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In this timely essay, Dean Tilden Curry of Tennessee State University reviews the experience of business schools in relation to the teaching of ethics. He examines the history of ethics education, areas of successes, and areas needing continued attention, while describing how Tennessee State University (TSU) has responded to the need for ethics education in the business curriculum. He calls for ongoing exploration of the substance of business ethics curriculum and ethical business school operation.

Teaching Business Ethics: The Perspective of One Business Dean

by Tilden J. Curry, Tennessee State University

The corporate scandals exposed in the new century were a major “wake-up call” for business schools around the country, including, most assuredly, the College of Business at Tennessee State University. There was the realization that maybe not enough had been done to foster a strong ethical core among business students and that some of the blame for these scandals might lay at our doorsteps. We had previously taken pleasure in basking in the glow of many prior accomplishments of corporate America, whether they were advances in productivity enhancements, quality control, or information systems. Now the opposite side of the equation has confronted us the past few years with lapses in ethical behavior apparent among many corporate executives and professionals in the field of accounting.

In 2002, I wrote a column on “Ethics in Business and Education” for the Dean’s Corner of *eNewslines*, the principal online news organ of AACSB International, the Association to Advance Collegiate Schools of Business. In it, I laid out the obvious problem of poor ethical behavior on the part of some in corporate America and the need for business schools to reassess their coverage of business ethics. Also stressed was the importance of students seeing that strong ethical standards were adhered to within our universities. In this piece, I will review the experience of our busi-

ness school in addressing the teaching of business ethics over the past quarter century, as well as setting forth a future agenda for our business school and some general observations about a long-term focus on business ethics among business schools across the country.

The Early Years

The first serious discussions of business ethics in our business school were prompted by the findings of the Securities and Exchange Commission in the 1970s that several hundred incidences of bribery of foreign officials by U.S. companies had occurred. This led to the enactment of the Foreign Corrupt Practices Act of 1977, as well as to greater attention to business ethics in the standards of AACSB. It was 1982, however, before the teaching of business ethics became a focus in our business school. That was the year that a concerted effort was begun to improve the overall quality of our program and to pursue AACSB accreditation in earnest. One of the major objectives of a new Strategic Plan for Accreditation was to assess the appropriate coverage of business ethics within the curriculum.

The assessment of business ethics led to an approach adopted by most business schools of that period. This was to integrate the teaching of business ethics throughout the curriculum rather than as a required standalone



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course for all students. Particular emphasis was placed on assuring appropriate coverage with business core courses. Breadth of coverage was clearly emphasized over the substantive nature of business ethics. Arrangements were also made with the Philosophy Department to offer a course in business ethics that students were recommended to take as a non-business elective. Periodic workshops were also held on business ethics, one of which ironically had the Arthur Anderson Code of Ethics as its centerpiece.

Close attention to the coverage of business ethics continued through the balance of the 1980s and early 1990s. With the receipt of initial AACSB accreditation in 1994 and the adoption of a new strategic plan for the College of Business, emphases shifted to other areas. It was not that business ethics was no longer considered important. It was more the thought that we were already addressing that issue in an appropriate manner. We knew that we were doing a better job in teaching business ethics than in prior years. In essence, though, we were operating pretty much on "automatic pilot" when it came to business ethics. In retrospect, this is understandable. It is almost impossible for any organization to stay fully focused on all major issues. Some issues command major attention only on a cyclical basis. Maybe the teaching of business ethics is an issue in that category, particularly if there is not an external stimulus or support system in place.

Replacing business ethics as a major focus area in the TSU College of Business during most of the 1990s were a number of initiatives set forth in the new 1993 strategic plan. These included international linkages and greater globalization of the curriculum, technology upgrades, a new major in Business Information Systems, fundraising for scholarships and endowed chairs of excellence, faculty performance evaluation criteria, the development of the Office of Business and Economic Research, entrepreneurship, and outreach services to the business community. These were initiatives that were clearly

important in the further development of the College.

The New Century

With the unfortunate revelations inherent in the corporate scandals of earlier this decade, our College, as most business schools, began another major assessment of its approach in teaching business ethics. While some ethical problems were assumed to have existed, the magnitude of the corporate scandal was "shocking" to say the least. We realized that not enough had been done to deter such unethical behavior. Also, the stakes appeared much higher this time around. Basic public confidence in American business practices, so crucial to healthy equity markets, seemed to be very much in jeopardy. It was thought that unless public confidence had been restored and there existed a general belief that corporations were operating within a climate of greater trust, honesty, and adherence to appropriate standards of governance, the economy was likely to suffer further. Although we are only a relatively small business school with limited impact on the national scene, we felt the pressing need to do our part in addressing this weighty issue.

There were several areas of exploration in assessing the appropriate role of the TSU College of Business in teaching business ethics. They included the following:

1. Core values and guiding principles
2. Student attitudes concerning the importance of ethics
3. A required course in business ethics
4. Elective courses in business ethics
5. Coverage of business ethics within existing courses

Strategic planning has been a basic framework for the development of the TSU College of Business since the early 1980s. Much pride is taken for the systematic implementation of 80 to 85 percent of the plan adopted in 1993. In development of the 2003 strategic plan, however, it was realized early on that one major deficiency of past plans was

the lack of a clearly defined values statement that set, among other things, ethical expectations for students, faculty, and staff of the College. Somewhat troubling had been the findings of a survey of student opinions on business ethics administered by a member of the Accounting faculty. While some of the opinions were found to be quite laudable, the survey results clearly revealed that more work needed to be done to instill a stronger commitment to ethical behavior among some of the student body. A set of core values and guiding principles was subsequently formulated working collaboratively with major stakeholders of the College. This set of values and principles, together with the vision and mission statements, was included in the new strategic plan and is also now displayed throughout facilities of the College and attached to course syllabi.

The new strategic plan called for the faculty curriculum committee to reassess the coverage of business ethics and to determine if a required course in business ethics was needed. To date, a recommendation for such a course has not materialized. This is due, in part, to the College having to reduce the credit hour requirements for its BBA degree programs from 129 to 120 semester hours as a result of new policies of the Tennessee Board of Regents, the governing board for the University. There is also the continuing view among a substantial percentage of this faculty that business ethics can best be addressed if integrated well throughout the curriculum. This appears to be the prevailing view across the country as no more than a third of business schools accredited by AACSB International offer a course in business ethics and even fewer require an ethics course (Willed, 2004, cited by D. Swanson, Teaching Business Ethics Conference, Boulder, Colorado, 2005).

Although a required course in business ethics for all students has not, as yet, been added to the curriculum of the College of Business, a number of other enhancements in coverage have occurred. A business ethics course has been developed in the College as an elec-

tive, but also as a required course for students with degree concentrations in Marketing and Human Resource Management. Some courses, such as Cost Accounting, now also require a major paper on business ethics, and there has been a renewed effort to assure appropriate coverage in other courses, particularly the business core.

Business School and University Operations

As a business dean, I have made a major attempt to ensure that we manage, lead, and operate an ethical business school. In addition to the obvious merits of such from the standpoint of our own personal ethical behavior, there is the residual impact on students to consider. If there is a dichotomy between what we teach and what we practice, we surely cannot expect our students to leave campus with a full appreciation of the need to pursue ethical business careers. There are, however, many challenges to pursue and temptations to avoid in order for us to assure that such a dichotomy does not exist.

While the financial stakes may not be the same as that of a private corporation, individuals at universities and business schools are quite capable of "cooking the books," so to speak, in a number of areas that would imply ethical transgressions. Such areas would include selective reporting of the qualifications of students admitted, accuracy of promotional and catalog materials, use of donor contributions, and the reporting of the academic qualification of faculties. Other areas that can also be troubling from an ethical standpoint include the following: (1) whether commitments made to faculty and students are kept, (2) various teaching behaviors, (3) research conduct, (4) relationships with students and other stakeholders, (5) consulting conflicts, (6) the basis of scholarship and other awards, (7) reporting of faculty and faculty leaves, and (8) tenure and promotion decisions. Each of these matters should be approached from an ethical frame of reference so as to better assure an environment conducive to productive work and essential learning.

Teaching Business Ethics Today and Tomorrow

The teaching of business ethics has never commanded the attention of business schools as it has over the past few years. Most schools have conducted an assessment of its coverage to some degree and more schools now require either a course in business ethics or a related course such as corporate social responsibility or business and society. (Headlines, *BizEd*, p.10, Jan/Feb 2006). More conferences are being held with business ethics as either the focus or an important component. (A good example is the Teaching Business Ethics Conference held in Boulder, Colorado, during July 2005. It was organized and developed, as equal partners, by AACSB International, Colorado State University, University of Colorado, and University of Wyoming. It was structured under four major topics: (1) foundational ethics coursework, (2) ethics and compliance, (3) innovative methods for teaching business ethics, and (4) deans' perspectives, the latter of which I participated in as a panelist. There are now more business schools with chairs, professorships and centers in business ethics. More textbooks and various instructional tools in the field are also now available, as well as related articles in scholarly journals and commercial magazines.

AACSB International has clearly stepped up to the challenge and opportunity of addressing the issue of business ethics. The accreditation standards related to business ethics were strengthened in 2003. While the previous standards called for a curriculum that provided an understanding of ethical and global issues, the new standards go further to require that each institution "must establish expectations for ethical behavior by administrators, faculty, and students" ("Accreditation Standards for Business Administration," AACSB International, Section 1, Standard E, 2005). A new assurance of learning standards also identifies ethical understanding and reasoning abili-

ties as one of the six general knowledge and skill areas that learning experience should result in through the curriculum management process (Section 2, Standard 15). The report of its Ethics Education Task Force, published in 2004, entitled "Ethics Education in Business Schools," further encouraged administrators and faculty to explore methods to strengthen the vital ethical component of the curriculum. The report addressed the following areas: (1) responsibility of business and society, (2) ethical leadership, (3) ethical decision making, (4) corporate governance, and (5) questions about ethics education for business leaders. AACSB International is also providing a valuable resource for information, tools, and discussion about ethics education in business via an Ethics Education Resource Center on its website (www.aacsb.edu).

Much has been done to better ensure a sound foundation in ethical behavior of business students as they begin their professional careers. Much, however, remains to be done. At our business school, for example, a required course in ethics is still likely to materialize, although as a reconstituted Legal and Ethical Environment of Business. Corporate governance will need to be given greater attention, as well as the substance of what is being taught as business ethics and what the profession might view as ethical business school operations. Future conferences on teaching business ethics, as well as more outlets for scholarly research in the field, are needed to further develop this evolving discipline within the profession. Without such being the case to foster continuing momentum for the subject, it is highly probable, as other areas gain importance in business school operations in the future, attention to business ethics will wane. We could very well wake-up in 15 to 20 years to learn of new unethical business practices of the magnitude of recent occurrences and conclude again that business schools could have done more to help deter such transgressions. ■