Development of Sustainable Ethics Education in Business: A Framework

[1]Heyam Loutfi ElZein, [2]Mira Alameddine

[1]Associate Professor in Educational Management at Rafic Hariri University
Loutfi.heyam31@gmail.com
lotfihr@rhu.edu.lb
[2]Rafic Hariri University (RHU) and the Lebanese American University (LAU)
alameddine.mira@gmail.com

Abstract. Recent research has indicated that people can learn ethics and that in their 20s & 30s develop new ethical values and utilize them in their basic problem-solving (Rest as summarized by Velasquez, Andre, Shanks & Mayer, 2012). Yet, concern with ethical behavior in business at the undergraduate and graduate level has grown sharply and has been a point of discussion in the past few years. Although some universities have tried to integrate business ethics courses in the curriculum, but they were not able to implement and empower this issue in an effective way. However, some people argue that trying to teach ethics at the college level comes far too late because ethics are taught through one's upbringing under the influence of one's family and peers. The case of Lebanon is not an exception. The purpose of this paper is to establish functional administrative management reforms in favor of teaching ethics and moral responsibilities in students and their communities. This reform should be based on international standards and cultural considerations. This paper argues that fostering ethics education at universities starts with re-establishing course content, instructional method and to question what is and what is not, what practices have to be developed, and what skills have to be acquired. The main intent of this particular intervention program is to determine if ethics education and discussion had a measurable impact on people's perceptions and whether teaching what is acceptable and what is not acceptable can be combined with preventive measures to create a positive environment encouraging collaborative partnership with constructive ramification towards management of ethical behavior in appropriate and innovative way in the community

Keywords: Teaching ethics, organizational development, moral philosophy, ethical behavior

1 INTRODUCTION

Almost all societies around the world are facing ethical crises whether in the business sector or any other sector. These crises raise the issue of the importance and need of ethical teaching and training. In this respect, an important question surfaces: "can ethics be taught?"The question even entails grave consequences when put in the business context: "Does business have any ethics?" Moreover, what does it mean to teach business ethics? The Wall Street Journal (Velasquez et al, 2012) considers business ethics courses as useless since ethics is a 'skill' that cannot be taught. The Journal argues that one only has to examine the business world to realize this 'fact'. People such as Bernie Madoff will not learn to be ethical even after taking three or more courses of ethics (Orwin, 2009) because people, in effect, do not change.

However, in recent years, most psychologists agree with Socrates that ethics, being a skill, can be taught like anything else. Velasquez et al (2012) summarize James Rest findings which reveal that people in their 20s and 30s change and develop new skills to utilize in their problem-solving techniques when facing ethical issues and that their behavior is basically

influenced by their newly developed moral perception and judgment. Peters (2009) affirms that not only can ethics be taught, but that it should. Yet, like all subjects taught, one has to develop the desire of learning it.

Lebanon faces the same situation. Its society is immersed in ethical crises, where corruption is nationwide and sectarianism paves the way for unethical behavior. Hence, teaching ethics becomes imperative in the Lebanese context, yet it has to be done through a functional administrative management reforms in favor of teaching ethics and moral responsibilities in students and their communities.

Lebanon is a middle-eastern state on the Mediterranean Sea. Syria stretches along its northern and eastern borders while occupied Palestine lies on its southern border. Lebanon has a population of around 4 million people who compromise the 19 different officially recognized sects. These sects constitute the two major religions: Christianity and Islam. Since its independence in 1943, Lebanon has been under the influence of non-Lebanese military and paramilitary forces (Global Security, 2012). Being under the influence of foreign countries, the Lebanese experienced a series of 'small civil wars' starting in the 1860s until a full scaled civil war broke out in 1975. It is reported that 7% of the Lebanese population was killed during the 15 year war, around 100,000 while around 100,000 became handicapped, and approximately 20,000 people are still 'missing' (Global Security, 2012).

By the end of the war in 1990, more than 900,000 people were refugees in their own country and more than half of these never went back to their homes because of massacres and sectarian hatred. At the moment, the Lebanese are scattered behind their 'sectarian lords', have no loyalty for their country and are driven by their hate and fear of the other. The state is very weak and cannot provide for its citizens. This has allowed the networks of patronage, clientalism and corruption to flourish. These lead a large population in Lebanon to need the established-sectarian political parties to provide for their basic needs. And to secure the help of these parties, those unfortunate Lebanese are easily willing to resort to unethical behaviors.

2 LITERATURE REVIEW

Human history is filled with ethical theories and systems. From the days of Hammurabi, ethical rules and frameworks have been established to organize human society since ethics is everybody's business. The word ethics itself comes from the Latin word ethics and Greek word ethikos, which are related to human character (Paliwal, 2006). Hence, ethics becomes the conduct and personality of the agent. Ethical rules and theories exist to systematize, recommend and defend the beliefs of right and wrong behavior. To Paliwal (2006), "ethics is a mass of moral principles or set of values about what is right or wrong, true or false, fair or unfair and what is right is ethical and what is wrong is unethical" (p 16). To be ethical, or have ethical principles, one has to have sufficient faith in oneself (Swami as cited by Paliwal, 2006). We need ethics because it serves as our auto-regulatory process that aids us in finding the justifications for our decisions (Langlois, 2004) becoming our reflective capacity that enables us to better determine the results of our actions (Langlois & Lapointe, 2010).

Being basically a community of business interaction, people have resorted to ethical standards to organize their interaction. Business ethics, therefore, has existed ever since humanity started trading. Business ethics can be defined as the "application of general ethical rules to business behavior" (Paliwal, 2006, p 20). In other words, it is when workers know what is right or wrong in their workplace and then doing what is right (Hoffman et al., 2001), meaning that business ethics is the system allowing the agents to evaluate and assess the ethical implications that arise in business. It is regarded as important simply because good ethics is/leads to good business.

Research in business ethics has boomed since the mid-80s because of the high-profile scandals in the international business world. Concerns of the lack of ethics in business

decision-making rose and many blamed business schools for the lack of ethical conduct (Blake, 2006). Researchers claimed that universities are not preparing the new administrators for the challenging situations they are facing at work (Langlois, 2004; Langlois & Lapointy, 2010; Begley & Stufkovich, 2004; Granston et al., 2006) and that business education is largely amoral, emphasizing profit instead of providing their students with sound ethical framework as the basis for their decision making (Swanson & Freduik, 2005; Ghoshal, 2005; Mitroff, 2004).

There are scholars who argue that ethics courses are useless and that ethics cannot be taught because agents develop their ethical values while growing and not when they become adults. These scholars argue further that to develop ethical system is difficult and cannot be easily enforced. Although ethics has been a part of the business curriculum, its effectiveness has been questioned (Collins & Wartizk, 1995; Pizzolatto & Bevil, 1996). Martin in 1982 concluded that students were unable to ethically assess the dilemmas presented to them although they had taken two ethics courses (as cited by Weber & Glyptis, 2000). In their literature review, Peppas & Diskin (2000) cited works of Luoma (1989), Wynd & Mayer (1989) and Davis & Welton (1991) which all suggest that learning the rules of a profession does not lead the agent to ethical behavior nor does taking business ethics courses help in changing students' perspectives. This is because teaching business ethics is difficult. According to Cahn & Pastore (2003) it is so mainly because business students need structure and problem formulation in the reasoning process. Without modeling techniques or the decision analysis techniques, business students appear not to assimilate the courses' objectives.

In 2010, The Wall Street Journal asked MBA programs to improve their curriculums so that they can provide their students with authentic experiences in making value judgments that would lead them to sound ethical decisions, because the crises in the business world have revealed how important ethics is in business education (Evans & Robertson, 2003). This call comes after research showed that integrating ethics into the courses and taking ethical courses improves students' ethical standards (Peppas & Diskin, 2000). The general conclusion from the literature on teaching business ethics reveals that ethics can be taught and ethics courses play an important role in the ethical development of business students (Muijen, 2004; Procarion-Foley & Beau, 2002. Ethics courses do affect the students' decision-making process (Weber & Glyptis, 2000; Luther et al., 1997). Moreover, ethics courses improve students' ethical sensitivity leading students to believing that 'good ethics leads to good business' (Gautschi & Jones, 1998; Wittmen, 2000). In addition, Weber & Glyptis (2000) concluded their study by stating that business ethics course coupled with community service does help students in improving their ethical behavior after having learned new ethical values.

The psychologist Rest (1986) explains that agents develop morally as their experiences grow and use their newly acquired skills in their decision making. Agents are able to judge what the right moral action is and carries it through. In 1993, Rest developed a test measure that indicates the agents' stages of moral development. Through the test, researchers showed that programs of business ethics training and education have improved their participants' scores on the measures of moral development (Desplaces et al., 2007; Fraedrich et al., 2005) and that they improve moral awareness and provide their agents with a sense of responsibility (Langlois & Lapointe, 2010). Finally, Hartman (2006) argues that ethics can be taught through an Aristotelian perspective: by revealing to students how good character leads to successful business, instructors can teach ethics to them. In this manner, business ethics courses help students develop and improve their character in such a way as to make their character virtuous.

3 LACK OF EFFECTIVENESS IN BUSINESS ETHICS

Possible explanations of the ineffectiveness of business ethics education has to do with varied issues. The first question comes to our mind is how, when, and at which grade level business ethics should be taught. Another question would be who has to teach the course, Business faculty or Humanities or both? What should be the content of the course? Should the material be a one –slot course or integrated in all business courses? To what extent students need to know that ethics course is of sufficient grade weight that it must be engaged with effort and commitment? Does the university system and faculty present business practices to students as and having an apparent and enforceable system of accountability? To what extend the culture of each school in the university heavily influences what the faculty and staff actually focus on? What about the institutional culture of each school as related to its top leaders, including the Dean, department chairs and program level directors? By acknowledging the seriousness of this problem, what can be done to respond effectively? In the authors view, we need to learn how to respond holistically where students, faculty, administrators act together to solve the problem. We would like to propose an integrated framework of performance that will lead to a fundamental transformation in the culture as a whole. In setting the foundation of this framework, some basic steps have to be preformed: a) developing a vision, b) improving quality and c) emphasizing administrative cooperation. The improvement of performance then will have a short-term and long- term effect. On the short–term, changes in attitudes and behavior will be seen immediately, this result will on one side encourage key players to invest in ethics education and on the other side it will encourage faculty to support the act of improvement. With respect to the long-term, the goals set by the Universities for improvement will be backed and respected by the public when individual students become active agents in the field of work. These steps are related to the vision of introducing culture of ethics, quality improvement, and cooperation.
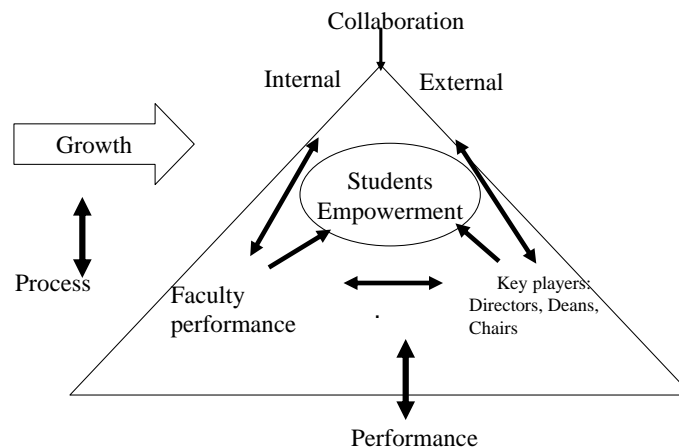
Figure1. Framework for Ethics Education

I-   __Vision__

Ethics education could be reflected through a foundational system of values that ensures a shared knowledge, if applied will create leaders with integrity, capable of responsible local and global business management and conscious of the accountability inherent in corporate governance and develop a recognized resource for ethical leadership and responsible management in the areas of education, action and advocacy and research. The values will be derived from the acronym AVIS which is developed by the authors and integrated into all levels and functions of ethics education:

A = Acknowledgement: Recognition of another's existence, validity, authority or right

V = Value: The core beliefs that guide and motivate the attitudes and actions of individuals.

Strength and commitment have to be present in order to make values part of

culture

I = Integrity: The most important core value since it relates to the integration of self,

maintenance of identity, serving moral purpose and virtue.

S = Sustainability: It is intended to be a means of configuring civilization and human activity

so that society and its members are able to meet their needs and express

their greatest potential in the present, while preserving biodiversity and

natural ecosystems and planning and acting for the ability to maintain

these ideals indefinitely.

II-   Quality improvement

As for quality improvement, the challenge that we face is how to make the transition from traditional system of teaching to a system of various roles and wide variety of tasks to offer a cooperative and comprehensive program in Business Ethics as an equal partner with business programs. The quality improvement model will be based on both faculty and students' performance.

A) Faculty performance

Faculty has to focus on intents, purposes, and goals when establishing their Business ethics courses. The simplest way to integrate a consideration of moral literacy themes is by linking specific values or ethical postures to the statement of purpose in the course outline. As a way of setting the foundation of course activities, instructors have to adjust the sequencing of information through discussing educational purpose and organizing metaphors of an ethical nature. Relevant course activities can include: keeping journals; group discussions and reactions to lectures and assignments; writing and reflecting upon a critical issue; developing personal codes of ethics; developing individual professional codes of ethics; reading, analyzing, and discussing ethical dilemmas; writing, analyzing and presenting one's own ethical dilemmas.

Furthering this, the authors emphasize Sims (2002) six areas that are important to the teaching of business ethics which are: goals, relevancy, experiential pedagogy, classroom climate, debriefing, and outcomes assessment. These areas create a type of learning continuum to students and help them in identifying what is important and what is not important in the field of Business ethics and why it is important, practice and discuss the

importance and its impact on performance in order to review and make changes to what is experienced to start the loop again based on gained experiences.

In addition to teacher subject knowledge and competence, the pedagogy of teachers has to be paired with high expectations, sense of care and trust, establishment of positive and inclusive environment where student beliefs, confidence, skills and values can be fostered and developed, ultimately students will benefit more. In sum, an ethics course offered to students assists them to tackle values in work places and be able to respond to their clients' needs.

When preparing for their course content, instructors have to introduce the students to behavior management, conflicts between personal and professional ethics, collegial ethical issues, negotiating with community stakeholders, and confidentiality issues without forgetting to mention hidden curriculum institutional (un)ethical practices and systemic power relationships

Such courses should help to acquire the following moral competencies: moral sensibility, moral analysis skills, moral creativity, moral judgment skills, moral decision-making skills and moral argumentation skills. This demands not only that teachers show how moral problems can be solved on the basis of a theory, but also that they try to make students think for themselves by engaging in conversation with them, asking them questions in order to activate their reflection, challenging their overly simple solutions and helping them think about the adequacy of the various ethical theories.

The implication for teaching ethics at the college and university level is that instructors need to understand the ways in which values and ethical frameworks are relevant to their course content. To create understanding and properly extend the learning of students, instructors need to make clear their perspectives on moral literacy.

B) Students' Empowerment

In presenting Business Ethics courses to students, the authors suggest a three pronged conceptual framework that integrates moral issues with theories and practices. The first part has to introduce an array of ethical instructional interventions ranging from studies in ethical reasoning to analyses of congressional investigations, to elements of lecture, guest-speaking appearances, video exemplars, case analyses using an ethical decision-making framework etc. (Weber, 1991; Dellaportasa, Cooperb, and Leungc, 2006; Bigel, 2002)   The second represents the view of student's own culture, authors and writers like philosophic studies of ethical theory including deontology, teleology, virtue theory and cultural conventions and mores and reflective analysis. The third is the student personal business ethics philosophy and this is reflected in the students' reflections and analysis of how they applied the ethical decision-making framework to each case study, videos exemplars etc… When the three components of the model are effectively used, students should leave a course in business ethics with a basic foundation of what is right and what is wrong from a holistic standpoint, when making business decisions.

III Collaboration

In addition, restructuring will not happen unless there is support from University administration and community. Although the most influential key players are faculty, who serve as primary motivators in helping students to develop ethical attitudes, yet administrators must become active players in helping in changing attitudes. When applying values and ethics and principles in particular, responsible members have to take into consideration the component of dialogue, to establish a shared vocabulary that will facilitate dialogue across disciplines and establish consensus on key concepts. If dialogue is absent then principles and ethics will be vulnerable to multiple interpretations and be inconsistent with moral leadership; not to impose one's values on someone who holds dissimilar values, but focus on building

consensus around a shared social or organizational objective like ethic of community, social justice, corporate governance... In this sense administrators have to use ethics as tools to support actions taken, model ideal practice, and/or promote particular kinds of organizational or societal activity. The principles that administrators have to emphasize on in introducing ethics education is the focus on the perceptions of individuals and relationships, integration of moral education programs within the curriculum and interpretation of situations associated ethical postures in a sensitive way.

In order to enhance teaching, training and research, administrators have to increase collaboration among Business Ethics experts in the region, establish a reliable database of those involved in the teaching and training in the field. In addition, all departments at the University need to work together to streamline the content of Business Ethics to enhance the quality of teaching.

Furthermore, and to keep the sustainability of the framework continuous, assessment and follow-up have to be performed. An examination of the message that is send to students is needed; assessment of data to improve the curriculum. In addition and to systematize this process within this framework, administrators and faculty are asked to self-assess in annual reports based on the achievement of the articulated learning objectives; assess the driven mission, key learning goals and outcomes, course content and anticipation of the material.

4 CONCLUSION

What is hoped from this framework is the teaching of ethical values in business school and the development of an ethical corporate culture to prevent infringement at the level of intra and interpersonal relations. Teaching Business Ethics provides students with the education, skills, and experiences necessary to perform current or future jobs. Teaching Business Ethics, in effect, serve as a key component in training the future managers and leaders of the world's corporations. This process, at its best, will serve to buttress the ethical learning that students have gained during their studies and reinforce practices of lax ethical judgment.

References

Anonymous. (2012). Lebanon: Civil War 1975-1990. GlobalSecirity. Org. retrieved on 7/8/2012 from www.globalsecurity.org/military/world/war/lebanon-htm

Begley, P. & Stefkovich, J. (2004). Education, ethics, and the 'cult of efficiency: Implication for values and leadership. Journal of Educational Administration, 42(2), pp 132-136.

Bigel, K. (2002). The impact of a business ethics course on the moral development of undergraduate and graduate business students. Delta Pi Epsilon Journal, 44(2), 125128.

Blake, D. (2006). Ethical business leadership. Beta Gamma Sigma International Exchange, 5(3), pp 4-5.

Buchko, A.A. & Buchko, K.J. (2009). So we teach business ethics-Do they learn? Journal of Business Ethics Education, 6, pp 119-146.

Cahn, S & Pastore, J. (2003). Decision modeling: An objective approach to moral reasoning. Teaching Business Ethics, 7, pp 329-340.

Collins, D. & Wartick, S.L. (1995). Business and society/Business ethics courses: Twenty years at the crossroads. Business and Society,34(1), pp 51-89.

Cranston, N.; Ehrich, L.C. & Kimber, M. (2006). Ethical dilemmas: The 'bread and butter' of educational leaders' lives. Journal of Educational Administration, 442), p 106-121.

Dellaportas, S., Cooper, B., & Leung, P (2006). Measuring moral judgment and the implications of cooperative education and rule-based learning. Accounting & Finance, 46(\), 53-70.

Displaces, D.E.; Melchar, D.E.; Beauvais, L.L. & Bosco, S.M. (2007). The impact of business education on moral judgment competence: An empirical study. Journal of Business Ethics, 74(1), pp 73-87.

Evans, F.J. & Robertson, J. (2003). Ethics in business curriculum: A survey of deans in AACSB schools. Business and Society Review, 110(3), pp 233-248.

Fraedrich, J.C.; King, J. & Guo, C. (2005). An empirical investigation of the effects of business ethics training. Marketing Education Review, 15(3), pp 27-36.

Ghosal, S. (2005). Bad management theories are destroying good management practices. Academy of Management Learning and Education, 4(1), pp 75-91.

Hartman, E.M. (2006). Can we teach character? An Aristotelian answer. Academy of Management Learning and Education, 5(1), pp 68-81.

Hoffman, W.M., Frederick, R.E & Schwartz, M.S. (2001). Business ethics: Readings and cases in corporate morality. 4th ed. Boston: McGraw Hill.

Langlois, L & Lapointe, C. (2010). Can ethics be learned? Results from a three-year action-research project. Journal of Educational Administration, 48(2). Pp 147-163.

Langlois, L. (2004). Responding ethically: complex decision-making by school district superintendents. International Studies in Educational Administration and Management, 32(2). Pp 78-93.

Mitroff, I. (2004). An open letter to the deans and faculties of American business schools. Journal of Business Ethics, 54, pp 185-189.

Muijen, H. (2004). Corporate social responsibility starts at university. Journal of Business Ethics, 53, pp 235-246.

Orwin, C. (Nov. 6, 2009). Can we teach ethics? When pigs ply. The Globe and Mail. Retrieved on 2/5/2012 from

Paliwal, M. (2206). Business Ethics. Delhi: New Age International.

Peppas, S.C. & Diskin, B.A. (2000). Ethical perspectives: Are future marketers any different? Teaching Business Ethics, 4, pp 207-220.

Peter,K. (2009). Is it possible to teach ethics to business school students? The Financial Times Limited. Retrieved on 1/6/2012 through ProQuest from http://search.proquest.com/docview/22927654?accountid=8555

Pizzolatto, A.B. & Bevil, S. (1996). Business ethics: A classroom priority? Journal of Business Ethics, 15(2), pp 153-158.

Procario-Foley, E.G. & Bean, D.F. (2002). Institutions of higher education: Cornerstones in building ethical organizations. Teaching Business Ethics, 6, pp 101-116.

Rest, J.R. (1986). Moral Development: Advances in research and theory. New York: Praeger Publishers.

Rest, J.R. (1993). Guide for the defining issues test: How to use the optical scan forms and the center's scoring service. Minneapolis, MN: The University of Minnesota.

Sims, R. L. (2000). Teaching Business Ethics: A Case Study of an Ethics Across the Curriculum Policy, Teaching Business Ethics, 4(4), 437-443.

Velasquez, M; Andre, C.; Thomas Shanks, S.J. & Meyer, M.J. (2012). Can ethics be taught? Markkula Center for Applied Ethics. Retrieved on 2/5/2012 from www.scu.edu/ethics/practicing/decision/canethicsbetaught.html

Weber, J. & Glyptis, S. M. (2000). Measuring the impact of a business ethics course and community service experience of students' values and opinions. Teaching Business Ethics, 4, pp 341-358.

Weber, J. & Glyptis, S.M. (2000). Measuring the impact of a business ethics course and community service experience on students' values and opinions. Teaching Business Ethics, 4, pp 341-358.

Weber, J. (1991). Adapting Kohlberg to enhance the assessment of managers' moral reasoning, Business Ethics Quarterly, 7(3), 293-318.

Wittmer, D.P. (2000). Ethical sensitivity in management decisions: Developing and testing a
perceptual measure among management and professional student groups. Teaching
Business Ethics, 4, pp 181-205.

Heyam Loutfi ElZein, EdD. Doctorate in Educational Management- University of Leicester-
England, Master of Arts in Educational Psychology, Graduate Diploma in Youth and ECE-
University of Victoria- Canada, and Bachelor of Arts in Psychology- American University-
Beirut. Associate Professor in Educational Management at Rafic Hariri University. Dr.
Loutfi has conducted a large number of hours of teacher training workshops about ECE,
Peace Education and Children's Rights, Conflict Transformation, and Teacher's
Empowerment in Lebanon and the region and presented papers in regional and international
conferences. She has published in a number of international journals.

Mira Alameddine Masters degree in Education from the Lebanese American University
(LAU) – Lebanon and is specialized in teaching ESP, particularly Business English and
Technical Writing for Engineers. She also has a Masters Degree in Philosophy and teaches
several courses in philosophy and cultural studies. She is a part time faculty instructor at
Rafic Harir University (RHU) and the Lebanese American University (LAU). Ms.
Alameddine is currently pursuing her PhD in education at the Lebanese University.