# Oh, Behave! Insights and Strategies for Teaching Business Ethics to Gen Y Students

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**Abstract**
*Recent corporate scandals have led some scholars to argue that business schools are failing in their goal to create students who will behave with integrity and emerge as ethical leaders in the workplace. In this instructional note, we focus on our experiences teaching business ethics to Gen Y students, and the challenges associated with teaching ethics in this context. Overall, we suggest that there is limited evidence that we are preparing our students to manage ethical dilemmas effectively in 21st century organizations. We argue that educators must find ways to enhance students' motivation, opportunity, and ability to internalize their learning about business ethics to prepare students to effectively address ethical dilemmas in practice. We discuss specific learning activities and assessment items that can help to facilitate internalization of learning, including industry guests, case studies, reflective journals and role-plays. Here, we relate our experiences implementing these in the classroom and consider the strengths and weaknesses of each. We conclude with a discussion of the challenge of developing ethical students.*

**Keywords:** Business ethics, ethics, ethics education, ethics teaching, Gen Y students

## Introduction

Corporate scandals and ethical failures have penetrated mainstream consciousness and some scholars argue that unethical conduct has reached 'crisis proportions' in organizations (Floyd, Xu, Atkins & Caldwell, 2013, p. 753). For example, Volkswagen recently admitted to installing software in cars to manipulate the results of emissions testing (Gates, Ewing, Russell & Watkins, 2016) and were fined $US4.3 billion. Fédération Internationale de Football Association (FIFA) officials were indicted on charges of fraud and misconduct (Apuzzo, Clifford & Rashbaum, 2015) and Bernie Madoff was sentenced to a maximum of 150 years in prison following what some have described as the largest corporate fraud in U.S. history (Teather, 2009). In Australia, experts have called for a Royal Commission into the culture and practices of the financial services industry following allegations of corruption and inappropriate lending practices (Ferguson, Danckert & Massola, 2016).

These incidents are not isolated to the corporate world: evidence suggests that a significant percentage of business students engage in unethical practices, especially cheating (McCabe, Butterfield & Treviño, 2006; Rahman, Hussein & Esa, 2014). At the same time, relatively minor 'ethical breakdowns' occur frequently in organizations that may not make headlines, but are nonetheless damaging to the companies and individuals involved, particularly if they increase and escalate over time (Bazerman & Tenbrunsel, 2011). In a recent analysis, Holland and Albrecht (2013) surveyed business ethics scholars and asked them to identify the three most important concerns that the discipline would face in the coming decade; perhaps unsurprisingly, the most frequently identified concern was business ethics education.

Overall, these incidents have led to questions about *how* ethics are being taught in business schools, *why* these unethical behaviors continue to emerge, and how to improve current practices (Adler, 2002). These are the core issues that we seek to address in this paper. In doing so, we draw on our collective experiences of more than 15 years conducting research into wrongdoing in organizations, as well as recent insights from teaching undergraduate students who are part of the 'Millennial' or 'Gen Y' cohort. There is considerable evidence that these students' attitudes and beliefs are different to those of previous generations (e.g., Gibson, Greenwood & Murphy Jr., 2009; Rickes, 2009; Twenge, Campbell & Freeman, 2012). For example, studies indicate that Gen Y students are more entitled (Allen, Allen, Karl & White, 2015) and narcissistic (Twenge & Campbell, 2008) than previous generations. Furthermore, Dalton (2015) has argued that college students often struggle to balance their own self-interests with the needs of others, which can lead to unethical decisions. Based on our experiences, we believe that it is especially important to take these characteristics into account when teaching business ethics.

In this instructional note, we contend that traditional (i.e., normative) approaches to teaching ethics have largely failed to translate into greater ethical behavior in business settings, and it is important to consider why this is the case. We acknowledge that many cases of *ethical* behavior in organizations go unnoticed, or are unlikely to be addressed in the media, and we risk focusing our attention on a minority of 'bad apples'. Yet our position is consistent with many scholars who argue a need to find innovative and/or disruptive approaches to teach our students how to 'be their best selves' when faced with actual ethical dilemmas in business. Students face new challenges in the 21st century workplace: greater complexity, turbulence, and unpredictability (Drucker, 2007). How can we therefore prepare our students for the challenge of managing ethical issues in this context?

Our goal in this note is to provide a cohesive framework that higher education educators can use to increase the likelihood that students, especially those identifying as Gen Y,

will internalize their learning and *respond effectively* to ethical dilemmas in the 21st century workplace. We have chosen our wording carefully here; we openly acknowledge that our proposed methods may not lead to greater ethical behavior in organisations, but we suggest that students will be better prepared to deal with ethical dilemmas at work when they inevitably arise. In this sense, we concur with Prentice's (2015) analysis of the state of behavioral ethics: 'Teaching behavioral ethics will not turn most students into saints or remake the world… Aspirations must remain modest. But there is reason for optimism' (p. 38).

We begin with a brief literature review and consider why Gen Y students especially may struggle to internalize their learning from business ethics courses. To explain this, we introduce Vroom's (1964) Ability-Motivation-Opportunity (AMO) framework, which we have used to structure our approach; we argue specifically that educators need to address each element of Vroom's framework when teaching ethics to facilitate internalization of learning. Following this, we discuss the major learning activities and assessments that we have used when teaching ethics to our Gen Y students to encourage their ability, opportunity and motivation to internalize learning, and lessons we have learnt from implementing these in the classroom. We conclude with a discussion of the challenges of developing ethical students in practice.

## Literature Review

The role of personal values in decision-making and corporation-society relationships is increasingly emphasized in undergraduate and postgraduate management courses; Holland and Albrecht (2013) attribute this to the growing influence of business ethics. By 2011, approximately 70% of the top business schools in the United States required business ethics to be part of the curriculum (Litzky & MacLean, 2011). Business students are increasingly expressing concern about corporate ethics and how declining ethical standards may impact them as professionals and society as a whole (Drover, Franczak & Beltramini, 2012). As a result, there is evidence that students and young professionals are more aware and considerate of business ethics as they enter the workforce (Prentice, 2014).

At the same time, however, business ethics education is fraught with challenges. Educators typically seek to achieve multiple goals when teaching business ethics: these may include developing students' appreciation of the importance of ethics in business, encouraging students' understanding of ethics as a discipline, and helping students to develop skills to deal with the ethical dilemmas at work (Sims, 2002; Williams & Dewett, 2005). This can be difficult to achieve these in practice. Disagreement remains as to whether ethics should be integrated across the curriculum, or taught as a single course (see Swanson & Fisher, 2008). Finally, there is limited evidence that teaching students about business ethics translates into greater ethical behavior in the workplace. Multiple ethical scandals indicate 'that business students are not currently receiving the effective training that they so desperately need to become ethical leaders' (Drumwright, Prentice & Biasucci, 2015, p. 452). Although some studies suggest that business ethics courses can enhance students' ethical awareness (e.g., Balotsky & Steingard, 2006) and moral courage (e.g., May, Luth & Schwoerer, 2013) students continue to struggle to act ethically when faced with 'real world' ethical dilemmas in practice.

### *Why Do Students Struggle to Internalize Learning?*

Hibbert and Cunliffe (2015) observed a disconnect between knowledge and practice, such that although individuals may possess a comprehensive understanding of ethical theory and principles, '[this] does not necessarily lead to a corresponding commitment to act' (p. 179). Why is this the case? To address this question, we apply Vroom's Ability-Motivation-Opportunity (AMO) framework, in which in which an individual's motivation, opportunity and ability determine their performance (Vroom, 1964). Applied

in an education context, we posit that students' internalization of learning about ethics is a function of their *ethical AMO*. Specifically, we define internalization of learning (broadly) as *the development of knowledge and skills to successfully manage ethical issues in the workplace*; students must be engaged in the learning process in the classroom *and* willing to apply their knowledge and skills in practice for successful internalization.

It is important to recognize that the model is multiplicative: all three aspects are critical and must be present for internalization to occur. Our Gen Y students, in particular, appear to struggle with internalization of their learning in this context due to low self-awareness of themselves and their values, pressures of university life, and for school-leavers (those attending University immediately upon graduation from High School) a lack of work experience and understanding of the importance of ethics generally. Our position is consistent with Dalton (2015), who argued that young and inexperienced college students often lack the knowledge to deal with complex and ambiguous moral situations, or may even fail to recognize that an ethical dilemma exists. Dalton further noted that while some students know the 'right' thing to do, they struggle to identify the best way to enact their values in practice.

The AMO framework has been adopted and expanded by scholars to explain many different forms of behavior (e.g., Leung & Bai, 2013; Marx, Garcia, Butterfield, Kappen, & Baldwin, 2015) and we build upon this work to propose an explaination as to why students struggle to internalize learning in the context of business ethics education. While we acknowledge that these are not the only reasons why new graduates struggle to manage ethical dilemmas in the workplace, we believe that the questions which emerge applying the AMO framework are worthy of exploration. We discuss the framework as follows: students must first develop the ability to demonstrate declarative and procedural knowledge of business ethics, then recognize (and be provided) opportunities to use their knowledge and abilities, and finally be motivated to action based upon their knowledge and abilities. For each category of the framework we detail specific learning activities and assessment items that we have implemented to address these concerns.

*Insufficient Ability*

Firstly, we argue, it is important to consider whether students have the ability to learn about business ethics (declarative knowledge), and to put these lessons into practice (procedural knowledge). We contend that students with an ability to internalize their learning typically have a high degree of self-awareness, knowledge of their personal ethical thresholds, confidence, and the self-efficacy to put their beliefs into action. In our experience, however, students rarely have considerable self-awareness or comprehensive knowledge of their personal values and beliefs when entering university for the first time. Furthermore, even if students are able to internalize the lessons learnt during university study, they are likely to come up against considerable pressures in organizations that may encourage them to make choices that are inconsistent with what they have been taught (Comer & Vega, 2011). How can educators prepare students for the challenges that they will face in the real world, and build their resiliency to withstand those pressures?

*Insufficient Opportunity*

The second framework element we identify as critical concerns opportunity. Do educators provide students sufficient opportunities to internalize their business ethics learning? It can be challenging to provide students with adequate opportunities to develop the skills and knowledge to manage ethical dilemmas in practice when ethics is integrated across the curriculum, and no single module is available. When choosing learning activities it is critical that educators select methods and activities which allow

students to develop their skills over time, and capture, as much as possible, the real conditions that they will face in the workplace (Sims, 2002). Multiple studies have revealed that emotions, heuristics, perceptions and sense-making processes play a role in ethical decision-making (for a review, see Rogerson et al., 2011) and educators must find ways for students to experience these aspects of the ethical decision making process in a safe learning environment.

One of the authors teaches ethics as part of a large undergraduate Organizational Behavior course with enrolments of approximately 700 students each semester, in which ethics is typically discussed in a single 120-minute class. Although students are provided with an overview of key ethical theories, there is limited opportunity for students to develop skills and put those skills into action. In contrast, the same author has taught ethics as a stand-alone module in a Masters of Business degree; here, in classes of approximately 25 students, students complete learning activities focused on ethics and ethical decision-making on a weekly basis, designed to move them from moral reasoning to moral action. These students also discuss ethics and ethical principles in several other courses as part of their degree. We argue the importance of offering students multiple opportunities to put their learning into practice and build their skills progressively over time.

### Insufficient Motivation

Are business students motivated to learn about ethics, and in turn apply their knowledge, skills, and abilities to ethical dilemmas that they are likely to face upon graduation and/or leaving University? A review of the literature reveals that few researchers have explored this question; therefore, it is difficult to answer. While evidence suggests that students recognize the importance of behaving ethically in business (Adkins & Radtke, 2004; Duarte & Chapman, 2007) and while at university (e.g., Lau, Caracciolo, Roddenberry & Scroggins, 2012) this does not equate to motivation to learn about ethics in the classroom, or apply this knowledge in practice. We suggest that this is especially the case when ethics is integrated across the curriculum, as unless planned carefully this approach may encourage a view of ethics simply as an 'add-on' component to learning (Sims & Brinkmann, 2003; Swanson & Frederick, 2005). Additionally, as Duarte (2010) has argued, business students may be cynical about how principles taught in the classroom can be realistically applied in practice.

There is considerable variation in levels of student motivation, especially when teaching large undergraduate classes (classes with over 300 students in one lecture hall) in which ethics is taught as a single module. While some students are immediately engaged, others are dismissive and see the topic simply as a course requirement. The fact that unethical behavior may be unintentionally rewarded in some organizational settings (see Treviño & Nelson, 2016) can further decrease students' motivation to follow ethical principles and do what is ostensibly 'right'. Interestingly, we have found that international students frequently appear more engaged and interested in the topic than their domestic counterparts, especially when cultural differences are highlighted. Students with some work experience are often quick to recognize the importance of developing ethical competence to manage ethical issues in organizations. As discussed later, this is where faculty can play an important role in shaping student perceptions and beliefs about the value of learning in this context, thereby enhancing motivation.

In the following section, we discuss our approach to teaching business ethics to predominately Gen Y students in Management courses at a large university, providing personal experiences with various learning activities and assessment items. We present these classroom activities and assessments within the AMO (Vroom, 1964) framework

to address how our enrichment and adaptation increases the likelihood of internalized student learning.

## Learning Objectives for Enhancing Students' Internalization of Ethical Learning:

Based on our experiences as educators, we argue that it is critical to understand how people *actually* respond when faced with ethical dilemmas, and bring that level of fidelity into the management education sphere. We use specific learning activities and assessment items that provide a way for educators to address students' general lack of motivation, opportunity, and ability to internalize their learning, and increase the likelihood that they will be able to manage ethical dilemmas in practice. Our approach builds on the principles of transformative learning, which posits that 'learning is an understood process that utilizes prior interpretations to construct new and revised interpretations to guide future behavior' (Nino, Cuvas & Loya, p. 35). As educators, our driving questions are:
1. How can we prepare our students for the challenge of managing ethical issues in this context?
2. Why do students struggle to put business ethics principles into action?
3. How do we create fidelity in activities to make ethical issues become 'real' to students?
4. How can we capture the complexity of sensemaking and emotions in the decision-making process in a teaching setting?
5. How can we prepare students for the real life challenges they will face, and how do we enhance their competency and resiliency to navigate conflicting pressures?

For students, with these activities, we broadly aim to:
- Enhance students' ability to internalize ethical learning.
- Enhance students' opportunity to internalize ethical learning
- Enhance students' motivation to internalize ethical learning

Within these aims, the learning objectives of our activities and assessments focus on:
- Developing students' understanding of who they are, how they identify as an ethical individual, and understand from where their core values and beliefs have emerged;
- Increasing student awareness and sensitivity towards the ethical consequence of their actions in the broader business and societal context; and
- Guiding student understanding of how ones' self-identity, values and beliefs influence what information they will attend to and how they allow that information to influence their behaviours.

## Implementation Guidelines and Considerations for Enhancing Students' Internalization of Ethical Learning

Implementation efforts to enhance students' internalization of ethical learning based on the AMO framework requires a range of activities to align with each of the elements: motivation, opportunity, and ability. We provide a summary of these activities within each element of the AMO framework in Figure 1. Firstly, we argue that it is crucial that management educators find ways for students to develop their ability to internalize their ethical learning through putting their skills and knowledge into practice. Next, we focus on ways to increase students' motivation to internalize their ethical learning, including the use of guest speakers and appropriate case studies. Finally, we suggest that experiencing real life situations, through role plays and/or reflections on interactions with others, provides opportunities for student insight into their personal boundaries and thresholds in ambiguous situations with considerable internal and external pressures. We argue that these lessons must be learned in a recursive yet progressive

manner as opposed to a linear learning experience; without an understanding of the self as a foundation, management students will struggle to accurately assess how they will respond to an unethical or questionable situation. As students are confronted with challenges, their self-awareness and self-understanding matures and their thresholds change. Throughout their management education, students engage in a continuous growth and learning process, moving back and forth between multiple selves: who they think they are, how they think others perceive them, and who they actually are. We next address implementation considerations for each of the elements of the AMO framework facilitates such an iterative learning process, and explain how we have used some of the core principles and pedagogies of business ethics in the classroom.
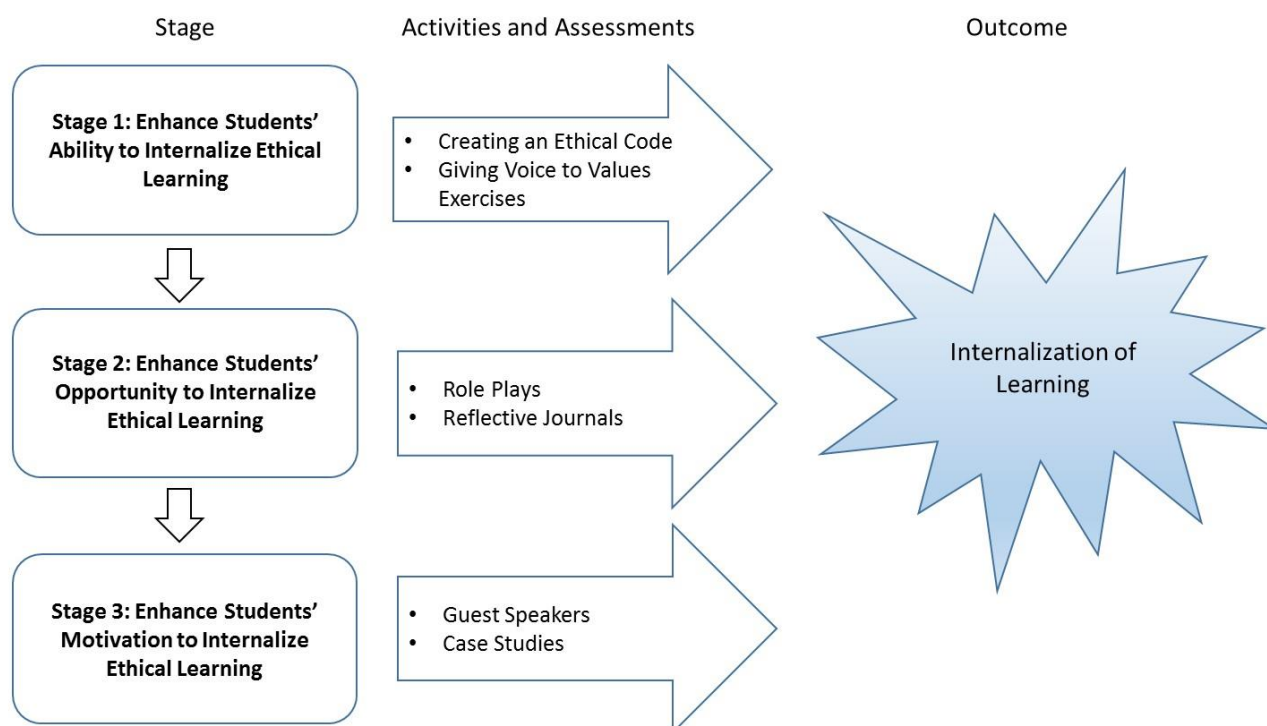


**Figure 1.** *A framework of stages, activities and assessment items to internalize learning about business ethics in Gen Y students*

## *Enhancing Students' Ability to Internalize Ethical Learning*

Our first suggestion for management educators is to develop students' ability to internalize learning, initially through increased self-awareness and identification of their values and beliefs, then allowing them opportunities to explore these values and beliefs in practice. How one self-identifies as an ethical individual and how an individual defines what it means to be an ethical person strongly influences their decision-making and behaviour when responding to unethical behavior. We suggest that there are several points to consider when enhancing students' ability to internalize their learning through the activities and assessments that we discuss below. First, we argue that management educators should design learning activities to assist students with identifying and discussing their core values and beliefs. Second, management educators should provide students with a safe environment within which to explore how their core values and beliefs drive them as individuals. Third, management educators must allow students to explore how, and when, their key values and beliefs drive their decision-making and behavior (Felton & Sims, 2005). These activities should begin in the first semester of

their University education to establish a foundation upon which they build throughout their business management curriculum.

*Creating an Ethical Code*
We suggest that encouraging students to identify their core values and ethical thresholds is a critical part of understanding how they are likely to respond when faced with ethical dilemmas at work, and this activity is especially important when teaching ethics to undergraduate students. Therefore providing students with the opportunity to identify their most important values early in their career—ideally before they even enter the workforce—may help to shape their later decision-making and behaviour. In this respect, we encourage students to draft their own ethical code as part of a classroom exercise (Howard, Korver & Birchard, 2008), and have found that students readily and enthusiastically engage with the activity. Specifically, students create a checklist of unethical behaviours that they find acceptable (e.g., 'Inflating qualifications on a resume, 'Stealing office supplies') and behaviors that they would not engage in under any circumstances (e.g., 'Working for an organization that harms innocent people').

In our experience, this activity is especially useful when introducing the concept of ethics for the first time, as these are issues that students can readily relate to. Once they have created their list of behaviors, students must then draft a code that they can live by. Next students are encouraged to test the code to determine whether it is logical, appropriately focused, and useful, and to share their experiences with others. Here, we ask students to consider whether their code can be applied at all times, to all individuals, and with consistency across all ethical dilemmas. This process is especially valuable in helping students to identify their personal ethical thresholds. We have also found that this exercise can be used to introduce the concept of business ethics itself, and to prompt discussion about how students' personal values can influence their decisions and behavior in work settings. Overall, anecdotal feedback from students indicates that creating their personal ethical code is a powerful and memorable learning activity. We have also found that this exercise can provoke excellent debate about how values differ across cultures, and in turn the importance of acknowledging cultural diversity in the workplace.

*Giving Voice to Values*
For formative and summative learning activities, we have adapted Mary Gentile's *Giving Voice to Values* (GVV) framework (see Gentile, 2011) to assist management students with identifying *what* their values and beliefs are, followed by understanding *how* their personal values influence their decisions and behavior. In accordance with Drumwright et al. (2015), we contend that GVV is one of the most useful ways to implement ethics principles and practices in the classroom. In a two part process, students first self-assess on key competencies—personal values, self-awareness and integrity—followed by challenging experiential exercises to create balance and alignment between students' perceived self and actual self.

We have used GVV successfully with several cohorts of Gen Y students, and are confident that it is a useful tool to help students identify their values and engage in self-reflection. Many of our students, especially those who have entered university directly from high school, have never considered their personal values and beliefs in any systematic manner. Therefore their understanding of themselves is fairly superficial, and their belief systems have usually been shaped by outside influences. GVV also emphasizes the importance of building networks of allies within an organization to provide opinions and support when faced with an ethical dilemma, increasing the likelihood that people will be able to act on their values. We believe this is especially important to highlight to our Gen Y students, most of whom do not have significant work experience and may feel especially isolated. As we discuss later, elements of the GVV approach can be used to encourage reflective journaling, but we have primarily used the short cases and exercises very effectively as learning activities in class to

encourage students how they could voice their values if faced with a similar situation. We suggest that GVV is especially well-suited to use with Gen Y students because many of the scenarios involve young people with limited work experience, making the exercises highly relatable to our young cohort.

While we have argued largely for the value of these teaching approaches, we acknowledge that they are not without their critics. Indeed, these methods have been used previously and, on their own, are not likely to lead to sustained ethical behavior, especially when students are faced with the reality of managing ethical dilemmas in practice. Therefore, while we suggest that skill-building and identifying thresholds can assist students to develop their ability to manage ethical dilemmas, these are not the only tools available. With this in mind, we suggest that educators need to find ways to build students' resiliency in the face of significant situational and organizational pressures. In undergraduate classes, we have found that mindfulness techniques are a useful way to encourage students to consciously stop, reflect, and consider the potential consequences of their actions. Behavioral ethics, for example, suggests that people must pay attention to their intuition when confronted with ethical dilemmas (Drumwright et al., 2015), and limited evidence to date suggests that mindfulness may be one way that individuals can 'listen to their gut' and even make more ethical decisions (Ruedy & Schweitzer, 2010; Shapiro, Jazaieri & Goldin, 2012). We suggest that this approach may be especially helpful when teaching Gen Y students, many of whom are dependent on technology and have a short attention span (Djamasbi, Siegel & Tullis, 2010). As only few studies have been conducted to date, especially in the context of management education, we suggest that this represents a fruitful area for exploration and research.

## *Enhancing Students' Opportunity to Internalize Ethical Learning*

### *Role Plays*

To create opportunity for students to utilize their ethical competency knowledge and skills, educators can incorporate role plays in which students place themselves in the position of an employee faced with unethical behaviour and consider how they would respond cognitively, behaviorally, and emotionally to the situation. Although role-plays are frequently used as a teaching tool (e.g., Caza, Caza & Lind, 2011; Paschall & Wüstenhagen, 2012; Sojka & Fish, 2008), incorporating ethical decision based role-plays as a formal assessment item can increase engagement, commitment, and psychological fidelity. Ethical dilemma role-plays can facilitate self-discovery, self-understanding and empathy (Bosse et al., 2012) and allows students to experience the cognitive dissonance that can occur during decision-making – ethical decisions are easy when values are equally challenged, but difficult when personal values are in conflict. Role-plays also help students learn that many of their ethical judgments and evaluations are not just cognitively based; emotions play a critical role (Prentice, 2014).

We have successfully used a specific role-play with our Gen Y students involving potential whistle-blowing, in which a protagonist suspects her manager of stealing, a fact that is later confirmed by her assistant manager (Comer & Vega, 2006). The assistant manager, however, is adamant that she does not wish to report the matter to organizational authorities because of political pressures and concerns about retaliation. The protagonist is a part-time business student working in the service industry, a role that many students can relate to. In the role-play itself, students act out a meeting between the protagonist and her assistant manager, in which each party discusses their position and specific concerns. We have found that this role-play is especially well-suited for use in our culturally diverse and predominantly young student cohort; students are allowed the opportunity to explore reasons for whistle-blowing, challenges they may encounter in speaking up about wrongdoing, and the importance of timing and language in framing concerns about deviance.

This role play can be used simply as a learning activity or as a formative assessment item, and works most effectively when used in small group settings (e.g., in tutorials) and another student is appointed as an observer. The observer's role is to unobtrusively document key elements of the interaction between the two parties using a specified checklist, including the language, emotions, and behaviors adopted. In our most recent use of this learning activity, course facilitators played an important role in observing the interactions in each group. At the end of the activity, students received feedback about their performance from the observer as well as their facilitator. Overall, student feedback indicates that most students find the role play especially helpful in allowing them to practice key communicative behaviors (e.g., assertion skills on the part of the assistant manager) and learning to manage the emotions involved in the experience of whistle-blowing (Edwards, Lawrence & Ashkanasy, 2013). Therefore we suggest that this role play in particular offers students a useful opportunity to internalize their learning about ethical issues.

*Reflective Journals*
It is important for students to have an opportunity to reflect on their own experiences as ethical (or unethical) individuals using reflective journals as an assessment item. Reflection is a key element of the development of the skills and knowledge needed to manage ethical dilemmas at work. Reflective journals provide a rich, personalized account of students' thoughts, feelings, and behavior during a course of study and are used frequently in higher education (Harris, 2008; Letch, 2013). We contend that reflective journals are particularly beneficial for teaching ethics to management students, but they must be used appropriately. Educators must work to create an environment in which students feel safe disclosing potentially distressing and/or morally challenging experiences, and educators must be aware of their own ethical responsibilities to students in this context.

We have successfully used reflective journals as an assessment piece after students learnt about the Giving Voice to Values (GVV) curriculum. Firstly, student completed specific self-assessments from the GVV toolkit available online designed to help them identify their core values; here, students considered the person they admired the most and why, their career goals and aspirations, and how they preferred to communicate with others and handle conflict. Following this, students wrote a profile of how they saw themselves, including their strengths and weaknesses, and the type of person they wished to become. In the reflective journal itself, they were required to keep a log about the ethical issues that they encountered throughout the semester, and how their self-identified strengths and weaknesses influenced their responses. In a variation of the activity in a small class, our students received formative feedback from the course facilitator throughout this process, and were encouraged to use this information to explore different approaches and responses when they next encountered an ethical issue. Again, this offered students a valuable opportunity to practice how to respond to ethical issues and internalize their learning. We also emphasize that students do not need to have encountered a significant ethical issue (e.g., illegal activity) for this assessment to be effective. An especially memorable reflective journal came from a first-year student who discussed their struggle throughout the semester with an issue many international students have encountered: whether or not they should pay for an academic essay to be professionally edited prior to submission. Although not an example of a 'major' ethical issue, the student was able to deeply reflect on why they believed that this would be 'wrong', particularly as not all of their fellow international students could afford to do the same.

At the same time, consistent with criticisms of reflective journaling, our undergraduate students often struggle to reflect thoughtfully on their experiences and transition to deeper levels of critical thinking. As Pavlovich (2007) has observed, reflective journaling can be challenging for students, as they must write in the first person and often discuss highly personal, sensitive issues; therefore we recommend that students receive specific

instructions about how to write a reflective journal, and that educators provide ongoing support. In our experience, providing students with specific questions to prompt reflection is important. We concur with Dyment and O'Connell (2011), furthermore, that it is critical to explain the rationale for reflective journaling to students, and emphasize the value of reflection (when taken seriously) to students.

## *Enhancing Students' Motivation to Internalize Ethical Learning*

*Guest Speakers*
It is critical to make ethical issues become 'real' to students. Numerous scholars have argued that inviting guest speakers to provide insights to students is a powerful way to bridge the gap between ethical theory and practice (Brinkmann, 2011; Dzuranin, Shortridge & Smith, 2013; Murphy, Sharma, & Moon, 2012; Swanson, 2005). Smukler (2005) proposed that inviting an industry leader to speak adds drama and immediacy to the course material and offers students a memorable and authentic learning experience. More importantly, the guest speaker must be relatable to students. Though an executive or senior leadership member can provide experiences of high level ethical issues, we have found (through feedback comments) that our students don't consider these issues that they will have to face in the workplace – at least not for many years, if ever. To increase fidelity, we aim to have guest speakers from two categories: those in their first 5 years of employment, and those with over 5 years of employment. Students report finding that they are able to identify (to an extent) with the younger guest speakers, and they can imagine themselves being in the situations shared by the speakers, thus enhancing motivation of internalization.  Based on our experiences, we suggest that guest speakers should be invited to present in class at several points throughout the semester (time permitting) to maintain student engagement and motivation, rather than at a single point in time.

It is also important that guest speakers are willing to be open and vulnerable, and disclose their personal ethical successes *and* failures to students. One of our most memorable young guest speakers disclosed their experience of reporting fraud; here, they emphasized the fact that the perpetrator was a well-regarded and well-liked manager who stole from the organization to fund their gambling addiction. Following the class, some students openly revealed that they had not considered the possibility that people may engage in unethical behavior as a means of coping with unbearable pressures. Guest speakers, therefore, can demonstrate powerfully how 'good' people can end up making poor ethical choices—a core tenet of behavioral ethics. Guest speakers can also demonstrate to students the importance of developing practical skills to use when they inevitably face dilemmas in their own lives, and explain specific ways to resist subtle organizational and contextual pressures to act unethically.

*Case Studies*
Research indicates that designed case studies are well-suited to motivating students to learn about ethical issues in the workplace. Case-based instruction is a hallmark of business ethics education, as it helps students to understand and apply ethical principles and theories, demonstrates ethical decision-making principles that can be modified and applied to mental models in the future, and may help facilitate sense-making (Thiel et al., 2013). Furthermore, realistic and descriptive cases can help to illustrate 'character types, relationships between characters, environmental climate and culture' (Thiel et al., 2013, p. 268). We have found that case studies are most beneficial when included later in the semester, once students have had the chance to engage in self-reflection and analysis of their own values and ethical beliefs.

At the postgraduate level, we have utilized student-designed case studies (Laditka & Houck, 2006) as a summative assessment item, in which students are required to develop their own case study from their work experience then analyze and reflect upon their decision-making. To do so, we ask students to describe a time when they came

across unethical behaviour (e.g., as a target, witness, third-party-observer) and describe how they responded behaviorally. Next, students must identify the key factors that influenced their decision-making and behavioral response to the unethical event. Here we encourage students to consider issues such as organisational culture, organisational climate, perpetrator characteristics, issue characteristics (e.g., moral intensity), codes of conduct and compliance programs in the organisation, and power relationships, as well as any relevant individual-level factors. We also expect that that students draw on evidence from the theoretical and empirical literature to build a convincing argument for the role of their chosen factors in shaping their decisions and behavioral response. Student feedback indicates that developing their own cases and actively analyzing their own experiences and behaviors is useful for multiple reasons. In particular, students report that the assessment helps them to understand how multiple factors can influence ethical decision-making, understand that ethical lapses in work settings are common, and recognize how individuals are prone to incrementalism (Prentice, 2015).

We also agree with Sims (2002) however who observed that many previous approaches to teaching business ethics, including case studies, fail to provide authentic learning experiences for students; therefore educators must use cases that students can relate to and perceive as genuine. In such cases, we argue that it is important that students are able to relate to the protagonist.  While student-designed cases are excellent in this respect, we have found that undergraduate students often have had limited to time in a professional role, meaning that they often struggle if required to create a case based on their own work experience. With this is mind, we have successfully used the case 'George Williams in Thailand' (James & Goosby Smith, 2007) to engage our Gen Y undergraduate students in discussion and motivate them to attend to real ethical issues. Based on real events, the case tells the story of a salesman from the United States who travels to Thailand while sourcing products for General Motors and is offered a bribe; unless he pays the bribe, the work will not be completed and his personal company will lose money. Following the recommendations of the case authors, we adopt a structured approach in which students read the case alone and then consider their response (e.g., pay the bribe). We then stop and ask students to reflect on their decision. Next, students learn about a variety of approaches to ethical decision-making, consider again what the protagonist in the case should do, and reflect on their decision at this point. Next students are provided with the opportunity to discuss the case in groups and are asked to reach a consensus about how the protagonist should respond. Following the group discussion, we ask students to reflect on their experiences again and identify their key learning from the case and associated activities. We have collected qualitative responses from over 450 students about the key lessons learnt from the case discussion, many of which highlight how the case opened their eyes to new perspectives and ideas, and highlighted the importance of sticking to their values:

'*[The case] put us in a situation to make a decision that we wouldn't usually have to contemplate. It was good for this reason.*'

'*I learnt quite a lot of things on how to deal with situations involving bribery… The case is a very good example that got me thinking "What if George is me? What would I do?"*'

This case is especially useful because it is based on real events and we have found that is critical in enhancing students' motivation to engage with the activity and in turn begin to internalize their learning. Students are informed at the beginning of the class that the case was adapted from an actual businessman's experience, but they are not informed of the outcome until the end. Students frequently express shock, outrage and/or surprise when informed that George Williams chose to pay the bribe, General Motors found out, and he lost the contract. We have found that this case is especially helpful in provoking discussion amongst our international students, many of whom come from cultures in which paying small amount of money "on the side" in business is common

practice; in small groups, these students are able to share their experiences with others and compare and contrast their beliefs with those of their peers. These discussions often encourage vigorous debate and strong emotions, as noted by one student:

*'Every group member used different strategies to reach their conclusions but they all advised not to pay the bribe e.g., [they reached] the same outcome, different reasoning. It almost became a challenge to decide which method was best, but I was determined to explain why I felt so strongly about my decision.'*

## The Challenge of Developing Ethical Students

The insights we gained from our management teaching experiences raise an important question: If management educators implement the activities we outline in this paper, will the collective ethicality of management students increase and spread to more ethical employees in organizations? Given what appears to be a continual rise in wrongdoing in organization and large scale ethical scandals, our experience suggests the answer is no (Hibbert & Cunliffe, 2015). However, what does result are management students who are better equipped to *address* these issues when confronted with them, which we believe will lead to more voice and less silence in response to observed wrongdoing. We anticipate students who better understand their core values such as empathy, integrity, and humility and moral identity, who have already been challenged to find where their thresholds are when confronting wrongdoing in the context of organizational pressures, and who are aware of the struggles that may arise when their personal values are in conflict with their personal needs – i.e., financial stability from having a job versus silence in response to observed, or experienced, wrongdoing.

For students to become aware of their authentic self, they must be allowed the opportunity to identify their biases, how those biases influence their actions, and how they can prevent it in a safe environment. This presents an additional challenge: learning ethics throughout the University experience should be a developmental activity, not indoctrination.

We argue that applying the AMO framework provides an incremental learning process for management students. Rather than focusing on content knowledge of ethical theories and principles, a recursive and iterative learning process is created where students are constantly learning, reflecting, adapting, challenging, experiencing, and acting (Kolb & Kolb, 2005; Wright et al., 2016) on *what* ethical behavior is, *how* they will engage in ethical behavior as student and future employee, and differentiating *who* they truly are from a values based perspective as compared to *who* they think they are.

## Summary

In this instructional note, we have discussed strategies for teaching business ethics in the 21st century, with a particular focus on our experiences with Gen Y students entering university for the first time. We asserted that it is critical to understand how people *actually* respond when faced with ethical dilemmas, and bring that level of fidelity into the management education sphere. We proposed that educators must increase students' ability, opportunity, and motivation to internalize their ethical learning, and prepare them for the reality of managing ethical dilemmas at work. We have recounted our own experiences using learning activities and assessment items to continually provide students the opportunity to develop a foundation of self-understanding and recognize the role cognitions and emotions play in assessing and responding to unethical situations. In particular, we argued that educators should focus

firstly on developing students' ability to internalize their learning about business ethics through creating their own ethical code, and practicing experiential exercises from the Giving Voice to Values approach. Once students have gained an understanding of their personal values and beliefs, we suggested that educators should allow students the opportunity to internalize their learning via role plays and reflective journaling, both of which can be used effectively as learning activities and assessment items. Finally, we proposed that educators should motivate students to internalize their learning about business ethics through the use of guest speakers and case studies. Both of these approaches can help students to realize that ethical dilemmas are encountered frequently in organizational settings, and highlight the need to be prepared to deal with these issues in practice.

We further argued that these lessons are learned in a recursive yet progressive manner as opposed to a linear learning experience. As students are confronted with challenges, their self-awareness and self-understanding matures and their thresholds change. Throughout their education, management students engage in growth and learning processes, moving back-and-forth between multiple selves: who they think they are, how others perceive them, and who they actually are. Finally, we believe that it is important to acknowledge the need for management educators to be self-aware so they do not impose their beliefs onto students, but instead facilitate the growth and development of students. We believe that through these practices, we can produce management graduates who are better prepared to respond to the unethical practices they are likely to face in 21st century organizations.

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