

The Daniels School of Business Ethics Model

Since 2019 a team of researchers at the School of Business has been testing how to more effectively teach ethics at the undergraduate level. Through the course of the study, we have tested different interventions in an effort to determine what tools and language has a better impact than others. We are in the process of launching a longitudinal study because our initial results showed that multiple interventions had the most significant impact on students.

Our model is a multi-layered approach.

A key at this stage is recognizing that everyone has a default starting position. While as instructors we have defaults, that doesn't mean a student's, when different from ours, is wrong. At this stage, we are trying to help students understand that ethics is an important part of the critical thinking process and decision-making equation. It should be considered in part of all business decisions.¹ We're also trying to help them see that when they are at an impasse it might be because they aren't communicating the other positions.

- 1) Students will take an assessment from the Williams Institute to help them begin to determine which of four framework they most closely align with. Those are:
 - a. **Character/Virtue:** This approach is most focused on what it says about the person making the decision. Think Aristotle and the Golden Mean. A person who

¹ According to the research, moral awareness is a key juncture in ethical decision making (Rest, 1986; Tenbrunsel & Smith-Crowe, 2008; Trevino et al., 2006) because being morally aware (or recognizing that ethics is an important part of their decision making) is the first step that initiates the ethical decision making process and prevents ethical blind spot, which could lead to unintentional unethical decisions and behaviors (Bazerman & Tenbrunsel, 2011; Tenbrunsel & Messick, 1999, 2004).

Rest, J. R. (1986). *Moral development: Advances in research and theory*. New York: Praeger.

Tenbrunsel, A. E., & Smith-Crowe, K. (2008). Ethical decision making: Where we've been and where we're going. *Academy of Management Annals*, 2, 545–607.

Trevino, L. K., Weaver, G. R., & Reynolds, S. J. (2006). Behavioral ethics in organizations: A review. *Journal of Management*, 32, 951–990.

Bazerman, M. H., & Tenbrunsel, A. E. (2011). *Blind spots: Why we fail to do what's right and what to do about it*. Princeton, NJ: Princeton University Press.

Tenbrunsel, A. E., & Messick, D. M. (1999). Sanctioning systems, decision frames, and cooperation. *Administrative Science Quarterly*, 44, 684–707.

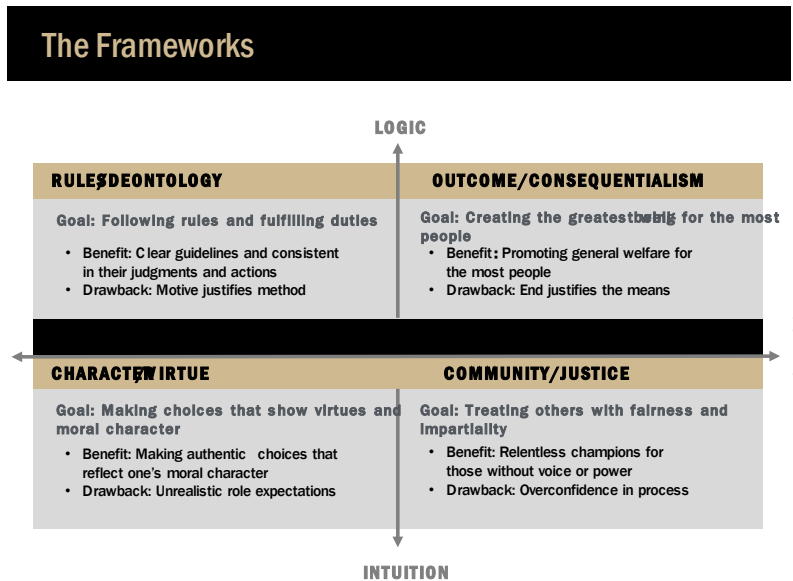
Tenbrunsel, A. E., & Messick, D. M. (2004). Ethical fading: The role of self-deception in unethical behavior. *Social Justice Research*, 17, 223–235.

defaults to this approach will consider the Golden Rule and what the decision says about them as a person. Driven by the virtues and character traits that matter to them. Plato, Aristotle, Confucius

- i. **Stanford:** [Virtue Ethics](#)
 - ii. [Ethics Unwrapped](#)
 - iii. [Markkula Center for Applied Ethics](#)
- b. **Obligation/Deontology:** may also be called positive law or a rights approach in some frameworks. This approach focuses on whether the action follows the law or the right process. The results aren't as important as the process taken to get there. If you upheld, your obligations, then you did what was needed.
- i. **Stanford:** [Deontology](#)
 - ii. [Ethics Unwrapped](#)
 - iii. [Markkula Center for Applied Ethics](#)
- c. **Results/Consequentialism:** also called utilitarianism, those who default to this area are more focused on results or outcomes than the process or what the decision says about them as individuals. Jeremy Bentham and John Stuart Mill
- i. **Stanford:** [Consequentialism](#)
 - ii. [Ethics Unwrapped](#)
 - iii. [Markkula Center for Applied Ethics](#)
- d. **Community/Justice:** the Williams Institute uses the term equity for this quadrant, but we are using the term community to more closely reflect what students in this quadrant focus on. John Rawls
- i. **Stanford:** [Justice](#)
 - ii. [Ethics Unwrapped](#)
 - iii. [Markkula Center for Applied Ethics](#)



THE SCHOOL OF BUSINESS
ETHICS MODEL



There's a communications component to ethics and the guide each student will get from the Williams Institute helps frame this for them. You can reference this in your teaching – and we would love for you to take the assessment. Then you get the guide and you can reference where your defaults are. I (Cara) flash my numbers up since students often share their numbers in discussion board posts or other reflections with me, and I use it as a starting point for in class discussions. You certainly do not need to do this, but it can be a point of share vulnerability or conversation.

If you would like to take the assessment, please use this link and the bill will be sent to Cara Putman:

<http://www.ethics-twi.org/PURDUE2020>.

After establishing the foundation of the ethical frameworks with students, our next step is to help them move along the stages of moral development. There are a couple approaches to this. Our model is a hybrid of the Kohlberg 6 stages of Moral Development and the Marriot Model. Kohlberg developed 6 stages of moral development after evaluating male students and determining they evolve in character along a steady set of stages. The simplest way to think of this is that at the beginning, we all start out with a focus on following rules to avoid punishment because we don't want to be hurt. Then as we mature, our perspective should shift to a community focus. While there are critiques of the Kohlberg model because he just studied boys, Rest also developed a multi-stage model of moral awareness, moral judgment, moral intention, and behavior² as well as Jones developed work that also suggests moral awareness as a critical point in ethical decision making³. Even with the critiques, Kohlberg's model provides a helpful move from individual to community focus as we mature in ethical development that we want our students to move into as well. There is also a growing body of work on the concept of a moral circle which characterizes ethical decisions to be the ones that encompass the broader interests and well-being of broader stakeholders (Crimston et al., 2016; Reed and Aquino, 2003; Smith et al., 2014).⁴

² Rest, J. R. (1986). *Moral development: Advances in research and theory*. New York: Praeger.

³ Jones, T. M. (1991). Ethical decision making by individuals in organizations: An issue contingent model. *Academy of Management Review*, 16, 366–395.

⁴ The term *moral circle* refers to the breadth of people's moral concern for others, particularly the boundary distinguishing entities that are worthy of moral concern from those that are not (Singer, 1981; Crimston et al., 2018). The recent research on moral circle and moral expansiveness suggests that more ethical decisions tend to be the ones that encompass the interests and well-being of more distant stakeholders (e.g., Crimston et al., 2016; Reed and Aquino, 2003; Smith et al., 2014).

Singer, P. (1981). *The expanding circle: Ethics and sociobiology*. New York, NY: Farrar, Straus & Giroux.

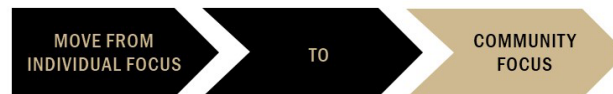
Crimston, C. R., Hornsey, M. J., Bain, P. G., & Bastian, B. (2018). Toward a psychology of moral expansiveness. *Current Directions in Psychological Science*, 27(1), 14-19.

Crimston, C. R., Bain, P. G., Hornsey, M. J., & Bastian, B. (2016). Moral expansiveness: Examining variability in the extension of the moral world. *Journal of personality and social psychology*, 111(4), 636.



6 STAGES OF KOHLBERG MORAL DEVELOPMENT

STAGE 1 Obey rules to avoid punishment	STAGE 2 Conforms to get rewards	STAGE 3 Conforms to avoid disapproval
STAGE 4 Conforms to avoid censure by authorities	STAGE 5 Conforms to maintain communities	STAGE 6 Individual principles of conscience



Our model also has the Marriott Model out of Brigham Young overlaid. This model essentially says that we want to move students from the foundational level of understanding that ethics is even something they should consider (Awareness) to something they should apply in their business courses and internships (Application). They we want to move them through Analysis to Action. The goal over this movement is to develop our students into people who can utilize ethical thinking and tools in their business decision-making as they graduate and leave. This will require much more than a one-credit course, which is an important part of awareness.

Awareness remains critical because according to behavioral ethics research, people make ethically compromised decisions and engage in unethical behaviors either 1) unintentionally- because they were not morally aware and did not recognize the ethical aspect of their decision-making situation (unintentional unethical behavior) or 2) knowingly and intentionally (intentional unethical behavior). While we as an educator needs to strive to tackle the 2) as well, the area that requires immediate attention (as well as would be more effective) would be 1). It is to help our students to better live up to their values and help them avoid a kind of decision they later regret upon further reflection or awareness.

Application will begin in other classes where they will begin to see that there are tools that they can use in multiple situations to take the awareness that ethics exists and start doing something with ethics. Some of the tools that we want them to utilize include:

Reed II, A., & Aquino, K. F. (2003). Moral identity and the expanding circle of moral regard toward out-groups. *Journal of Personality and Social Psychology*, 84: 1270-1286.

Smith, I. H., Aquino, K., Koleva, S., & Graham, J. (2014). The moral ties that bind... even to out-groups: The interactive effect of moral identity and the binding moral foundations. *Psychological Science*, 25(8), 1554-1562

- 1) **Stakeholder Analysis**⁵: Through using this framework, students will gain a step-by-step tool that walks them through a system to look at problems, consider problems from multiple perspectives. Formulate options. Would they be willing to explain that decision to internal audiences like friends, family, and co-workers? Could then they justify that decision to external audiences like city council, the press, or a Congressional hearing? Then execute the decision. Laura Nash adds an additional step which is to evaluate the decision after the fact and take any learnings from how the decision went. This is an important addition that makes sure we learn what went well or what we missed as well.
- 2) **Kidder's Right v. Right Framework**⁶: This framework is helpful because in most situations students aren't being asked to choose between legal and illegal choices. Most say they will do the right thing in those situations (though that isn't actually true). Where most struggle is right v. right. This framework sets up a 4-axis decision framework that can be helpful:
 - a. Truth v. Loyalty
 - b. Long term v. short term
 - c. Individual v. Community
 - d. Justice v. Mercy
- 3) **Blanchard Peale Test**⁷: In one quick, three question test, the authors ask students to address three ethics frameworks. It's a quick way to get students to think about multiple frameworks and get discussion going in a simple approach.
 - a. Is it legal? Obligation/positive law
 - b. Is it balanced? Equity/community/justice
 - c. How does it make me feel? Character/virtue
- 4) **Giving Voice to Values**: this is another framework you can use. It walks students through how to prepare for an argument where they anticipate having to stand up in a situation where unethical action is being proposed or occurring. Currently we use this in the graduate Accounting Ethics course. You can learn more about it at [Ethics Unwrapped here](#).
- 5) **Analogy**: According to Kim and Loewenstein (2021), analogy, which is basically comparing two examples, is an effective tool to help learners grasp ethical principles and apply them to a new situation. The intervention involved in analogical approach is very simple and straightforward. You can use two simple cases that illustrate the same ethical principle (i.e., conflicts of interests, fairness, etc.) and simply add the following instructions to facilitate learning.
 - *“Please read the following two cases and compare them.*
 - *“In what ways are the two cases similar?*
 - *Having thought about their similarities, now please use the space below to describe the key parallels between the two cases.”*

⁵ This is referenced in chapter three of the Business Law textbook.

⁶ <https://blogs.lt.vt.edu/yousef/2015/11/30/ethical-decision-making-right-versus-wrong-and-right-versus-right/>

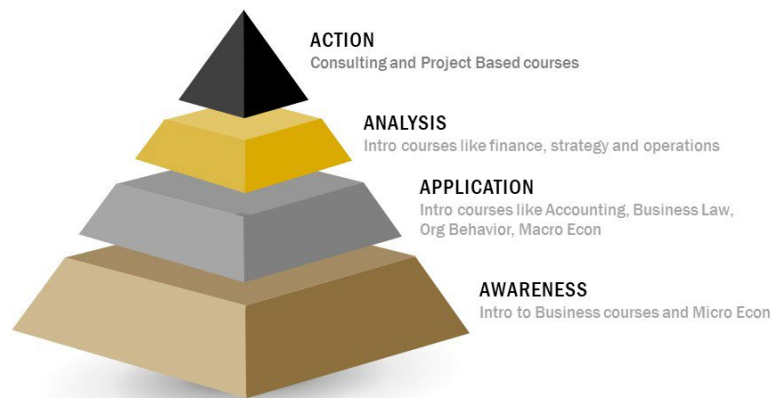
⁷ <https://depts.washington.edu/cpreeuw/wordpress/wp-content/uploads/2015/11/HC-FG02.1-Ethical-decision-making-activity-sheet.pdf>

The research has shown that this simple instructional approach significantly improved the learners' understanding of ethical principles. Consequently, people who were given this analogical encoding method were twice as likely to show moral awareness and make ethical decisions when faced with new situations. The advantage of this approach lies in its adaptability, as you can use your own cases and just slightly modify the way you deliver them to your students. **Should you require assistance in editing or customizing cases to better align with the analogical approach, the first author of the aforementioned paper Jihyeon Kim is available to provide guidance on how to tailor cases and implement this approach in your courses.**

THE SCHOOL OF BUSINESS
ETHICS MODEL



UNDERGRADUATE MODEL FOR PROGRESSIVE DEVELOPMENT OF ETHICS



Additional Resources

The Ethics Unwrapped Website has these additional resources:

- [Cases](#): While not all cases are business related, you may find some that are relevant.
- Good discussions of different terms including concepts like confirmation bias.
- One minute video introductions to cases:
<https://ethicsunwrapped.utexas.edu/series/scandals-illustrated>

Markkula Center for Applied Ethics at Santa Clara University

- <https://www.scu.edu/ethics/> The website has many tools for you including lens for ethical decision making: <https://www.scu.edu/ethics/ethics-resources/a-framework-for-ethical-decision-making/> and articles explaining frameworks: <https://www.scu.edu/ethics/ethics-resources/ethical-decision-making/>

Society for Business Ethics: <https://sbeonline.org/>

- Resources: <https://sbeonline.org/>
- Conferences: <https://sbeonline.org/conference/2023/>
- Business Ethics Quarterly: <https://sbeonline.org/business-ethics-quarterly/>

Society for Ethics Across the Curriculum: <https://www.seac-online.org/>

- Resource Library: <https://www.seac-online.org/resources/>
 - Includes Books, videos, articles, syllabi, links, and activities
- Conference: <https://www.seac-online.org/conferences/>
- Teaching Ethics Journal: <https://www.seac-online.org/teaching-ethics/>

Association for Practical and Professional Ethics: <https://www.appe-ethics.org/>

- Conference: <https://www.appe-ethics.org/conference>
- Ethics Bowl for undergrads: <https://www.appe-ethics.org/appe-ieb>
- Co-publishes Teaching Ethics?
- Ethics Center Consortium

THE SCHOOL OF MANAGEMENT

1) What constitutes an ethical decision? (AWARENESS)

2) Please provide an example of a situation where ethical decision making would be especially important. (APPLICATION)

3) Please provide a hypothetical example of a situation where competing ethical considerations are evident. (ANALYSIS)

P

4) Please provide a personal example that illustrates actions you've taken to reach an ethical decision. (ACTION)