The Effect of Ethical Instruction Modules in Business Classes on Short and Long Term Student Ethical Sensitivity and Decision Making

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This study posed the question, "Can Business Ethics be Trained? A Study of the Ethical Decision Making Process in Business Students," in her research for a SOTL grant during the fall semester of 2004. The purpose of this section was to examine the various guidelines presented in the literature for instituting an ethics curriculum and empirically study their effectiveness. Three questions are addressed concerning the trainability of ethical material and the proper integration and implementation of an ethical curriculum. An empirical study then tested the effect of ethical training on moral awareness and reasoning. The sample consisted of two business classes, one exposed to additional ethical curriculum (experimental), and one not exposed (control). For the experimental group, ethical exercises and discussion relevant to each topic were completed. Findings suggested gender differences such that, relative to other groups, women in the experimental group showed significantly improved moral awareness and decision making processes. An explanation of the underlying cognitive processes is presented to explain the gender effect.

In summary, there is a great deal of disagreement both theoretically and empirically regarding the trainability of ethical content. The available literature to this point leads us to the possibility that both options are in some sense correct. That is, for those individuals with an ingrained ethical background prior to the college classroom, implementation of an ethical curriculum may be quite effective in supplementing their existing schema. For those individuals lacking experience in the ethical components of decision making, the current level of ethical training provided in business schools is not adequate to make ethics a "habit". Hence, the question that remains to be answered is how business schools and individual professors can best integrate ethical principles into the curriculum for this purpose. In recognition that an ethical component of some sustenance must be included in our Undergraduate and Graduate school curriculum, many theorists have proposed guidelines as to how this implementation can occur most effectively, addressed in the following section.

The current study not only examined the various guidelines presented in the literature for instituting an ethics curriculum, but also empirically studied their effectiveness. Hence, the current study was undertaken in an attempt to follow all possible implementation guidelines. As such, the first step was to identify the current goal of the program and the outcome(s) to be assessed. In light of the previous discussion regarding the cognitive nature of including ethics as part of an overall schema, the purpose of teaching business ethics in this case was to increase what has been termed cognitive competence, or the acquisition of the mental knowledge and skills to make an ethical decision. Cognitive competence includes elements of moral awareness, moral understanding, moral reasoning, moral decision making, and moral tolerance. As most theorists include moral awareness and moral reasoning as the necessary first steps toward ethical decision making (followed by, for example, examining courses of action based on ethical principles, developing a plan of action, and putting that plan into action), and these variables are seen as appropriate first steps for undergraduates, they are the focus of the current experiment.

Hence, this study measures moral awareness, defined as recognition of an ethical issue, conflict, and/or responsibility, as well as moral reasoning, defined as weighing and evaluating

different courses of action and taking ethical principles into account when determining one's stance. Although many theorists have argued that providing ethics training on such a small scale will not significantly affect relevant ethical outcomes, it is expected that by following the guidelines for effective implementation, even a relatively small scale effort can begin a foundation upon which to build larger scale implementations. Hypothesis 1: Individuals exposed to training in ethical decision making will demonstrate more awareness (coded quantitatively) of ethical issues in the decision making process. Hypothesis 2: Individuals exposed to training in ethical decision making will be more likely to include ethical components in their reasoning (measured qualitatively) used to arrive at a decision regarding an ethical dilemma.

Although the majority of these students had completed a class in business ethics that introduced them to basic ethical theories (as is the ideal case suggested by theorists), the Academy of Management's (AOM) model was introduced as a framework for ethical decision making in an attempt to make ethics relevant to students and legitimize the consideration of ethical issues. The AOM model suggests that students consider not only the outcomes of their actions, but also the stakeholders affected, and a list of core values that are considered important to managers. Students were not only exposed to the AOM's professional guidelines for ethical decision making, but were also exposed to the consequences of focusing solely on outcomes (following the normative expected utility theory) through the use of case examples.

A variety of instructional practices were used incorporating the call for experiential and active learning practices. Students were exposed to a variety of real life and fictional case studies that asked them to apply the ethical principles they had learned to a particular business case scenerio. Discussion generally occurred in small groups and was followed by a debriefing period as an entire class. In this manner it was expected that students were exposed to all of the components necessary to achieve cognitive competence; exposure to ethical theories and tools of analysis, the opportunity to apply their knowledge to business situations, and to develop tolerance for divergent views (achieved via group activities such as discussions and debates).

Participants were 77 undergraduate students for the quantitative aspect of the study (posttest) and 57 students for the qualitative (pretest-posttest) aspect who were currently enrolled in an Organizational Behavior course at a Mid-size Southern University. The design began as a simple test of mean differences between the treatment and control groups and evolved to a 2 (participant condition) X 2 (participant gender) factorial as analyses progressed. Hence, ultimately there were 17 male participants and 16 female participants in the experimental condition, and 25 male and 19 female participants in the non-experimental condition.

A pretest, posttest design with a control and experimental group was used to study the qualitative aspect of this study related to moral reasoning. The sample consisted of two business classes (both late morning sessions of Organizational Theory and Behavior taught by the same instructor), one which was exposed to additional ethical curriculum (experimental group), and one that was not (control group). For the experimental group, ethical exercises and discussion relevant to each topic (a total of 10) were completed. Students reflected upon their responses to each case in reference to the ethical guidelines for decision making provided by the Academy of Management. At the beginning and at the end of the semester, students in both conditions responded to two vignettes designed to gauge, in detail, factors involved in the decision making process. The responses were assessed qualitatively to determine if and how ethical considerations fit into decision making (and if the treatment condition had any effect). Students also completed a posttest Likert-scale measure gauging perceptions of ethical behavior. This measure was analyzed quantitatively to explore the effect of the ethical training on moral awareness.

Hypothesis one predicted that individuals exposed to training in ethical decision making will demonstrate a higher awareness of ethical issues. This hypothesis was not demonstrated using quantitative analysis as t-tests showed that there were no significant differences between the treatment and control groups in awareness of ethical issues for personal integrity or external ethics (t=.953, p=.346; t=-.043, p=.966).

When gender was included as a moderating variable using Analysis of Variance (ANOVA), however, an interesting effect emerged. In this analysis, treatment condition and gender were included as main effects and a gender X treatment condition interaction was tested to determine if women responded to the ethical training in a different fashion than men. The gender X treatment interaction was significant, suggesting that this was indeed the case for personal integrity (F=10.25, $p\leq$.01). Post-hoc t-test analyses suggested that women in the treatment condition had significantly higher recognition of personal integrity issues than all other groups. The gender by treatment effect was not significant for external ethics (F=2.57, p=.11), however, the main effect of gender was significant (F=13.24, $p\leq$.001) and the main effect of treatment was marginally significant (F=2.80, p=.10) (see Table 4). This result suggests that women may be more amenable to ethical training than men regarding issues of their personal integrity and perhaps (marginally) regarding external ethics as well.

Hypothesis two predicted that individuals exposed to training in ethical decision making will utilize a different decision making process to arrive at a decision to ethical dilemmas (i.e., trained individuals being more likely to base a decision on ethical factors). This hypothesis was tested qualitatively by examining the reasoning behind a participant's decision. Qualitative analyses seem to confirm the idea that women are more amenable to ethical training as women in the treatment condition seemed to be the only group that demonstrated a pattern of movement from Tier 0 responses at Time 1 to Tier three responses at Time 2, especially in the coercion and control scenerio.

The current study tested the notion that proper implementation of even a small scale ethics program into the business school curriculum could have positive effects on students. This general idea was not wholeheartedly supported. Instead, the positive effects of an ethical training program were witnessed only in women. This result seems surprising, however, it coincides with previous literature on several interesting levels. The literature examining gender effects in ethical awareness and reasoning often suggest that women score higher in ethical reasoning than men.

Several limitations are present in the current research. As this is a relatively small scale project, not yet instituted at the department level, goals are identified and assessed at the level of the classroom. This is representative of the integration approach and examines the significance of integrating ethics into one class, however, the success of a more all encompassing program (as such was recommended for maximum effectiveness) cannot be assessed at this point. Additionally, the dependant variables of interest were limited to moral awareness and moral reasoning, only the first steps in ethical decision making. Further steps including the implementation of ethical considerations in real life behavior were not assessed in the current study. Although there is some research that links ethical sensitivity to decision making outcome (Wittmer, 1992), this is a limitation of most ethical curriculum studies and as the drive to implement more programs of this nature grows, so to must the assessment of ethical behavior in an actual work setting and not in a hypothetical instance. Although some interesting questions have been answered by the current research, a multitude of questions have been posed by the results obtained here. These questions remain to be explored both theoretically and empirically in further research.