identify the levels where this activity was occurring, as the three-year degree spanned four education achievement levels (levels 4–7).

The Steering Committee was conscious of ethics outcomes existing but not being evident in actual teaching or in assessment. That is, in some circum-stances, despite the presence of an ethics learning outcome in the course prescription, some lecturers might only have been paying "lip service" to these outcomes. However, it must also be said that, in contrast, there might also have been many instances when ethics was addressed in both teaching and assessment, particularly when current ethical events were discussed in class, but without the existence of formalised learning outcomes or mention in the course prescription.

Stage 4: Revised ethics outcomes. With the information of existing ethics learning outcomes, and to facilitate the implementation of a fully integrated approach,

consideration was then given to the development of specific ethics learning outcomes that would be appropriate for undergraduate business students in a variety of disciplines, especially given the applied focus of the Faculty and the degree. Attention was also given to the way in which these learning outcomes would progress the students from basic awareness through to competency in ethical deci-sion-making.

With an eclectic group of learning outcomes identified from the courses currently taught within the degree (with the exception of the existing compulsory ethics course), concern was expressed regarding courses with a complete absence of any reference to ethics. There also existed the potential for repetition of concepts and material in a number of courses, as well as a general lack of an identifiable, sequential learning progression. As such, a broad set of learning outcomes was developed by the Steering Committee for each level in the degree, with incremental levels of ethical attainment being established and used as a guide for the subsequent development of specific discipline and course-re-lated outcomes which would be developed by rel-evant lecturing staff. These learning outcomes and related levels were identified as:

Level 4
    4.1 Create an awareness of ethical issues in busi-ness.
    4.2 Identify societal pressures for ethical conduct.
    4.3 Introduce and clarify related ethical concepts.
Level 5
    5.1 Examine current ethical dilemmas and issues.
    5.2 Review key ethical principles.
    5.3 Introduce and discuss an ethical decision-making model.
Level 6
    6.1 Explain and discuss ethical traditions and theories.
    6.2 Evaluate alternative ethical decision-making models.
    6.3 Apply and discuss ethical issues relating to specific functional areas.
Level 7
    7.1 Critically evaluate ethical decisions utilising an ethics decision-making model with full use of ethical principles.

7.2 Develop a strategic perspective to ethics in organisations.

7.3 Discuss and develop relevant ethical policies and procedures.

To ensure that all stakeholder expectations were met, the proposed outcomes were provided via a questionnaire to industry representatives of the Faculty advisory committees. The industry feedback for the overall integrative approach and the proposed learning outcomes was positive and supportive.

Stage 5: Course identification and implementation. The fifth stage of the implementation process of the fully integrated model was the selection of courses and levels in the business degree in which ethics would be taught, and to what extent the integration would occur. Having established progressive learning outcomes suitable for an undergraduate degree, the Steering Committee then undertook to identify the appropriate courses to which the learning outcomes should be attached. The Steering Committee took into consideration the client base of both full and part-time students who undertake their studies over different time frames and occasionally in different sequences. After much discussion, the courses identified for which ethics input was deemed imperative, were virtually all the courses that comprised the degree other than those with an overly technical focus in the fields of computing and statistics.

It was considered essential that in order to achieve a fully-integrated model, staff teaching students at higher levels which are more discipline-focused needed to be assured that lower level ethics outcomes had, in fact, been covered and that an ethical foundation had been well established. This foundation would avoid the prospect of repetition at higher levels of basic concepts, and provide staff with the confidence to present more sophisticated ethical discussion at later stages within a student's programme. As a consequence, level 4 outcomes were the first to be attached to specific entry-level courses and, notably, to those that both full and part-time students would take in the initial stages of their study.

Stage 6: Provision of ethics resources and training. The final stage of the six-stage process related to ethics resources and training and the specific issues of identifying what, if any, ethical skill sets and resources existed within the teaching staff. It also looked at avoiding repetition in the presentation of learning outcomes when presented in a variety of courses and by different faculty members, and ways of equipping the Faculty staff with the necessary skills in the field of ethics through in-house training.

As integration of ethics into each discipline area of the curriculum is the preferred option, a number of additional concerns must be addressed such as; whether the lecturers have sufficient knowledge and skills in ethics, whether sufficient time is allocated to the application of ethical principles to the subject, ensuring repetition does not occur and that a logical progression of learning development is fully articulated throughout the relevant programme. With the courses isolated for ethics treatment, the relevant staff who would require a good knowledge of ethical tools were easily identified. Consideration was given to undertaking a staff analysis of existing levels of ethical expertise and experience. However, following discussion in the Steering Committee, it was felt that, for the purpose of consistent and full support of the revised ethics teaching model, all staff should undertake a common training programme. The programme was designed to be conducted over three independent sessions of three-and-a-half hours each (Appendix 1).

The training was designed to provide not only an immersion course in ethics but also, through the use of different teaching methodologies (e.g., lectures, videos, games, and group discussion) to enable staff to appreciate the means by which ethics could be presented to students at each level of the programme. The immersion course was also intended to assist staff in the development of specific course-related ethics outcomes, locating relevant materials, and creating exercises and assessment items. The training course used a combination of presentation and group interaction over the three sessions. A number of questions were provided to prompt discussion, and responses were used to facilitate learning (Appendix 2). The training course contained the following components:

- An introduction to the history and rationale of the current changes from a stand-alone to an integrated teaching model, and a presentation

of the set of predetermined progressive ethics learning outcomes.

- Formal training in ethical concepts, terminology, theory, current literature and decision models. This training took the same format as the levels 4-7 learning outcomes presented above.
- Through use of discipline teams, staff members were encouraged to develop ethical issues relevant to their teaching domain and to access ethics resources.
- Upon acquiring a working knowledge in the field of ethics, each staff member developed their own course-related learning outcomes. These course outcomes were critiqued by the discipline teams.
- An assessment of the effectiveness of the training programme and the determination of avenues for ongoing support.

Equipped with the necessary training, the fully integrated model was activated in the next semester of 2000 with the expectation that the goals of increased awareness and enhanced ethical decision-making would be achieved.

Conclusion

To summarise, for those tertiary institutions considering a fully-integrated approach to ethics education, the following questions provide a useful checklist of the issues that need to be researched and debated by personnel to ensure effective implementation:

- Should the Faculty still hold a commitment to the teaching of ethics to its students?
- What are the views of industry advisory personnel?
- What are the intended goals?
- If ethics is to be taught, can it be taught and, if so, how should it be taught? Should this be through an isolated stand-alone ethics course, or should ethics be fully-integrated into all courses within the curriculum?
- Before a revised approach is implemented, what existing course prescriptions already include ethics components?

- To facilitate the full-scale presence of ethical concepts throughout the degree, specifically, what learning outcomes would be appropriate for undergraduate business students in a variety of disciplines, given the applied focus of the Faculty?
- How do these learning outcomes progress from basic awareness through to competency in ethical decision-making? In a fully-integrated model, what courses and at what levels should ethics outcomes be included? That is, at what level(s) in the business degree programme should ethics be taught, and to what extent should the integration occur?
- What, if any, ethics skill sets and resources exist within the teaching staff of the Faculty?
- How does one avoid repetition in the presentation of learning outcomes if presented in a variety of different courses with different Faculty members? How does one equip Faculty members with the necessary skills in the field of ethics?

Having undertaken research in the area of teaching business ethics, and having progressed through the implementation of a fully-integrated ethics model in recent years, there is obviously a framework that could be followed but, more importantly, to be improved upon. The success of the change management process was largely attributed to the Faculty's desire to retain a commitment to the teaching of business ethics and to resolve a current structural problem regarding the best means by which this commitment could be achieved. A subgroup, the Steering Committee, with appropriate expertise in the field of business ethics was tasked with broader terms of reference than merely solving the problem, and in an effort to avoid discipline-based ''grandstanding'', representation from all discipline groups was active in the Steering Committee. The Faculty considered not only the views of academic staff members but also those of the business community and undertook an extensive review of the literature in the field prior to deliberating and providing recommendations. Having instigated an integrated model, effort was undertaken to support staff in the form of appropriate training (see Appendices 1 and 2).

To conclude, the contribution of this paper is not only in the discussion of the means by which ethics can be taught, but also to the mechanisms for initiating and conducting the change process. The paper offers a model for integrating ethics into the undergraduate business curriculum and also illustrates the decision processes leading to an integrated model becoming established. Naturally, however, there is more work to be done and this model needs to be tested to see whether, in fact, it has been effective in both raising ethical awareness and equipping students with ethical decision-making skills. The natural turnover of staff would necessitate ongoing training and, at a macro level, there is the need for periodic reconfirmation of the commitment to ethics education. It will be interesting to see whether this actually occurs because, as of 1 January 2004, and before the integrated approach has been fully tested, the Faculty structure was abandoned and the organisation moved toward a matrix model, with programme responsibilities being largely centralised under a divisional arrangement covering all undergraduate programmes across disciplines. In addition, the Dean of Business has been promoted to the position of Vice President, International, so removing the "champion" of the integrated approach.

Appendix 1: Ethics Training Programme

Session 1 (9.00–12.30 pm)
   (9.00–9.30 am) Rationale for the Current Changes

- preliminary questionnaire,
- the historical background,
- underlying philosophy of teaching ethics at UNITEC,
- current changes to an integrated model,
- advisory group input.

(9.30–10.15 am) Objectives of the Ethics Training

- create an awareness of business ethics,
- clarify ethical terminology, principles and concepts,
- provide an explanation of the ethical levels for a fully integrated model,

- develop ethical materials and resources from a discipline perspective,
- identify current ethical issues,
- present and utilise ethical decision-making models,
- discuss ethical theory based on normative traditions,
- establish ethical learning outcomes for specific courses,
- develop assessment tools for evaluation.

(10.15–11.00 am) Ethics Exercise (combined with Morning Tea)
   Group assignment on ethics questions 1–7 (see Appendix 2)
   (11.00–12.30 pm) Creating an Awareness of Business Ethics

- academic development of the field of business ethics,
- common ethical issues,
- factors promoting ethical awareness in the business environment,
- clarifying ethical terminology.

Overnight Exercise: Ethical Issues and Ethical Principles
   Session 2 (9.00–12.30 pm)
   (9.00–10.00 am) An Integrated Model of Ethics Education

- the teaching of business ethics,
- levels 4–8 ethical learning outcomes,
- discipline presentations.

(10.00–10.45 am) Ethics Exercise (combined with Morning Tea) Group exercise on questions 8–11 (see Appendix 2)
   (10.45–11.30 am) Ethical Principles.

- identify key ethical principles,
- feedback on the overnight session.

(11.30–12.30 pm) A Decision-Making Model

- introduce an Ethical Decision-Making Model,
- introduce alternative models,
- discuss isolated cases.

Afternoon and Overnight Reading: Ethical Theory
Session 3 (9.00–12.30 pm)
(9.00–9.30 am) Ethical Theory Exercise

- Ethical traditions and theories.

(9.30–10.00 am) Strategic perspectives

- organisational strategies,
- professional strategies.

(10.00–12.00 pm) Discipline-Based Teams
In discipline-based teams, groups address questions 12–17 (see Appendix 2)

- identify ethical issues relevant to their discipline,
- review current outcomes,
- identify revised learning outcomes,
- identify potential exercises, support material and assessment,
- professional, organisational strategies, policies and procedures.

(12.00–12.30 pm) Discipline-Based Teams Report Back
- discipline-based teams report back,
- assessment of ethics training programme.

Appendix 2: Ethics Training Questions

Session 1

Q1. Why is business ethics a topic that is gaining increasing interest in both the academic and business field?
Q2. Provide three examples of current ethical issues that have arisen in recent years (at least two of these issues should come from the business environment).
Q3. From the variety of disciplines represented in your group, identify at least two specific ethical issues relative to that discipline.
Q4. What might be the ethical concerns relative to international business?
Q5. What current societal factors are promoting appropriate ethical behaviour in business?

Q6. What is the difference between legality and ethics?
Q7. What is the difference between ethics, morality and social responsibility?

Optional Question
Self-regulation of ethical standards by professional bodies has failed the community. The only way to restore business integrity is to legislate ethics. *Discuss.*

Session 2

Q8. When resolving ethical dilemmas we frequently resort to ethical principles to guide decision-making. Create a list of as many ethical principles as you can identify (be prepared to explain each principle).
Q9. From your list, place in pairs the principles that are most often in conflict.
Q10. In your groups, review the case handed out last night and confirm what are the issues and principles relative to each scenario.
Q11. What is the role of ethical theory in the practice of business ethics?

Session 3

Q12. Earlier in this training you identified specific ethical issues relevant to your discipline. Create a combined and comprehensive list of ethical issues that both recent graduates and fully trained personnel would experience in both the current and future business environments.
Q13. What is currently available for resolution of ethical dilemmas in your profession, for example, professional codes, policies and procedures, to address specific issues you have identified above?
Q14. From the learning outcomes provided to you for the course you teach, what changes can be made to reflect the revised ethical learning outcomes which will be utilised by the Faculty?
Q15. Create a list of learning resources that could be utilised.
Q16. In your group, brainstorm what innovative learning techniques (either formative or

summative) you could use to achieve the learning outcomes (prize given for the most creative).

Q17. From the worksheets provided, insert course names covered by your discipline team, underline the learning outcomes relative to those courses. Indicate on the matrix suggestions as to the mechanisms for achieving these revised learning outcomes.

Notes

[1] This six-stage process was initially presented at the EBEN Research Conference: Building Moral Competence in Organisations, Business Schools, and in Public Sector Institutions. Center for Ethics and Leadership, Norwegian School of Management, Sandvika, Norway, 19–20 June (1999).

References

Bampton, R. and C. J. Cowton: 2002, 'The Teaching of Ethics in Management Accounting: Progress and Prospects', *Business Ethics: A European Review* **11**(1), 52–61.

Barkhuysen, B. and G. J. Rossouw: 2000, 'Business Ethics as Academic Field in Africa: Its current status', *Business Ethics: A European Review* **9**(4), 229–235.

Bassiry, G. R.: 1990, 'Ethics, Education, and Corporate Leadership', *Journal of Business Ethics* **9**(10), 799–805.

Brady, F. N.: 1999, 'A Systematic Approach to Teaching Ethics in Business', *Journal of Business Ethics* **19**, 309–318.

Brown, K. M.: 1994, 'Using Role Play to Integrate Ethics into the Business Curriculum: A Financial Management Example', *Journal of Business Ethics* (13), 105–110.

Business Week Online, 2003, 'Institutionalising Ethical Training', 17 January.

Callahan, D.: 1980, 'Goals in Teaching of Ethics' in D. Callahan and S. Bok (eds.), *Ethics in Higher Education* (Plenum Press, New York), cited in Pamental, G. L.: 1989, 'The Course in Business Ethics: Can it Work?' *Journal of Business Ethics* **8**, 547–551.

Castro, B.: 1989, 'Business Ethics and Business Education: A Report from a Regional State University', *Journal of Business Ethics* **8**(6), 479–486.

Cooke, R. and L. V. Ryan: 1988, 'The Relevance of Ethics to Management Education', *Journal of Management Development* **2**(2), 28–38.

Cowton, C. J. and J. Cummins: 2003, 'Teaching Business Ethics in U.K Higher Education: Progress and prospects', *Teaching Business Ethics* **7**, 37–54.

Cummins, J.: 1999, *The Teaching of Business Ethics*, (Institute of Business Ethics, London, U.K).

Drucker, P.: 1981, 'Ethical Chic', Forbes Magazine, September 14.

Dunfee, T. W. and D. C. Robertson: 1988, 'Integrating Ethics into the Business School Curriculum', *Journal of Business Ethics* **7**, 847–859.

Frederick, W. C.: 1998, 'One Voice? Or Many? A Response to Ellen Klein', *Business Ethics Quarterly* **8**(3), 575–579.

Gandz, J. and N. Hayes: 1988, 'Teaching Business Ethics', *Journal of Business Ethics* **7**, 657–669.

Garaventa, E.: 1998, 'Drama: A Tool for Teaching Business Ethics', *Business Ethics Quarterly* **8**(3), 535–545.

George, R. J.: 1987, 'Teaching Business Ethics: Is There a Gap Between Rhetoric and Reality?' *Journal of Business Ethics*, **6**, 513–518.

Giacalone, R. A. and S. B. Knouse: 1997, 'A Holistic Approach to Business Ethics', *Business and Society Review* (98), 46–49.

Golen, S., C. Powers and M. A. Titkemeyer: 1985, 'How To Teach Ethics in a Basic Business Communications Class', Committee Report of the 1983 Teaching Methodology and Concepts Committee, Subcommittee 1, *The Journal of Business Communication* **22**(1), 75–83.

Goodpaster, K. E.: 2002, 'Teaching and Learning Ethics by the Case Method'. Chapter 6, in (ed.), *The Blackwell Guide to Business Ethics* N. E. Bowie (Blackwell, oxford).

Gray, R., J. Bebbington and K. McPhail: 1994, 'Teaching Ethics in Accounting and the Ethics of Accounting Teaching: Educating for Immorality and a Possible Case for Social and Environmental Accounting Education', *Accounting Education* **3:1**, 51–75.

Hoffman, M. W. and J. M. Moore: 1982, 'Results of a Business Ethics Curriculum Survey Conducted by the Centre for Business Ethics', *Journal of Business Ethics* **7**(2) 81–83.

Hosmer, L.: 1985, 'The Other 338. Why a Majority of Our Schools of Business Administration Do Not Offer a Course in Business Ethics', *Journal of Business Ethics* **4**, 17–22.

Hosmer, L. T. and N. H. Steneck: 1989, 'Teaching Business Ethics: The Use of Films and Videotape', *Journal of Business Ethics* **8**(12), 929–936.

Hunt, E. H. and R. K. Bullis: 1991, 'Applying the Principles of Gestalt Theory to Teaching Ethics', *Journal of Business Ethics* **10**(5), 341–347.

Kavathatzopoulos, I.: 1994, 'Training Professional Managers in Decision-making about Real Life Business Ethics Problems: The Acquisition of the Autonomous Problem-Solving Skill', *Journal of Business Ethics* **13**, 379–386.

Klein, E. R.: 1998, 'The One Necessary Condition for a Successful Business Ethics Course: The Teacher Must be a Philosopher', *Business Ethics Quarterly* **8**(3), 561–574.

Kohlberg, D.: 1988, 'Business Ethics: Pace Provides Lesson from Real Life', *Management Review* **77**(8), 54–55.

Lazere, C.: 1997, 'Ethically Challenged', *C.F.O.* (April), 40–41.

Loeb, S. E.: 1991, 'The Evaluation of "Outcomes" of Accounting Ethics Education', *Journal of Business Ethics* **10**:2, 77–84.

McDonald, G. M. and G. D. Donleavy: 1995, 'Objections to the Teaching of Business Ethics', *Journal of Business Ethics* **14**, 839–853.

Mahoney, J.: 1990, *Teaching Business Ethics in U.K, Europe and the U.S.A* (The Athlone Press, London).

Marnburg, E.: 2003, 'Educational Impacts on Academic Practitioner's Moral Reasoning and Behaviour: Effects of Short Courses in Ethics or Philosophy', *Business Ethics: A European Review* **12**(4).

Martin, T. R.: 1982, 'Do Courses in Ethics Improve the Ethical Judgement of Students?' *Business and Society* Winter/Spring, 17–26.

Morse, J.: 1999, 'Who is the Ethics Expert? The original footnote to Plato', *Business Ethics Quarterly* **9**(4), 693–697.

Naoh, T.: 1987, 'The Business Ethics Debate. Do B-School Courses Alter Executive Behaviour?' *Newsweek*, May. 25, p. 44.

Nappi, A. T.: 1990, 'Teaching Business Ethics – A Conceptual Approach', *Journal of Education for Business* January, 177–180.

Nielsen, R. P.: 1998, 'Can Ethical Character be Stimulated and Enabled? An Action-Learning Approach to Teaching and Learning Organization Ethics', *Business Ethics Quarterly* **8**(3), 581–604.

Pamental, G. L.: 1989, 'The Course in Business Ethics: Can it Work?' *Journal of Business Ethics* **8**, 547–551.

Park, H.-J.: 1998, 'Can Business Ethics be Taught?: A New Model of Business Ethics Education', *Journal of Business Ethics* **17**, 965–977.

Powers, C. and D. Vogel: 1980, 'Ethics in the Education of Business Managers', Hastings on Hudson: Institute of Society Ethics and the Life Sciences. In Henderson (ed.), (1980). The Ethical Side of Enterprise, Sloan Management Review, (Spring), 39–49.

Purcell, T. V.: 1977, 'Do Courses in Business Ethics Pay Off?' *California Management Review* **19**(4), 50–58.

Raisner, J. A.: 1997, 'Using the "ethical environment" Paradigm to Teach Business Ethics: The Case of the Maquiladoras', *Journal of Business Ethics* **16**, 1331–1346.

Reeves, M. F.: 1990, 'An Application of Bloom's Taxonomy to the Teaching of Business Ethics', *Journal of Business Ethics* **9**(7), 600–616.

Schoenfeldt, L. F., D. M. McDonald and S. A. Youngblood: 1991, 'The Teaching of Business Ethics: A Survey of AACSB Member Schools', *Journal of Business Ethics* **10**(3), 237–241.

Sims, R. R. and S. J. Sims: 1991, 'Increasing Applied Business Ethics Courses in Business School Curricula', *Journal of Business Ethics* **10**(3), 211–219.

Singh, J. B.: 1989, 'The Teaching of Ethics in Canadian Schools of Management and Administrative Studies', *Journal of Business Ethics* **8**(1), 51–56.

Spence, L. J.: 2000, 'Teaching business ethics: Are There Differences Within Europe, and is There a European Difference?' *Business Ethics: A European Review* **9**(1), 58–64.

Stewart, K. and L. Felicetti: 1996, 'The Attitudes of Business Majors in Australia and the United States Toward the Teaching of Business Ethics', *Journal of Education for Business* July/August, 363–367.

Strong, V. K. and A. N. Hoffman: 1990, 'There is Relevance in the Classroom: Analysis of Present Methods of Teaching Business Ethics', *Journal of Business Ethics* **9**, 603–607.

Tindall, S.: 1995, 'The Warehouse', Management, December.

Tucker, E. M. and D. A. Stout: 1999, 'Teaching Ethics: The Moral Development of Educators', *Journal of Mass Media Ethics* **14**(2), 107–118.

Weber, J.: 1990, 'Measuring the Impact of Teaching Ethics to Future Managers: A Review, Assessment, and Recommendations', *Journal of Business Ethics* **9**(3), 183–190.

Wells, D.: 2001, 'Ethical Development and Human Resources Training: An Integrative Framework', *Human Resource Management Review* **11**(1/2), 135.

Wilcox, T.: 1999, 'Ethics as Strategic Thinking: Creating Legitimacy in the Workplace', *Business and Professional Ethics Journal* **18**(3 4), 73–92.

Woo, C. Y.: 2003, 'Personally Responsible: The Basis of an Ethics Education Revolves Around Teaching Business Students a Sense of Individual Responsibility', *BizEd* **2**(4), 22–27.

Wynd, W. R. and J. Mager: 1989, 'The Business and Society Course: Does it Change Stu-

dents' Attitudes?' *Journal of Business Ethics* **8**, 487–491.

Zych, J. M.: 1999, 'Integrating Ethical Issues with Managerial Decision Making in the Classroom: Product Support Programme Decisions', *Journal of Business Ethics* **18**, 255–266.

Gael M. McDonald
Vice-President, International
Professor of Business Ethics,
Unitec New Zealand,
Auckland, New Zealand
E-mail: gmcdonald@unitec.ac.nz.