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Building Ethical Leaders: A Way to Integrate and Assess Ethics Education

Ann C. Dzuranin · Rebecca Toppe Shortridge · Pamela A. Smith

Abstract The Building Ethical Leaders using an Integrated Ethics Framework (BELIEF) Program was introduced in 2006 at the Northern Illinois University College of Business. The Program was developed to support two learning objectives: (1) increase students' awareness of ethical issues and (2) strengthen their decision-making abilities regarding these ethical issues. This article provides an overview of the development and integration of this Program. We also provide assessment data on our two learning objectives. The assessment measures improvement from 2005, before the implementation of the program, to all of the post-year measures. Thus, the BELIEF Program appears to enhance our students' ability to recognize issues and identify appropriate decision alternatives. We hope that the description of the components of BELIEF will aid other schools as they integrate ethics into their curriculum.

Keywords Curricular integration of ethics · Teaching business ethics · Assessment of ethical awareness and decision making · Assessment of business ethics · Business ethics · Business ethics curriculum

Introduction

The need for ethics education in business curriculums is as important now as it was after the wave of corporate scandals in the early 2000s. To address this need, in 2003 the Association to Advance Collegiate Schools of Business (AACSB) established a special task force to evaluate the extent of ethics coverage at its member schools. The Ethics Education Task Force recommended that member schools and their faculty "renew and revitalize their commitment to ethical responsibility," "strengthen ethics components of our curricula in all disciplines," and "offer courses that introduce frameworks that may help in resolving ethical business and managerial problems" (AACSB 2004, p. 14). An outcome of the task force is for both undergraduate and graduate business programs to include learning experiences that enhance the ethical understanding, reasoning skills, and awareness of ethical and legal responsibilities of their students (AACSB 2007). Despite this requirement, the AACSB provides little guidance on *how* to incorporate ethics education into the business school. Thus, business schools must individually develop methods for including ethics education into their curriculum. Many schools still struggle with how to effectively accomplish this task. According to Nguyen et al. (2008), two critical questions need to be addressed when implementing business ethics education: (1) what are the desired learning objectives and (2) what pedagogy will be used to deliver the materials and achieve the learning objectives?

The Board of Executive Advisors for the Northern Illinois University (NIU) College of Business (COB) encouraged the school to treat ethics as a business fundamental rather than discussing it in an abstract philosophical manner. The BELIEF Program, Building Ethical Leaders using an Integrated Ethics Framework, is the result of the AACSB requirement, is based on previous research on ethics education, and is responsive to the Board of Executive Advisors' encouragement. The Program was developed to support two learning objectives: (1) increase

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students' awareness of ethical issues and (2) strengthen their decision-making ability regarding these ethical issues.

The purpose of this article is to present the development, integration, and assessment of ethics education at the NIU College of Business. We hope that our experiences can provide other Colleges with ideas about ethics education and assessment. We first discuss the development of the NIU BELIEF Program including a review of supporting literature. In addition, the components of the Program and its implementation are described. Finally, we present the results from the assessment of our ethics learning objectives.

NIU's BELIEF Program

In 2004, the College of Business at NIU created an Ethics Task Force (ETF) to develop an ethics curriculum (see Towell et al. 2012 for additional information). Perhaps the most important and challenging charge when developing new curricular materials is to determine *what* to teach. The NIU COB reviewed existing literature to help formulate its desired learning objectives. The experiences of other researchers also provided insight into effective methods regarding *how* to teach. The result was a systemic program to deliver ethics education across the curriculum, Building Ethical Leaders with an Integrated Ethics Framework (BELIEF).

Learning Objectives: What to Teach

The COB articulated two learning outcomes for NIU's business ethics program: *increased awareness* of ethical issues and *enhanced decision-making skills*. The first learning outcome, increased awareness, strives to provide graduates with a greater perception and understanding of personal values, business ethics, and corporate responsibilities enabling their ability to identify ethical issues. Williams and Dewett (2005) and Sims and Felton (2006) both note that increasing students' awareness of the implications of ethical decisions is critical. Recognition of the ethical issue and the implications of the decisions regarding the dilemma are a necessary step in the process of ethical decision-making. Importantly, Gautschi and Jones (1998) stress that while the awareness of ethical issues cannot guarantee ethical behavior; it is a *necessity* to deliberate ethical behavior. Thus, the ETF's first goal, increasing ethical awareness, is consistent with prior research and an essential component of ethics education.

The purpose of the second learning outcome, enhanced decision-making skills, is to improve graduates' ability to make thoughtful, deliberate decisions. Both Williams and Dewett (2005) and Sims and Felton (2006) suggest that

students should gain a better understanding of the complexities of making ethical decisions in today's global business environment. This might involve providing students exposure to multiple ethics theories which can provide a framework for decision-making. The ETF decided to expose students to multiple ethical theories and concepts to give students a broader context and understanding of the issues *and* provide them with a robust framework to aid in the evaluation of ethical decisions.

Integration Across the Curriculum: How to Teach

The second critical decision in formulating an ethics program is to determine how to deliver the material effectively. According to Ritter (2006), the best option might be to expose students to basic ethical theories or philosophies (perhaps in a required course) and then to integrate the application of these concepts with discipline-specific contexts that students may encounter during their professional careers. The BELIEF Program at NIU is consistent with this idea. Exhibit 1 provides a summary of the integrative components of the Program.

Nguyen et al. (2008) caution that ethics education cannot be successful without a theoretical framework from which moral dilemmas are considered. The NIU BELIEF Program addressed this directive by developing a common foundation to assure that ethics integration is applied uniformly and consistently across disciplines. The foundation is delivered via a handbook, which is distributed to students the first semester they are admitted to the college.[1] The handbook clarifies that the purpose of the BELIEF Program is to help students recognize ethical dilemmas, make decisions, and take action. Students are encouraged to see themselves as decision makers, who must choose a course of action that has significant ethical implications. They are encouraged to strengthen their character by developing traits such as honesty, loyalty, courtesy, fairness, integrity, excellence, and citizenship. Students are reminded that how they conduct themselves as students sets the tone for how they will conduct themselves in business.

Students are introduced to several business and ethical frameworks, frequently taught in stand-alone ethics courses, to provide an understanding of underlying theories. According to Williams and Dewett (2005) and Sims and Felton (2006), understanding broad theories is a critical component of ethics education. Nguyen et al. (2008) elaborate that increasing the

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[1] The handbook was written by NIU faculty and is specifically tailored to the BELIEF Program framework. The handbook is integrated into a required junior-level course. Students must successfully complete an online quiz regarding the content of the handbook before registering for subsequent semesters. Students are admitted to the College of Business when they are juniors. All take the same required course their first semester.

Exhibit 1 Components of BELIEF Program

Component	Description/key features
Common Framework	• All students introduced to same framework via a handbook and decision guide
	• All students must pass a quiz on the framework in order to continue as a business student
	• Credit card sized decision guide
Faculty Development	• Faculty workshops, ethics education seminars, one-on-one advising
	• Access to guest speakers with expertise in ethical issues related to the course technical content
	• Faculty for Ethics committee represents faculty perspective and participates in BELIEF Advisory Board
BELIEF Director	• Spearheads and directs all BELIEF activities
	• Chair of Faculty for Ethics Committee and Advisory Board
	• Faculty advisor for LEAD
BELIEF Week	• College-wide focus on ethics in business
	• Approximately 20 guest speakers led discussions on ethics in over 30 classes to over 1,000 students
	• Evening keynote speaker with national prominence
LEAD Student Organization	• Student face of BELIEF
	• Members attend national ethics case competition
	• Organize an internal ethics case competition
	• Organize a discussion series (i.e., ethical issues in the first year on the job, cupid in the cubicle, issues facing students, etc.)
	• Reach out to student organizations
	• Participate in BELIEF Advisory Board
Corporate endorsement	• Adds credibility
	• Funding
	• Access to industry-specific speakers bureau
	• Participation in BELIEF Advisory Board
Assessment System	• Assessment plan was part of the program development—tied directly to learning objectives
	• College-wide assessment of student responses to ethical vignettes-specific to their discipline and a common academic scenario
	• Assessment responses are open-ended responses—a higher-level of cognitive processing
	• Assessment evaluation used for program recalibration

ethical awareness of students involves exposing them to ethical theories and increasing their understanding of the linkages between their personal beliefs and ethical action. The NIU BELIEF Program accomplishes these tasks. The handbook discusses four major ethical frameworks: utilitarianism, universalism, the theory of rights, and social precepts (Steiner and Steiner 2006). Further, three prevalent views of how organizations relate to the broader society are described: the utilitarian perspective, a compliance-reactive approach, and the social responsibility and corporate citizenship perspective. Students are encouraged to consider the origins of personal value systems, the parallels between these values and the values upon which capitalism and free enterprise are based, and the role these value systems play in business practice and decision-making.

One potential issue of introducing multiple theories is that students might try to pick the theory that provides the desired answer. For example, deontology would state that the rule is always followed even when there is a counterintuitive outcome. Meanwhile, relativism requires the consideration of specific facts and circumstances and may not produce the counterintuitive outcome. Thus, deontology and relativism may be at odds. There is no perfect solution to this issue. However, we introduce the frameworks/theories to help students realize that different value systems and perspectives can drive a decision. We believe understanding a variety of perspectives helps students think about all alternatives and make stronger, more reasoned decisions. Hopefully, the practical decision-making guide also aides in this process.

A series of common scenarios are provided to help students understand the link between ethical behavior as a student and ethical behaviors in the business world. For example, one scenario discusses student pressure to cheat, what cheating is, how students attempt to rationalize cheating, and how it devalues the education of everyone at the institution. This helps students understand the similarities they face today with decisions about ethical conduct in business, including fraud and misrepresentation, harassment, earnings manipulation, and failures to protect the

interests of customers and employees. In the academic cheating scenario, when asked, "How will people be affected by the decision?" The following typical responses exemplify their understanding of the link between academics and business practices:

> Handling this situation is part of professional growth [sic]. These individuals would be growing as business professionals and will be aware of the good feeling of remaining ethical in a pressured situation.

> They are affected by an unfair advantage for one party over another. Not only does this compromise the individual's reputation, but it also compromises the reputation of the program.

Analogous to student pressure to cheat, is student pressure to take "short cuts" in various aspects of life. Resolving this challenge is commonplace in both academic and business environments.

The handbook also provides students with a decision-making guide (see Exhibit 2). The guide helps the decision maker think through an issue thoroughly, identify and evaluate the consequences of alternative actions, and make informed and thoughtful decisions.[2] Essentially, the decision-making guide leads students through seven steps that ask them to: (1) determine the problem and identify relevant facts, (2) identify stakeholders, including employees, shareholders, customers, vendors, and unintended bystanders, (3) consider relevant factors, including laws, professional codes, and other practical constraints, (4) list 3–5 alternative actions, (5) evaluate the alternatives using 12 "tests," (6) make a tentative choice, and (7) review steps 1–6 to help insure the decision is reasonable. Step 5 is applied by asking a series of questions (also provided in Exhibit 2). For example, the "Precedence" test asks the decision maker to consider the questions: "Does this option set precedence?" and "Would this precedence under a different set of circumstances cause a dramatically different outcome?"[3] For example, if one student plagiarizes a paper and is not held accountable, does that set precedence for other students to plagiarize? In a business setting, if a company zealously manages earnings one year to meet earnings per share estimates, does that set precedence making it acceptable to manipulate earnings in the future?

We believe that the integrative nature of the BELIEF Program provides solutions to many of the concerns reported in prior ethics education studies. Ketcham (2003)

suggests that stand-alone ethics courses may be rigorous but that few colleges utilize this approach, partly because it is difficult to identify faculty that are qualified (and willing) to teach ethical theories. A survey by Dean and Beggs (2006) reports that business faculty do not believe they are adequately trained to teach ethics. At NIU, single faculty members are not responsible to teach an ethics course. Instead, a college-wide effort implements ethics education across many courses.

An alternative to stand-alone courses is the utilization of ethics cases or vignettes within existing courses. Cagle et al. (2008) evaluated the ethical perceptions of students' pre- and post-discussion of ethical vignettes and noted that students' ethical perceptions were unchanged. Their results "suggest that discussion of vignettes is not a sufficiently active or connecting-with-self pedagogy to affects students' ethical standards" (Cagle et al. 2008, p. 79). The BELIEF Program overcomes this shortcoming by providing a framework for decision-making, a practical application guide, and reinforcement with ethical discussions across many courses. Finally, Richards (1999) evaluates the longevity of short, focused ethics training within a management course. Students evaluated ethical behaviors one and four weeks after the ethics training; their assessment of ethical behaviors weakened significantly from week one to week four suggesting that the training was short-lived. Richards (1999) concludes that a long-term affect on ethical behavior requires "the kind of intensive training possible only through a full ethics course or through pervasive integration of ethics topics into the business curriculum" (p. 333). Since the BELIEF Program is integrated across the entire COB curriculum it reduces the problem of short-term improvements in perception of ethical issues alluded to by Richards (1999).

Support from All Constituencies

Ritter (2006) notes that "the implementation of any program will be most effective if the importance of such a program is recognized at higher organizational levels and overall goals can be agreed upon by the entire business faculty" (p. 156). In addition to providing students with the ethical framework and integrating the program throughout the curriculum, the administration and faculty of the NIU College of Business are actively engaged in the BELIEF Program. Over 85 % of the COB faculty includes an ethics component in their course. Further, over 30 % of faculty, who integrate ethics into their classes indicate that their tasks are consistent with higher levels of cognitive processing according to Bloom's Taxonomy of Knowledge (Bloom 1956). That is, these courses are testing the analysis, synthesis and evaluation of ethical dilemmas via open-ended questions that require deliberate independent

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[2] The guide was developed based on several resources in the ethical decision-making literature (Davis 2003; Jennings 1998; Johannesen 2002; Nash 1993; Paton 1947; Peale and Blanchard 1988).

[3] All students are provided a wallet-sized card resembling a credit card that contains the 7-steps and the 12 tests that are part of the BELIEF decision-making guide.

Exhibit 2 Decision-making guide

Step 1: Determine the facts and state the problem.

Step 2: Identify the stakeholders.

Step 3: Identify relevant factors.

Step 4: Develop a list of 3-5 options.

Step 5: Assess options using various "tests."

  a. <u>Harm test:</u> Does this option do less harm than the alternatives?

  b. <u>Legality test:</u> Is this option legal?

  c. <u>Precedence test:</u> Does this option set precedence, which, while the outcome in this fact pattern is not problematic, this option under another fact pattern could cause a dramatically different outcome?

  d. <u>Publicity test:</u> Would I want my choice of this option published in the newspaper?

  e. <u>Defensibility test:</u> Could I defend my choice of this option before a Congressional committee or a jury of my peers?

  f. <u>Mom test:</u> What would my Mom say if she learned of this option?

  g. <u>Reversibility or "Golden Rule" test:</u> Would I still think the choice of this option good if I were one of those adversely affected by it? How would I want to be treated?

  h. <u>Virtues test:</u> What would I become if I choose this option?

  i. <u>Professional test:</u> What might my profession's ethics committee say about this option?

  j. <u>Peer or colleague test:</u> What do my peers or colleagues say when I describe my problem and suggest this option as my solution?

  k. <u>"How does it make me feel?" test:</u> This is your conscience. How does this option make you feel physically or emotionally? Are you able to sleep?

  l. <u>Organization test:</u> What does the organization's ethics officer or legal counsel say about this?

Step 6: Make a tentative choice.

Step 7: Review steps 1–6.

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The COB assurance of learning goal for ethics is that at least 80% of the students meet or exceed expectations

thought. The faculty who test at the knowledge and application level are testing the students understanding and practice of various professional codes such as codes of conflict, bribery, and harassment.

COB faculty are also engaged in the development activities such as workshops and conferences. These activities reinforce the integration of ethics throughout the curriculum by providing faculty with the encouragement and training needed to effectively utilize the decision-making guide and handbook in ethics-related assignments in their courses. The workshops provide faculty with tips on how to use the decision-making guide, teach with ethics cases, and use role-playing.

The administration of the COB fully supports the BELIEF Program as evident in the hiring of a full-time director to provide leadership.[4] Currently, the Director of the BELIEF Program oversees the Faculty for Ethics (FFE) Committee, the student organization Leaders in Ethics and Academic Discipline (LEAD), and the BELIEF Advisory Board. The Director establishes and maintains corporate contacts, oversees curricular and implementation issues, spearheads handbook revisions, organizes BELIEF week, coordinates case competitions, and supervises assessment activities.

In addition to the classroom experiences, students are engaged during the year with special events. During the fall semester, the BELIEF Program sponsors a week of activities devoted to increasing student awareness of ethical leadership. For example, multiple guest speakers are in classes and discuss ethics in their workplaces.[5] The highlight of the week occurs when the COB hosts nationally recognized speakers to address ethics topics and entice students to think about the impact of unethical choices in the business world. These events are devoted to celebrating business students as ethical leaders and to reinforcing the importance of the BELIEF Program.

Students are also encouraged to participate in a student-led organization, LEAD. The goal of LEAD is to inform and educate student-peers regarding ethical dilemmas and provide input on BELIEF activities. LEAD students represent NIU at national ethics case competitions and organize an internal ethics case competition. The competition involves student teams within the college, a high school case competition, and a student discussion series on ethics.

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[4] Currently the COB provides approximately 40 % and corporate partners and sponsors provide the remaining 60 % of the funding for the operations of the BELIEF Program. The goal is for BELIEF to be 100 % self-funded in the near future.

[5] During ethics week in 2011, more than 20 different speakers delivered presentations in over 30 different classes addressing over 1,000 students.

The BELIEF activities are supported by a group of corporations who provide funding, credibility, and endorsement to the BELIEF Program.[6] Corporate endorsement emphasizes the importance and relevance of the ethics program to students. The corporations not only provide funding, they also connect our effort to the real world by providing speakers and resources that reinforce the importance of ethics in the business world.

Keys to Success

McNair and Milam (1993) identified three essential components for a program that integrates ethics education including: integration across all discipline areas, combining ethics education with active learning, and participation by professionals to create classroom materials. First, the Program is championed by the COB Dean, endorsed by the College Curriculum Committee, and overseen by a cross-functional committee comprised of faculty and staff from all departments. Second, from its inception, the Program was influenced and supported by the business community. External corporate sponsors provide funding and endorsement of the Program, enhancing its credibility and perceived relevance to students. Third, the Program is truly integrated. An ethics decision-making framework is introduced in a core course taken by all business majors and ethical issues are reinforced in discipline-specific courses across all majors. Finally, the Program includes an assessment component to measure outcomes resulting in continuous improvement of the framework and its integration in the curriculum. The next section of the paper discusses assessment activities undertaken by the COB to evaluate the effectiveness of the program.

Assessment of Learning

How is ethical awareness and decision-making measured? Researchers have debated this question and whether to use the context-specific dilemmas or broader life issues when measuring ethical reasoning (Dellaportas et al. 2006). Previous studies have used hypothetical moral dilemmas as measures of change in moral reasoning before and after ethics training (Rest 1986; Weber 1990). However, responses to ethics questions related to personal or family situations (broad-life issues) may not accurately portray responses to ethical dilemmas in a business environment (Dellaportas et al. 2006; Nguyen et al. 2008). Dellaportas et al. (2006) found that students used higher-level moral

reasoning in hypothetical social dilemmas than they did in business scenarios with ethical dilemmas. The authors concluded that the environment of the ethical dilemma was a significant determinant in the students' moral reasoning. Thus, it is important to utilize context-specific situations to evaluate potential ethical responses in a work environment. Consistent with this research, the BELIEF assessment includes an academic scenario about cheating that is taken by all students. In addition, students respond to context-specific scenarios based on their major in an effort to evaluate their potential actions in a business environment. Panel A of Exhibit 3 provides an example of the academic scenario given to all students and the context-specific scenario given to accountancy majors.

In addition to the debate surrounding the specific content of ethical dilemmas to assess, deciding how to measure responses poses an additional problem. Existing instruments, such as Rest's DIT (1986), are measured based on the respondents' selection of a predetermined response on a Likert-type scale. The numerical scoring is calibrated to Kolhberg's levels of moral reasoning (Kohlberg 1969). This type of guided response may not capture independent thinking and understanding of the ethical issues. To capture thought processes, understanding, and independent thinking rather than rating a predetermined response, the COB Ethics Task Force decided to utilize open-ended responses. Through the use of open-ended questions the assessment is intended to capture students' ability to *recognize* a dilemma, *comprehend* who has the dilemma, *identify* alternatives, *extrapolate* who may be impacted by the alternatives, and *evaluate* how these individuals may be impacted. The questions included on the assessment are provided in Exhibit 3, Panel B.[7]

The first two questions represent *recognition*: (1) what is the issue or dilemma and (2) who has an ethical dilemma in this situation. Questions three, four, and five capture students' *decision-making* skills. These questions ask students to: (3) identify decision alternatives, (4) determine who might be affected by the decision, and (5) indicate how these individuals may be affected by the decision. These questions mirror the decision-making framework that is part of the BELIEF Program.

Assessment Results

The NIU COB collected data for internal assessment purposes. Essentially, the COB was interested in evaluating if

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[6] Current corporate partners include AT&T Mobility, Caterpillar, Experian, KPMG, Microsoft, The National Bank & Trust, NICOR, and Road Ranger.

[7] The general academic scenario and the six scenarios for each major were developed by faculty in that discipline and pilot tested using a sample of COB students. Student responses were reviewed to determine if anything in the scenario was unclear or confusing. Minor modifications were made to the scenarios after the pilot test.

Exhibit 3 Assessment of
BELIEF Program

Panel A

General Academic Scenario (Academic)

You are walking through the college on your way to class and you spot your roommate and some friends who have just left the same course you are heading to. They stop you and tell you that the instructor is giving an unannounced quiz in class today. You ask your roommate what the questions are on the quiz and he offers the answers without hesitation. You go to class, take the quiz, and score a perfect 100 percent.

Example Context-specific Scenario (Discipline)

You are the controller of a large publicly-traded corporation. The Chief Financial Officer (CFO) approaches you with information that earnings per share for the company are not going to meet analysts' expectations for this period. The CFO tells you to do what it takes to boost earnings to the market's forecasted figure. The CFO offers suggestions such as recording sales for the next period now, capitalizing expenses as assets, or changing depreciation rates to decrease expenses. While some of the CFO's suggestions are in agreement with Generally Accepted Accounting Principles (GAAP), others stretch the rule of compliance to a point where they may not be in GAAP accordance.

Panel B:

Questions

1. What is the ethical issue/dilemma?

2. Who has an ethical dilemma in this situation?

3. What are the decision alternatives?

4. Who might be affected by this decision?

5. How would these people be affected by different decisions?

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the BELIEF Program helped our students meet/exceed our learning objectives. The results presented in this paper are based on that data; therefore, our interpretation of the results is cautious as there are few controls for confounding variables. Despite these limitations, the results are informative as we provide a potential method to assess ethical behavior when few alternatives exist.

Participants

Assessment data were collected from a total of 1,159 students in the COB between 2005 and 2011. In 2005, before the introduction of the BELIEF Program, a base-line assessment was taken for students who had declared business as a major. The majority of these students were freshmen and sophomores. Subsequent assessments in 2007, 2009, and 2011 were conducted in senior level courses to capture the students' responses after they completed the BELIEF Program. The participants are widely distributed across the six majors in the COB. The largest group, accountancy students, represented about 24 % of the sample while Operations Management & Information Systems majors comprised approximately 10 % of the sample. The sample distribution reflects the overall student body in the COB. We identified no significant co-variants in the sample.

Data Analysis

Student participants answered the five questions described earlier for two ethical dilemmas. All students answered the same academic integrity dilemma and a discipline-specific business scenario based on the student's major. Responses

were evaluated using a rubric based on the general guide-lines that follow:

- *Does not meet:* the response essentially ignores the ethical issue; there is no acknowledgement of the issue(s) or the impact on others; the response indicates that the student is not thinking beyond himself (Numerical rating = 1).
- *Meets:* the response recognizes there is an ethical issue; there is an indication that there are implications beyond himself and those listed in the scenario; the response provides only the obvious alternatives and obvious implications; in short, the respondent's understanding of the dilemma is relatively narrow (Numerical rating = 2).
- *Exceeds:* the response recognizes the ethical issue(s); there is recognition of the implications beyond those listed in the scenario; the response indicates that the student is thinking about the impact beyond the immediate scenario and provides thoughtful alternatives (Numerical rating = 3).

The researchers trained two graduate students to use the rubric to evaluate the responses to the scenarios. The coders independently scored the data set and then reconciled discrepancies in their classification. Prior to reconciling, we conducted an inter-rater reliability test using Cohen's Kappa to assess the degree of agreement between the raters. Landis and Koch (1977) deem a Kappa coefficient in the range of 0.41–0.60 to be "moderate" agreement, while a Kappa coefficient of 0.61–0.80 is considered to be substantial agreement. The Kappa coefficients for nine of the ten variables were above 0.61 indicating substantial agreement between the coders.[8] One variable had a Kappa coefficient of 0.57, indicating moderate agreement. Thus, there was a high level of agreement between the raters and the reconciled data reflects a consensus.

Do Students Meet Expectations? An Assessment

The NIU College of Business utilized the scenarios, questions, and rubrics to assess if students met the COB's Learning Objectives. Specifically, did graduates recognize ethical issues and did they employ a framework to enhance the quality of their ethical decision-making skills? The results of the assessment data suggest that graduates of the NIU College of Business are meeting our expectations by demonstrating appropriate ethical recognition and decision-making skills.[9]

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[8] The ten variables are the five questions for two scenarios (academic and discipline).

[9] The COB assurance of learning goal for ethics is that at least 80 % of the students meet or exceed expectations.

Recognition

A summary of the assessment data for recognition is provided in Exhibit 4, Panel A. In 2005, before the implementation of the BELIEF Program, 13 and 19 % of students were below expectations for the academic and discipline-specific scenarios, respectively. The results for the years after the implementation of the BELIEF Program improved as only 1 to 4 % of students were below expectations. This means that after implementation of the BELIEF Program, between 96 and 99 % of students appropriately recognized the ethical issues and the key players affected by the issue. The Program seems to have increased students' awareness of ethical issues in both an academic setting and in the discipline-specific setting.

Decision-Making

Three questions addressed students' decision-making skills regarding ethical issues. These skills are developed by the application of Steps 3 through Steps 6 of the BELIEF Program's Decision-Making Guide (see Exhibit 2). Students' ability to make quality decisions should improve with the repetitive use of the guide. The assessment results suggest that the implementation of the BELIEF Program enhanced students' decision-making skills. In 2005, the pre-test period, only 79 and 70 % of students met

Panel A: Recognition

% of Students Meeting or Exceeding Expectations	2005	2007	2009	2011
Academic	87%	97%	99%	97%
Discipline	81%	97%	99%	96%

Panel B: Decision Making

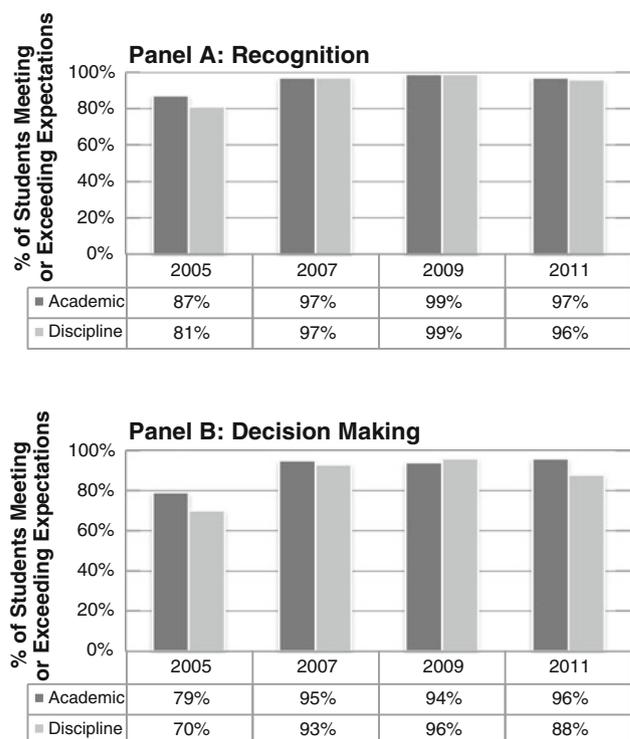| % of Students Meeting or Exceeding Expectations	2005	2007	2009	2011
Academic	79%	95%	94%	96%
Discipline	70%	93%	96%	88%

Exhibit 4 College Assessment Results

expectations for decision-making in the academic and discipline-specific scenarios, respectively. In 2007–2011, 88–96 % of students met expectations; a substantial improvement.

These results are encouraging. The integrated approach of the NIU COB improved students' awareness of ethical issues and enhanced their decision-making skills. In the next section, we perform an ANOVA to evaluate if the improvements before and after the Program are significantly different.

Did Performance Change Over Time? An ANOVA

While the results of the assessment data indicate that, on average, more than 90 % of our students met or exceeded expectations, we include an ANOVA to examine if the improved performance is statistically significant.

Recognition

To assess students' ability to recognize ethical issues, the combined average of the first two questions in each scenario (Academic and Discipline) were analyzed to measure Recognition. The results of the analysis are reflected in Exhibit 5. The mean for Recognition/Academic (see Exhibit 5, Panel A) increased from 2005 to 2007 and 2007 to 2009. The mean decreased slightly in 2011 (from 2.00 to 1.988) but is still higher than the mean in 2005 and 2007. The ANOVA ($p < 0.000$) in Panel B indicates a significant difference in the Recognition/Academic score between the years. Panel C provides year–year comparisons for Recognition/Academic. The change from 2005 to all three post-BELIEF comparisons (2007, 2009, and 2011) is positive and significant ($p < 0.000$). There are no significant changes between years after implementation of the BELIEF Program, including the slight decline in 2011. Further investigation revealed that the slight decline in 2011 is attributable to four blank responses that are rated "below expectations." We reran the data without the blank observations and found the results to be essentially unchanged and the slight decline even smaller (see discussion in "Sensitivity Analysis" section). Overall, the data suggest that the students' ability to recognize ethical issues improved after implementation of the Program.

Panel D in Exhibit 5 presents the descriptive statistics for the dependent variable Recognition in the discipline-specific scenario. In this scenario, the mean score for Recognition/Discipline increased in every post-period. The ANOVA results presented in Panel E indicate that the change is significant ($p < 0.000$) between the years. Panel F presents the year–year comparisons for Recognition/Discipline. The change from 2005 to each post-year comparison is positive and significant ($p < 0.000$). Although

the change in each post-year is positive, it is not statistically significant.

Recognition of an ethical issue is a critical first step toward making ethical decisions. The BELIEF Program supports our students' ability to meet this step. The next section assesses NIU COB students' ability to present alternative solutions to ethical dilemmas and to evaluate those alternatives.

Decision-Making

To assess improvement in the students' ethical decision-making skills, the average score on the last three questions in Exhibit 3, Panel B were combined. The results are reflected in Exhibit 6. Panel A provides the descriptive statistics for the dependent variable Decision-Making in the academic setting. The mean increased from 2005 to every post-year period. The ANOVA results, Panel B, indicate a significant difference between the years. Panel C provides the year–year comparisons for Decision-Making/Academic. The differences between 2005 and every post-period are positive and significant. Students' ability to make decisions regarding an academic ethical scenario increased significantly between 2007 and 2011 and 2009 and 2011 as well. There was an insignificant decline from 2007 to 2009 (2.239–2.212). Further investigation into the 2009 decline indicates there were four blank responses rated "below expectations." We excluded the blank responses in our sensitivity analysis discussed in the next section.

Panel D in Exhibit 6 presents the descriptive statistics for the dependent variable Decision-Making in the discipline-specific scenario. The mean score increased from 1.943 in 2005 to scores above 2.268 in every post-BELIEF year. As indicated in the ANOVA results in Panel E, the increases in Decision-Making/Discipline are significant between the years. Panel F presents the year–year comparisons. The comparison of 2005–2007, 2009, and 2011 are all positive and significant ($p < 0.000$). There was a slight decline in the mean in 2011 although the decline was not significant. Further investigation into the 2011 decline indicates that there was an increase in students rated "below expectations" for Question 5 (How would these people be affected by this decision?) and a decrease in students "exceeding expectations" for Question 3 (What are the decision alternatives?). This information is being used by the college Assurance of Learning (AOL) team to determine what and where changes may be needed in the curriculum. We also identified seven blank observations and reran our results excluding those responses. We discuss the sensitivity to these observations in the next section. Overall, the results with respect to decision-making are encouraging and suggest that the BELIEF Program is helping students with their decision-making skills.

Exhibit 5 Recognition

Panel A

Descriptive statistics for Recognition/Academic

Year collected	N	Mean	SD
2005	271	1.900	0.278
2007	289	1.986	0.109
2009	295	2.000	0.109
2011	293	1.988	0.146
Total	1,148		

Panel B

ANOVA for Recognition/Academic

Source	Sum of squares	df	Mean square	F	Sig.
Model	1.750	3	0.583	19.654	0.000
Error	33.963	1,144	0.030		
Total	35.713	1,147			

Panel C

Year to year comparisons for Recognition/Academic

Years	Years	Mean difference	p value
2005	2007	0.086	0.000
2005	2009	0.100	0.000
2005	2011	0.088	0.000
2007	2009	0.014	1.000
2007	2011	0.002	1.000
2009	2011	−0.012	1.000

Panel D

Descriptive statistics for Recognition/Discipline

Year collected	N	Mean	SD
2005	271	1.928	0.351
2007	289	2.076	0.249
2009	295	2.083	0.212
2011	304	2.107	0.300
Total	1,159		

Panel E

ANOVA for Recognition/Discipline

Source	Sum of squares	df	Mean square	F	Sig.
Model	5.333	3	1.844	23.238	0.000
Error	91.663	1,155	0.079		
Total	97.195	1,158			

Panel F

Year to year comparisons for Recognition/Discipline

Years	Years	Mean difference	p value
2005	2007	0.148	0.000
2005	2009	0.155	0.000

Exhibit 5 continued

Panel F

Year to year comparisons for Recognition/Discipline

Years	Years	Mean difference	*p* value
2005	2011	0.179	0.000
2007	2009	0.007	1.000
2007	2011	0.310	1.000
2009	2011	0.024	1.000

Summary

Overall, the results of the analyses suggest that the BELIEF Program in the College of Business at Northern Illinois University has had a positive impact and is meeting expectations. Student recognition and decision-making skills regarding ethical dilemmas improved after the implementation of the Program. We recognize that the results comparing the 2005 data to later years may be biased because of maturation or factors other than the BELIEF Program from the freshman to the senior year. We address the limitations in the sensitivity analysis below.

Sensitivity Analysis

Although the sample was randomly chosen from all the COB students, it is still possible that students who were freshmen in 2005 could have been included in the 2009 sample. This may have resulted in biased results as they were potentially exposed to the assessment instrument twice. An additional analysis was performed using 2009 data with students that had been at NIU for 2 years or less. This analysis assures that any students from 2005 are not included in the 2009 data. All of the above statistical tests were performed with the reduced data set (436 observations). The results were the same as the full sample reported above.

A potential alternative explanation for our results could be that the students in the 2005 sample were largely freshmen and the other years were juniors or above. Therefore, the improvement in the ability to recognize ethical issues and make decisions regarding those issues could be attributable to the student's maturity. To address this limitation we performed all the statistical tests discussed above with students that were at least juniors. The results were substantially the same for Recognition in both the academic and discipline-specific scenarios. Thus, the subsample in the recognition assessment provides evidence that the BELIEF Program improved recognition for those who were juniors and seniors and the results were not merely from maturation.

The results for the Decision-Making/Academic scenario also suggest that the improvement in decision-making is not a result of student maturation. The subsample of juniors and seniors for the Decision-Making/Discipline scenario generated similar results as the full sample. In all comparisons of 2005 to the three post-years, the differences were positive. From 2005 to 2007 and 2009 they were positive and significant ($p < .000$). This finding counters the argument that any improvement could be attributed to maturation.

There were a limited number of blank observations in the data (four to seven observations) and these observations are included in our analysis and rated "does not meet expectations." We are unable to tell if the student did not know the answer to the questions or just decided to skip the question. Therefore, we kept the observation in our reported results. When we ran the data without these observations, our results remain essentially unchanged. The blank observations reduce the mean ratings of our variables and are counter to identifying any significant improvement.

The sensitivity analysis discussed above strengthens the results of the paper by reducing the likelihood that the increases from 2005 to post-implementation years were a result of maturation. In addition, including the blank observations as not meeting expectations would lower the means of our variables. We believe the increases in awareness and recognition are attributable to the BELIEF Program. Specifically, the program provides students with exposure to ethics theories, a practical decision-making guide, and practice making ethical decisions.

Conclusion

Corporate frauds from Enron to Bernie Madoff seem to be a common occurrence. Can ethics integration in business schools make a difference? The NIU COB believes that students can become ethical leaders and has taken steps to create a culture of awareness and decision-making regarding ethical dilemmas.

This paper outlines a process for creating systemic integration of ethics into a business curriculum as well as describing the components of the BELIEF Program in the

Exhibit 6 Decision-making

Panel A			

Descriptive statistics for Decision-Making/Academic

Year collected	N	Mean	SD
2005	271	1.998	0.401
2007	289	2.239	0.290
2009	295	2.212	0.322
2011	293	2.332	0.377
Total	1,148		

Panel B					

ANOVA for Decision-Making/Academic

Source	Sum of squares	df	Mean square	F	Sig.
Model	16.573	3	5.524	45.252	0.000
Error	139.657	1,144	0.122		
Total	156.230	1,147			

Panel C			

Year to year comparisons for the Decision-Making/Academic

Years	Years	Mean difference	p value
2005	2007	0.240	0.000
2005	2009	0.214	0.000
2005	2011	0.333	0.000
2007	2009	−0.026	1.000
2007	2011	0.093	0.008
2009	2011	0.120	0.000

Panel D			

Descriptive statistics for the Decision-Making/Discipline

Year collected	N	Mean	SD
2005	271	1.943	0.427
2007	289	2.293	0.348
2009	295	2.344	0.312
2011	304	2.268	0.413
Total	1,159		

Panel E					

ANOVA for Decision-Making/Discipline

Source	Sum of squares	df	Mean square	F	Sig.
Model	27.534	3	9.178	64.426	0.000
Error	164.530	1,155	0.142		
Total	192.063	1,158			

Panel F			

Year to year comparisons for Decision-Making/Discipline

Years	Years	Mean difference	p value
2005	2007	0.350	0.000
2005	2009	0.401	0.000

Exhibit 6 continued

Panel F

Year to year comparisons for Decision-Making/Discipline

Years	Years	Mean difference	*p* value
2005	2011	0.324	0.000
2007	2009	0.052	0.590
2007	2011	−0.025	1.000
2009	2011	−0.077	0.076

NIU College of Business. The process and components discussed in this paper can help other business schools identify appropriate ethics learning objectives, think about how ethics can be integrated across a curriculum, and provide ideas for the assessment of learning objectives. We hope this discussion encourages other colleges to ponder the delivery of ethics education.

We recognize that the results presented from the assessment data have limitations. In particular, the data were gathered for NIU's assessment of learning objectives and do not allow us to control for potential confounding variables. Further, the base-line data were comprised of students at all levels of their collegiate career and the later data were comprised of juniors and seniors. Despite these limitations, the eight-year increase in the mean responses indicates that the BELIEF Program improved students' awareness of ethical issues and strengthened their abilities to make ethical decisions.

Since the BELIEF Program was officially launched in 2006, the COB has received both external and internal validation. Externally, the NIU College of Business ethics program was ranked third and second in 2011 and 2010, respectively, in the *Businessweek* survey of seniors majoring in business. NIU Business faculty received first place in the 2011 *Innovation in Business Education* competition by the Midcontinent East Deans' Association for the BELIEF Program as an innovative "best practice" in business education. Finally, the AACSB recognized the NIU BELIEF Program as a best practice for ethics education in its "Spotlights." Internally, assessment results indicate that post-implementation of the Program about 90 % of NIU COB students meet or exceed expectations for ethical awareness and decision-making.

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