“Concentrate on developing strong leadership skills among managers and students, and then ethical business practices will more likely become part of the company-wide culture,” says David Blake, chairman of the Ethical Business Leadership Task Force for Beta Gamma Sigma business honorary and a professor of Business at University of California, Irvine.

“When it comes to ethical business leadership, the noun should be leadership, with ethics serving as qualifier,” he said. “Excellent leadership, coupled with moral good sense and core values, is central to incorporating ethical behavior throughout the corporation, which should be our goal.”

Business schools play a fundamental role in helping future leaders understand the importance of practical leadership throughout an organization. Students should be taught early that ethical decision-making should be encouraged in the mailroom, by mail-handlers, as readily as it is expected in the boardroom by CEOs.

“Top schools establish the tone, provide the tools and teach a business culture where ethical behavior is insisted upon and practiced at every level within an organization, not just by titled executives,” he states. “Only then will ethics be ingrained into the corporate fabric of the total marketplace.”

As a private, Christian university, Baylor has the freedom to investigate, discuss, challenge and apply ethical, moral and spiritual principles in ways that state-supported schools do not.

“We are at distinct advantage at Baylor, because our heritage and ongoing culture has a moral foundation that is explicitly part of who we are as an institution, and informs what we expect of people in the Baylor family,” says Mitchell J. Neubert, Chavanne Chair of Christian Ethics in Business.

But is it really possible for a business school, even if it is Christian-based, to implant a moral compass in its students? “Yes, to an extent, it is,” says Neubert. “Exposing students to ethical models and questions, deliberating over ethical dilemmas and interacting with faculty and practitioners who choose to model ethical leadership can raise a student’s ethical i.Q.”

Neubert believes that challenging students to look beyond simple consequences or social norms to explore broader principles and ideals leads to improved moral decision-making and behavior. “Unfortunately, not every student chooses to rise to the challenge,” he adds. While we like to believe that every student enrolled in business school encompasses the five core values that, according to the Institute for Global Ethics, define and shape ethics: honesty, responsibility, respect, fairness and compassion, this is an unrealistic expectation.

Identifying prospective students with key leadership potential who are also ethical is a universal challenge for business schools, especially when considering that top MBA programs accept fewer than 15 to 20 percent of their applicants. Therefore, business schools must be systematic and intentional in their attempts to influence the students they do admit.

According to Neubert, this begins with hiring qualified business faculty of moral character who can communicate and teach the importance of personal ethics as credibly as they teach professional problem-solving skills.

The Ethics Education Task Force of the Association to Advance Collegiate Schools of Business (AACSB) cites faculty apathy as being the “greatest single impediment to increasing the emphasis on ethical education in the business curriculum” (“Ethics Education in Business Schools,” AACSB, 2004).

However, a significant rise in ethics research over the past 10 years indicates that increasing numbers of business scholars are recognizing the validity of ethics education. They are being supported in this view by school administrators, who are committing greater resources toward hiring qualified ethics professors and supporting faculty research opportunities.

Baylor Business has more than two dozen faculty involved in ethics research. This research is vital to the school because it feeds directly into every business discipline, not just the school’s ethics classes, thus creating an enhanced learning and teaching experience.

As more business schools join Baylor in placing a high value on ethics education, the question then becomes the most effective way to teach the subject.

The AACSB encourages schools to practice innovative pedagogy and even offers a list of suggestions through its website; however, how a school chooses to teach ethics doesn’t factor into the accreditation process, as long as ethics is taught in some form.

Most administrators as well do not mandate how ethics are taught in their schools, believing that a lack of regulation will likely produce more and better types of ethics education across the board.
HOW TO BEST TEACH ETHICS IS SOMETHING THAT ANNE GRINOLS, ASSISTANT DEAN AT BAYLOR BUSINESS, UNDERSTANDS VERY WELL. Before arriving at Baylor in 2004, she taught at a university where ethics was treated in the curriculum on an ad hoc basis, with each professor addressing the subject as he or she saw fit, if at all.

“I assumed that ethics would be treated more intentionally at Baylor, and found that to be true,” Grinols said. “I also found a dean who wished to explore how to strengthen not just the exposure of ethics, but the learning and application of ethics by our students at both the undergraduate and graduate level.”

Whether a school favors a one-time, mandatory, or optional ethics course, integrates ethics throughout its curriculum, or chooses a combination of both, role-play is almost always part of the mix and considered by most faculty to be highly effective in teaching students to understand and appreciate ethics.

“We discuss ethics principles and cases in my class, but I find that the more hands-on student involvement is, the better the learning experience and subsequent application impact will be,” says Grinols, who teaches management communication to MBA students at Baylor. Her course includes planned and impromptu student presentations and two weeks dedicated exclusively to the subject of ethics, culminating in student teams participating in an ethics case competition or writing an original ethics case.

For a business school to be considered progressive, however, the study of ethics must extend beyond academics. Each year Baylor offers an annual Business Ethics Forum, an opportunity for students, faculty and business professionals to gather and talk about major ethical issues of the day and discuss lessons learned from some of the world’s most powerful companies. Past panelists have included representatives of Enron, Halliburton and Arthur Andersen.

A newly created Ethical Leadership Case Competition, open to both graduate and undergraduate students, is a yearly opportunity for business students to develop and maintain ethical skills by presenting recommendations about a specific ethical dilemma before qualified judges. Professors Neubert and Grinols noted that initial feedback from students indicates this type of active engagement may be one the most effective methods to influence students’ ethical thinking.

Another important way that business schools demonstrate the value of ethics to students is to cultivate corporate alliances with businesses that clearly support moral leadership within their organization. Business schools aligned with corporate recruiters who send the clear message that an ethical business student is a more marketable job candidate, sends a clear message to students that ethics are a valuable attribute.

Just as important is for business schools to be proactive in publicly recognizing, reinforcing and rewarding ethical behavior among students and faculty alike.

“Too often we read about unethical behavior,” says David Blake. “It’s just as important to publicize ethical business leadership and associate yourself with companies whose conduct is something to applaud and for which all business professionals can take pride.”

There are currently no benchmarks in place to determine if a business school is teaching ethics in such a way that the likelihood of producing ethical leadership, not just skilled leaders, is maximized. Unscrupulous behavior is as old as time, and the global marketplace will never be immune from ethical temptations, nor from those who choose to conduct business dishonorably.

Still, business schools are rallying to meet ethical challenges in the industry by practicing what they teach. The foundation for right and honorable business practice is clearly being laid within the framework of education, where leaders are trained, skills are taught, alliances are forged, and ethical behavior takes root.