Students' Responses to Ethical Dilemmas in an Academic Setting and in the Work Place

Faye P. Teer
teerfp@jmu.edu

S. E. Kruck
kruckse@jmu.edu

James Madison University
800 Main Street, MSC 0202
Harrisonburg, VA 22807 USA se@jmu.edu

ABSTRACT

It is important for students to be prepared to act ethically when they face real world situations that test their ethical leadership. The purpose of this study was to examine university students' responses to ethical dilemmas. One hundred and sixty two students in numerous majors and both undergraduate and graduate classifications responded to a survey that presented 13 ethical dilemmas. A low survey score represents more ethical responses and a higher score represents more unethical responses. The findings for respondents indicate that the mean ethics score was 5. Since all 13 scenarios were clearly unethical, a mean score of 5 indicates many student respondents stated they would act unethically in numerous scenarios. The findings also indicate that there is not a significant difference between gender and ethics scores. The findings of our study reinforce the importance of the need for educators to work toward making academic integrity valued by all university graduates. Business school administrators and faculty need to carefully examine their curriculum to see how well their school is fulfilling its obligation in providing employees who will be ready to lead and act ethically. With the extent of university student cheating reported in the literature and in our own research, it is clear that more insight into this problem would be helpful. Future empirical research is needed to explore the extent to which business school administrators and faculty are responding to the AACSB call to provide business students with the ability to be ethical leaders in the work place.

Keywords: business ethics, ethics education, ethical leadership, student ethical dilemmas, students' perceptions of ethics, university student cheating

1. TODAY'S ETHICAL ENVIRONMENT

Many news stories reporting corporate leaders' unethical and sometimes illegal behavior has brought business ethics to the forefront of public attention. Almost any day of the week, there are new stories about unethical behavior. Numerous accounts of business leaders' poor ethical choices have illustrated the high cost of unethical behavior levied on companies, their customers, their employees, and shareholders. A broad range of stakeholders suffer when ethical norms are violated. Society as a whole benefits from ethical leadership in organizations (Albaum 2006; Why Teach 2005).

In addition to the news headlines on ethical breaches in business, another sign that students entering today's organizations will be working in a very complex ethical environment is that many

corporations are now providing ethics training for their employees. Furthermore, many corporations are hiring for the newly created ethical officer position. The ethics officer's duties can include everything from training employees to advising the CEO (Should You Hire 2008; Swartz 2003). In 2004, at least 40 percent of the Fortune 500 and more than 50 percent of the Fortune 100 corporations had an ethics officer (Company Profile 2004; Corporate Compasses 2004). Another visible indicator of the increased importance of ethics officers in organizations can be seen from the fact that two different professional associations for ethics and compliance managers have experienced substantial increases in their membership numbers (Clark 2006; Company Profile 2004).

Corporation leaders are finding that business ethics are further complicated when doing business in the international setting. To address international business ethics issues, some large corporations are providing face-to-face and online ethics training to employees. This training is often directed specifically to the locale where the employees are located in the world (Brubaker 2003; French 2006).

University graduates will become tomorrow's leaders. There is a need for these university graduates to be ethical leaders who will uphold company ethical standards and develop systems that will help others behave ethically (Allen 2009; Pratt 2009; Woodward et al. 2007). When present students face real world situations that test their ability to provide ethical leadership in the business environment, will they be prepared to lead and act ethically?

Unfortunately, many question whether current business school students are in fact obtaining an adequate level of ethics training (Lawson 2004; O'Clock and Okleshen 1993; Tang and Chen 2008). Lyonski and Gaidis researched students' reactions to ethical dilemmas typical of those in the workplace and found that "once [students] become fully fledged business people, we might conclude that they are not likely to be particularly ethically minded" (1991, p. 147).

2. UNIVERSITY STUDENTS'ATTITUDES ON ETHICAL ISSUES

Some educators feel that a student's level of academic integrity goes hand in hand with a student's ethical values on other real world events that present ethical challenges. Thus, one approach employed by business school leaders is to develop the students' ethical values through enhancing the students' academic integrity (McCabe, D. L. et al. 2006; Rimer 2003).

In their research on student cheating, Salter, Guffey, and McMillan called for additional research in the area of academic cheating and stated that it is important to learn more about the ethical perceptions of students (2001). Researchers in the field of ethics believe that examining how students feel about cheating will help educators gain valuable insight in promoting academic integrity (Klein 2007; McCabe D. L. et al. 2006; Salter et al. 2001; Woodward et al. 2007).
Since it is important to know about the ethical perceptions of students, the purpose of this study was to examine present university students' responses to ethical dilemmas. Specifically, this research reports on students' responses regarding their propensity to cheat in an academic setting and their propensity to act unethically in the workplace.

3. CALL TO ACTION FOR ETHICS EDUCATION

The related literature included in this paper covers three topics: (1) the need for educators to develop a business school curriculum that fosters students' ethical understanding and reasoning abilities, (2) the extent of student cheating in the university, and (3) the relationship between cheating in school and cheating in the workplace.

Need for ethics education.

In response to lapses in the corporate ethical environment and concerns about business school students' ability to meet tomorrow's ethical challenges, various educational accreditation bodies are fostering the development of ethical thinking in university graduates (Malone 2006). For example, the Association to Advance Collegiate Schools of Business (AACSB) has reaffirmed its desire to have undergraduate and graduate business school curriculum include the development of ethical understanding and reasoning abilities in business students (AACSB 2008.) The AACSB ethics task force issued a call for administrators and faculty to "reflect on their current approaches to ethics education" (AACSB 2004, pg. 9.)

Other groups that have issued calls to action for ethics education are business school deans, program leaders, faculty, and ethics center directors. One such call, by Jeffrey Garten, dean of

the Yale School of Management, stated "students need a stronger moral compass than many of today's CEO's have exhibited;" he called for educators to begin a major reevaluation of ethics education (2005 p. 1).

Business school administrators and faculty are now striving to integrate ethics education throughout the business school curriculum also possibly adding stand-alone courses (Velthouse and Kandogan 2007). However, the related literature does not reveal empirical evidence that indicates to what extent business schools are incorporating ethics education by teaching a stand-alone ethics class.

Extent of student cheating.

The authors of this study examined the related literature to gain knowledge about the extent of student cheating. Josephson Institute's (Report Card 2008) findings on high school student cheating indicated that: 64% of the students stated that they cheated on a test in the past year; 36% had plagiarized an assignment with the use of the Internet; and yet, 92% said they were satisfied with their own character and ethics. These findings indicate that far too many students are entering college with a history of cheating and the belief that cheating is not ethically wrong.

Scholars have examined whether or not business school students cheat more than other majors. When examining the extent of cheating among college students of various majors, McCabe, Butterfield, and Trevino stated that undergraduate business school students cheat more than other majors (2006). Another, similar research study by Nill, Schibrowsky, and Peltier (2004) found that, when competitive pressure increases, business majors act more unethically than non-business majors. However, Klein (2007) found no difference in the amount of cheating reported by business school students versus students in six other professional schools. The mixed findings point to the need for more empirical research on this topic.

Granitz and Loewy stated that there is a proliferation of student cheating using the Internet due to easy access to a world of information just keystrokes away; their research examined students' justification for Internet plagiarism (2007). Researchers at a European university found that the information technology, with its ease of information handling and anonymity, contribute to a rise in academic plagiarism (Comas and Sureda 2010). In another study in which Internet plagiarism among undergraduates was examined, 38% of the student respondents said they had committed one or more instances of 'cut and paste' plagiarism involving the Internet (Rimer 2003).

In Premeaux's investigation of cheating at Tier 1 and Tier 2 AACSB accredited business schools, the author found student cheating was "fairly common" at both Tiers. Results indicated cheating on written assignments to be more prevalent at Tier 1 schools; cheating on exams was higher at Tier 2 schools (Premeaux 2005).

Some believe that ethics scandals in the business world can be attributed to graduates of MBA programs and the type of education they obtained in business schools (Beggs 2007; Dean 2006). In 2006 McCabe, Butterfield, and Trevino reported on their findings regarding the extent of cheating among MBA students compared to non-business graduate students at 32 universities in the USA and Canada. The authors state, "A significant number of graduate business students cheat, and that they cheat more than their non-business graduate student peers" (McCabe, D. L. et al. 2006, p. 300). In addition, McCabe, Butterfield, and Trevino pointed out the need for more research pertaining to cheating among graduate business students (2006).

Administrators and faculty must meet the call to action by effectively addressing ethics education and developing a culture of academic integrity. It is evident that as administrators and faculty, we need to do all we can to reduce the problem of student cheating and provide the workplace with ethical leaders. In her research that presents a ten-step model for fostering academic integrity, Caldwell warns of the implications of failing to act, "university faculty and administrators who fail to instill principles of academic integrity in their students implicitly contribute to the cheating culture" (2010, p. 9).

Do students carry their bad habits of cheating in school into the workplace?

Several researchers have examined student cheating in college and the tendency of those students to cheat in the workplace. In his research, Lawson surveyed undergraduate and graduate students enrolled in business schools at three universities. Lawson examined the relationship between students' cheating behavior, degree to which students are upset by academic dishonesty, and attitude toward ethical behavior in

a non-academic setting. Lawson found a strong relationship between "students' propensity to cheat in an academic setting and their attitude toward unethical behavior in the business world" (2004, p. 198).

DuPont and Craig examined university students with majors in retail management to see if there was a significant change in the students' ethical perceptions after participating in a professional retail management internship. The researchers also examined the ethical perceptions of recent graduates after completing an entry level management training program. DuPont and Craig found that "internships and management training programs have little effect on the ethical perceptions of participants" (1996, p. 815).

In his study involving AACSB accredited business schools Premeaux stated that, "Since many students at AACSB accredited business schools tend to embrace, condone, or at least tolerate academic dishonesty, despite their exposure to ethics as mandated by AACSB, it is possible that they will be open to dishonesty and unethical behavior in the workplace" (2005, p. 416).

Another study looked at the issue of graduate student cheating vs. workplace dishonesty. Sims surveyed MBA students; the findings indicate that "students who engaged in behaviors considered severely dishonest in college also engaged in behaviors considered severely dishonest at work" (1993, p. 210). If students who cheat in the university setting subsequently cheat in the workplace, then educators have all the more reason to intervene as early as possible and strive to help business students develop ethical understanding and reasoning abilities.

The following section details the methodology used to study undergraduate and graduate students and is followed by the findings and a discussion of those findings. Limitations and conclusions are also presented.

4. METHODOLOGY

To examine students' responses to ethical dilemmas, we used students at a mid-size, primarily undergraduate public university in the mid-Atlantic region of the United States as our sample. The use of students as a valid sample in such research is confirmed in the related literature (McCabe, A. C. et al. 2006). The use of the study instrument, called "The MBA Jungle Ethics Survey," was approved by the university's Institutional Review Board (IRB). The survey was deployed on the Internet by MBA Jungle; thus, the researchers had no control over the survey instrument. The survey instrument included 13 questions. Those questions primarily consisted of short scenarios where the respondent was to select 1 of 3 possible options. The final question ask if the respondent answered honestly, tried to figure out what the most ethical choice was and choose it, regardless of what they'd actually do, or if they peeked ahead at the scoring. For respondents to our study, students' ethics scores on the MBA Jungle Ethics Survey ranged from 0 to 14. A lower ethics score reflects more ethical responses than a higher ethics score. Each student turned in a printout of their results page after completing the survey.

During the school years of 2006 and 2007, both undergraduate and graduate students were surveyed using the MBA Jungle Ethics Survey to determine the students' ethics scores. The students filled out the survey on their own time and in their own space. One hundred and sixty-two students were asked to participate and 15 decided not to participate; therefore, the response rate was 90.7%.

5. FINDINGS AND DISCUSSIONS

Several demographics were collected. Students were either full-time undergraduates or in the MBA program. The majority of the undergraduates were juniors (43%) and two-thirds of the total participants were males with almost one-third being male juniors. See Table 1 in the appendix for more demographics on
the participants.

In addition, current major information was collected. Over forty percent were Computer Information Systems (CIS) majors; one–third of the sample respondents were male CIS majors. The next largest group was the graduate students in the MBA program at 16 percent. All undergraduate students not in the CIS major were CIS minors at the time of the survey. See Table 2 in the appendix for more details on student majors.

As mentioned previously most of the survey's 13 questions were short scenarios; the scenarios pertained to situations typical of the university setting, the business world, or life in general. The following is an example of one of the scenarios. Bids come in from three vendors for a project that has a tight budget. Your employer has a policy

against accepting gifts from vendors. The high bidder has offered you a very nice gift. Respondents are asked to choose one of three options ranging from ethical to unethical actions.

The overall findings indicate that the mean ethics score of all respondents was 5 on a scale of 0 to 14 in which a low score represented ethical responses. Since the 13 scenarios were clearly unethical, a mean score of 5 indicates that many student respondents in this survey stated they would act unethically in numerous scenarios.

The mean ethics score was also determined by gender. The mean ethics score for females and males was 4.7 and 5.2 respectively. A Chi Square Test indicated that there was not enough evidence to conclude that there is a significant difference between gender and ethics scores. Figure 1, found in the appendix, shows percentage of females vs. percentage of males for each score.

Also collected was the final grade earned in the course in which the survey was administered. The professor linked the final course grade to each respondent's ethics score. Figure 2, located in the appendix, shows ethical scores 1-14 and the number of students earning grades A, B, C, D, or F for each specific ethics score. A Chi Square Test indicated that there was not enough evidence to conclude that there is a significant difference between course grades and ethics scores.

6. LIMITATIONS

As with any empirical study, there are limitations with the research that should be noted. First, the values obtained were student responses and no attempt was made to validate the accuracy of the responses. Second, the results obtained in this study of students' reactions to ethical dilemmas in the classroom and workplace should be considered exploratory in nature and should not be generalized to any group other than the respondents in this study. And finally, to draw any conclusion from the scores, such as someone who scores a 2 is twice as ethical as someone who scores a 4 or someone who scores a 10 is twice as unethical as someone who scores a 5 would be making assumptions that cannot be supported.

7. CONTRIBUTIONS

The data collected and reported will help inform business school administrators and faculty about student attitudes toward cheating and their attitudes toward unethical behavior in the workplace. Hopefully this insight into student behavior can help administrators and faculty gain more insight into the need for ethics education in the business school curriculum.

Information presented in this paper on the students' responses as to how they would react to ethical dilemmas in the workplace provides insight to all university stakeholders who are concerned about the ethical values of entry level employees. Employers in particular can use the findings to adjust workplace ethics training to address the failings uncovered.

The findings of our study reinforce the importance of the need for educators to work toward making academic integrity valued by all university graduates. Kathleen Deignan, Princeton's dean of undergraduate students issued a call to action for educators when she stated, "We need to pay more attention as students join our communities to explaining why [academic integrity] is such a core value—being honest in your academic work and why if you cheat that is a very big deal to us," (Rimer 2003 p. 3).

Business school administrators and faculty have an obligation to provide a curriculum that meets or exceeds the needs of the universities' many stakeholders. Business school administrators and faculty need to carefully examine their curriculum to see how well their school is fulfilling its obligation in providing employees who will be ready to lead and act ethically. The related literature provides evidence of the need to continually examine course content to keep the business school curriculum current (Jakobsen 2005; Kruck and Teer 2002; Teer et al. 2007). Those responsible for the business school curriculum have to foster the development of course content that continually evolves to meet the changing demands of society. Specifically needed today is a business school curriculum that effectively develops future employees who will act ethically and provide ethical leadership in today's complex ethical environment. The ethical development of tomorrow's business leaders should be an area of major concern for educators and corporate leaders. The authors recommend a mandatory ethics training for all college students regardless of major.

As mentioned in the findings and discussions, a means score of 5 for the respondents to this survey indicates that many student respondents in this survey stated they would act unethically in

numerous scenarios. Since over forty percent of the respondents were CIS majors, our study reinforces the need for CIS faculty to make certain that ethics training is a required part of the CIS curriculum.

With the extent of university student cheating reported in the literature and in our own research, it is clear that more insight into this problem would be helpful. Hopefully, our research findings will assist other researchers as they perform needed research in the area of student behavior regarding ethical issues. Future empirical research is needed to explore the extent to which business school administrators and faculty are responding to the AACSB call to provide business students with the ability to be ethical leaders in the work place. Also, empirical research on how faculty are teaching ethical understanding and reasoning to their students is needed to help faculty who are either currently teaching ethics or are considering adding the content into their classes.

8. REFERENCES

AACSB International (2008). Eligibility procedures and accreditation standards for business accreditation, 1-78. http://www.aacsb.edu/accreditation/process/documents/AACSB_STANDARDS_Revised_Jan08_annotated.pdf. Accessed 9 October 2010.

AACSB International (2004). Ethics education in business schools. pp. 1-24. http://www.aacsb.edu/resource_centers/ethicsedu/EthicsEdu-in-B-Schools.pdf. Retrieved November, 16 2009.

Albaum, G. & Peterson, R. A. (2006). Ethical attitudes of future business leaders: do they vary by gender and religiosity? *Business and Society,* 45(3), 300.

Allen, S. (2009). Ethical business leadership. *Beta Gamma Sigma International Exchange,* 8(4), 5.

Beggs, J. M. & Dean, K. L. (2007). Legislated ethics or ethics education? faculty views in the post-Enron era. *Journal of Business Ethics,* 71(1), 15-37.

Brubaker, H. (2003). Big companies teach business ethics to employees. *Knight Ridder Tribune*, Washington, March 26, 1.

Caldwell, C. (2010). A ten-step model for academic integrity: a positive approach for business schools. *Journal of Business Ethics*, 92(1), 1-13.

Clark, H. (2006). Chief ethics officers: who needs them. http://www.forbes.com/2006/10/23/leadership-ethics-hp-lead-govern-cx_hc_1023ethics.html. Retrieved November, 16 2009.

Comas, R. & Sureda, J. (2010). Academic plagiarism: explanatory factors from students' perspective. *Journal of Academic Ethics*, 8, 217-232.

Company profile for ethics officer association (2004). *Business Wire*, September 4. http://www.allbusiness.com/company-activities-management/business-ethics-corporate/5536951-1.html. Retrieved November 16, 2009.

Corporate compasses (2004). *HR Magazine*, http://findarticles.com/p/articles/mi_m3495/is_6_49/ai_n6078109/. Retrieved December 8, 2009.

Dean, K. L. & Beggs, J. M. (2006). University professors and teaching ethics: conceptualizations and expectations. *Journal of Management Education,* 30(1), 15-44.

DuPont, A. M. & Craig, J. S. (1996). Does management experience change the ethical perceptions of current students with those of recent graduates? *Journal of Business Ethics,* 15(8), 815-826.

French, W. (2006). Business ethics training: face-to-face and at a distance. *Journal of Business Ethics*, 66(2), 117-126.

Garten, J. (2005). Dean's corner: time to reassess the education of business leaders. http://www.aacsb.edu/publications/enewsline/archive_deans/dc-jeffreygarten.asp. Retrieved May 27, 2009.

Granitz, N. & Loewy, D. (2007). Applying ethical theories: interpreting and responding to student plagiarism. *Journal of Business Ethics*, 72(3), 293-306.

Jakobsen, O. D., Ims, K. J, & Gronhaug, K. (2005). Faculty members' attitudes towards ethics at Norwegian business

schools: an explorative study. *Journal of Business Ethics*, 62(3), 299-314.

Klein, H. A., Levenburg, N. M., McKendall, M. & Mothersell W. (2007). Cheating during the college years: how do business school students compare? *Journal of Business Ethics*, 72(2), 197-206.

Kruck, S. E. & Teer, F. P. (2002). The visual basic course in AACSB accredited business schools. *Journal of Computer Information Systems,* 43(1), 55-60.

Lawson, R. A. (2004). Is classroom cheating related to business school students' propensity to cheat in the "real world"? *Journal of Business Ethics,* 49(2), 189-199.

Lysonski, S. & Gaidis, W. (1991). A cross-cultural comparison of the ethics of business students. *Journal of Business Ethics*, 10(2), 141-150.

Malone, F. (2006) The ethical attitudes of accounting students. *Journal of American Academy of Business*, 8(1), 142-146.

McCabe, A. C., Ingram, R., & Dato-on, M. C. (2006). The business of ethics and gender. *Journal of Business Ethics*, 64(2), 101-116.

McCabe, D. L., Butterfield, K. D., & Trevino, L. K. (2006). Academic dishonesty in graduate business programs: prevalence, causes, and proposed action. *Academy of Management Learning and Education,* 5(3), 294-305.

Nill, A., Schibrowsky, J. A., & Peltier, J. W. (2004). The impact of competitive pressure on students' ethical decision-making in a global setting. *Marketing Education Review,* 14(1), 61-73.

O'Clock, P. & Okleshen, M. (1993). Comparison of ethical perceptions of business and engineering majors. *Journal of Business Ethics,* 12(9), 677-687.

Pratt, M. K. (2009). Steering clear of scandal. *Computerworld*, August 17/24, 22-26.

Premeaux, S. R. (2005). Undergraduate student perceptions regarding cheating: tier 1 versus tier 2 AACSB business schools. *Journal of Business Ethics*, 62(4), 407-418.

Report card on the ethics of American youth (2008). http://charactercounts.org/pdf/reportcard/2008/Q_all.pdf. Retrieved November 16, 2009.

Rimer, S. (2003). A campus fad that's being copied: internet plagiarism. *New York Times*, September 3, pp. 1-4. http://global.factiva.com/ha/default.aspx. Retrieved December 3, 2009.

Should you hire an ethics officer (2008). http://www.asaecenter.org/PublicationsResources/EuRelated.cfm? Retrieved November 16, 2009.

Salter, S. B., Guffey, D. M. & McMillan, J. J. (2001). Truth, consequences and culture: a comparative examination of cheating and attitudes about cheating among U.S. and U.K. students. *Journal of Business Ethics*, 32(1), 37-50.

Sims, R. L. (1993). The relationship between academic dishonesty and unethical business practices. *Journal of Education for Business*, 68(12), 207-211.

Swartz, N. (2003, January 1). Rise of the corporate ethics officer. http://www.allbusiness.com/management/3603736-1.html. Retrieved November 16, 2009.

Tang, T. L. & Chen, Y. (2008). Intelligence vs. wisdom: the love of money, Machiavellianism, and unethical behavior across college major and gender. *Journal of Business Ethics,* 82(1), 1-26.

Teer, H. B., Teer, F. P., & Kruck, S. E. (2007). A study of the database marketing course in AACSB accredited business schools. *Journal of Marketing Education,* 29(3), 245-253.

Velthouse, B. & Kandogan, Y. (2007). Ethics in practice: what are managers really doing? *Journal of Business Ethics,* 70(2), 151-163.

Woodward, B., Davis, D. C., & Hodis, F. A. (2007). The relationship between ethical decision making and ethical reasoning in information technology students. *Journal of Information Systems Education,* 18(2), 193-202.

Why teach business ethics (2005). http://www.aacsb.edu/resource_centers/EthicsEdu/ov-whyteach.asp. Retrieved November 29, 2009.

Appendix

Level	Total	% of Total	Number Female	Female % of Total	Number Male	Male % of Total
Freshman	2	1%	2	1%		0%
Sophomore	11	7%	8	5%	3	2%
Junior	70	43%	20	12%	50	31%
Senior	50	31%	17	10%	33	20%
Graduate	29	18%	9	6%	20	12%
Total	*162*	100%	*56*	35%	*106*	65%

Table 1 – Participants' Level by Gender

Major	Total	% of Total	Female	% of Total	Male	% of Total
Accounting	10	6%	5	3%	5	3%
Computer information systems	66	41%	13	8%	53	33%
Communication studies	1	1%	1	1%		0%
Computer science	1	1%		0%	1	1%
Economics	4	2%	1	1%	3	2%
Finance	9	6%	3	2%	6	4%
Geography	1	1%		0%	1	1%
Independent studies	1	1%		0%	1	1%
Integrated science and technology	1	1%		0%	1	1%
Kinesiology (1 graduate student)	3	2%	1	1%	2	1%
Math	1	1%	1	1%		0%
Master of business administration	28	16%	9	6%	17	10%
Media arts and design	5	3%	2	1%	3	2%
Management	9	6%	4	2%	5	3%
Marketing	6	4%	4	2%	2	1%
Nursing	1	1%	1	1%		0%
Political science	1	1%		0%	1	1%
Pre-optometry	1	1%	1	1%		0%
Psychology	3	2%	1	1%	2	1%
Technical and scientific communication	9	6%	8	5%	1	1%
Theatre and dance	1	1%	1	1%		0%
Total	162	100%	56	35%	106	65%

Table 2 – Participants' Major by Gender

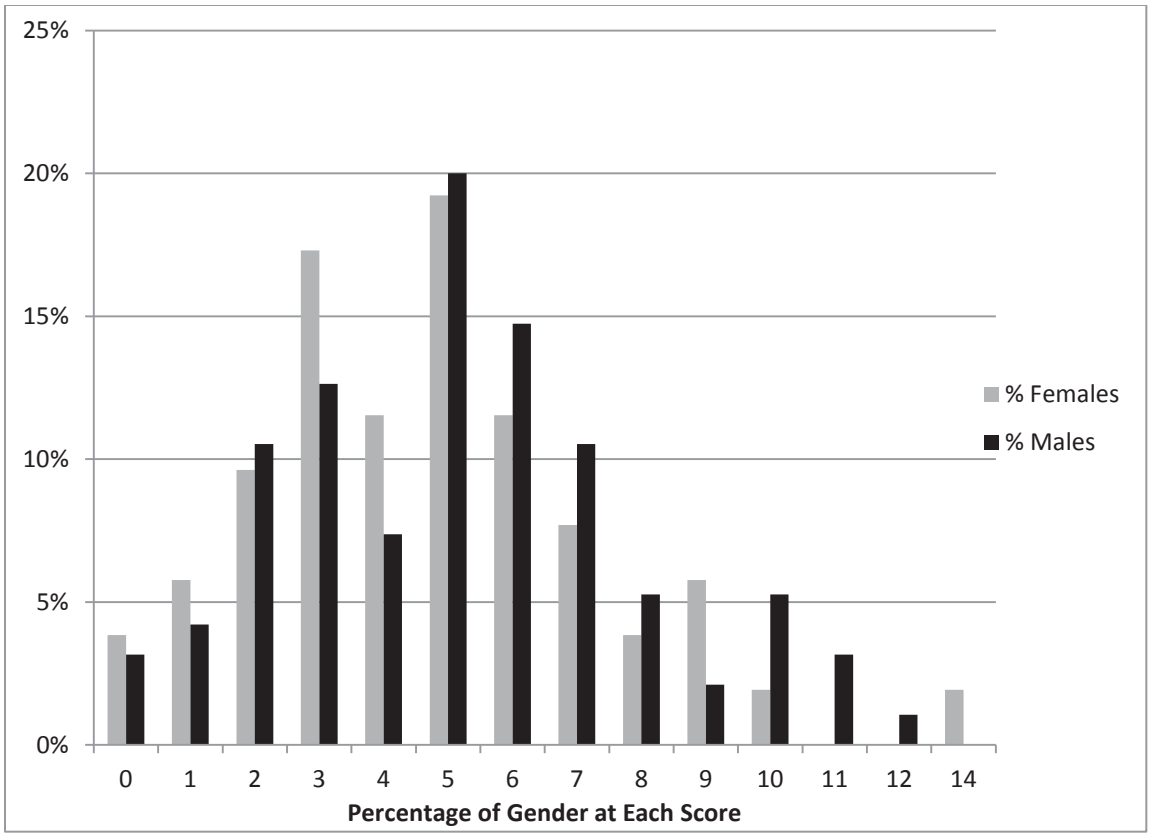

Figure 1 – Ethics Score by Gender

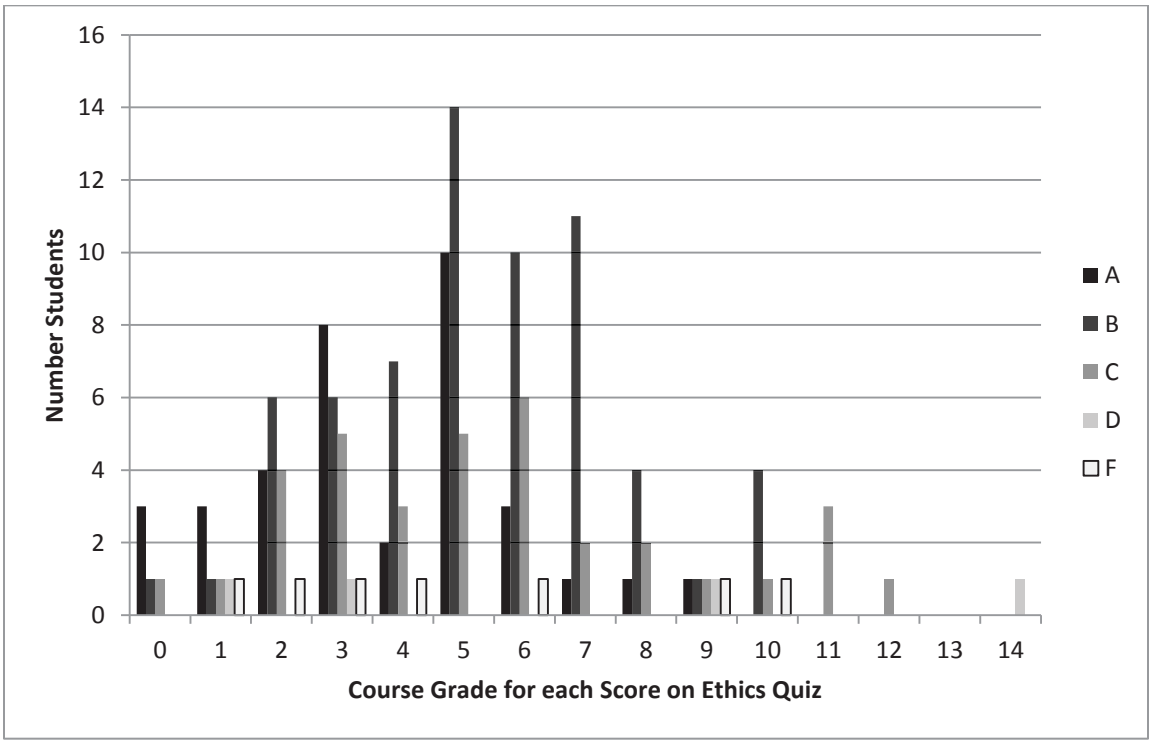

Figure 2 – Ethics Score by Course Grade