FOSTERING RESPONSIBLE MANAGEMENT AND ORGANIZATIONAL ETHICS THROUGH BUSINESS EDUCATION

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Abstract: Business education empowers students to find quick solutions in the modern global and complex world when continuous changes are occurring. Future business leaders need to possess skills to identify solutions for ethical dilemmas they can face in the workplace. Business graduates need to understand the role of business in society and wider responsibilities towards all stakeholders. Business programs have to reflect the tendency to the increasing demand of professionals educated in corporate social responsibility (CSR), sustainability, and business ethics. As sustainability issues are at the center of attention around the globe, higher education institutions need to adapt their programs accordingly, and hence, offer business ethics and CSR courses. Since stakeholders’ requirements and preferences must be considered, universities are improving their programs constantly. Therefore, studies should be conducted to determine new approaches for effective teaching. The presented article overviews business education peculiarities, and discusses the importance of and approaches to teaching business ethics and CSR at business schools.

Keywords: CSR, Corporate Social Responsibility, Business Ethics, Education, Teaching, Learning

1. INTRODUCTION

Business education needs to empower students for the real problems they will face after graduation in the modern global and complex world, where changes are constant and business leaders have to find quick solutions for their companies to adapt and survive.

Business education should allow graduates to understand the role of business in society and wider responsibilities towards all stakeholders. Recently the most attention is devoted to this topic given the importance of sustainability in today’s world, especially after the announcement of Sustainable Development Goals (SDGs) by the United Nations aiming at balancing social, economic, and environmental sustainability globally (UNDP, n.d.). Furthermore, consumers around the globe are increasingly aware of sustainability issues and demand the CSR behavior of brands. Especially, the young generation wants to buy from companies they believe are ethical (Kolster, 2020). Changes in consumer behavior require that organizations rethink their efforts from the sustainability point of view (Gigauri & Djakeli, 2021). Moreover, CSR and organizational performance are linked and companies progressively pay attention to their reputation derived from their social and environmental responsibilities (Singh & Misra, 2021).

Besides, the significance of CSR has intensified after the COVID-19 pandemic crisis that has led to the increased attention of governments and market actors towards the concept (Bae et al., 2021). Social and environmental issues are considered to be at the center of the recovery plan (Bae et al., 2021). To respond to this expectation, many companies have contributed to society under their CSR programs to preserve shareholder value (Bae et al., 2021). CSR is beneficial for a company for many reasons, such as reducing costs risks, increasing corporate reputation, enhancing supply chain, improving quality and productivity, gaining customer loyalty, and creating an ethical culture (Singh & Misra, 2021). Additionally, CSR is a main driving force for employee green behavior as well as facilitates employee wellbeing (AlSuwaidi et al., 2021).

Correspondingly, the demand for CSR managers and ethics consultants increases in contemporary organizations. Ethic experts or CSR managers participate in the business planning process to bring ethical consideration in decisions at contemporary organizations. The business education programs have to reflect this trend by offering courses in CSR and business ethics. The stakeholders’ requirements and preferences need to be considered when working on programs at business schools. For achieving success, universities are improving their programs constantly. As sustainability issues are at the center of attention around the globe, higher education institutions need to adapt their programs according to new demands running business ethics and CSR courses. Therefore, studies should be followed to determine industry requirements and discover or develop new approaches for effective teaching.

The remainder of the article is organized as follows. After the Introduction section, business education is discussed, and various methodologies are contrasted. Then, the importance of teaching business ethics and corporate social responsibility in business schools is emphasized. Finally, approaches to teaching ethics and CSR are suggested, and conclusions are drawn.
2. PECULIARITIES OF BUSINESS EDUCATION
A traditional curriculum in business schools focusing on textbooks does not teach students to analyze issues from various perspectives limiting their ability to solve multifaceted problems (Chandler & Teckchandani, 2015). Business teaching still punishes failure allowing students one attempt per assignment that hinders risk-taking and creativity (Chandler & Teckchandani, 2015). But both skills are pivotal for problem solving in the real world.

The research conducted by Hodges and colleagues (2015) focused on preparing graduates to work effectively while enhancing students’ awareness of challenges and opportunities as well as teach them entrepreneurial skills necessary for working (Hodges et al., 2015). Higher Business education curricula should address the need for future professionals through teaching entrepreneurial knowledge and business skills from a global perspective (Hodges et al., 2015).

Chandler and Teckchandani (2015) have paired Liberal Learning (LL) philosophy with Social Constructivist Pedagogy (SCP) to suggest business education transformation aiming at cultivating critical thinking and creativity of students. Both - critical thinking skills and creativity are interdependent variables as creativity requires critical thinking, and critical thinking is improved through creativity skills (Baker & Baker, 2012). In addition, while LL concentrates on learning outcomes, SCP centers teaching and learning processes leading to the desired outcomes (Chandler & Teckchandani, 2015). These teaching concepts enable students to be active learners rather than passive listeners developing problem-solving skills in this way (Chandler & Teckchandani, 2015). Therefore, in combination these approaches can complement gaps in business education and may define its future direction (Chandler & Teckchandani, 2015).

Course planning is of vital importance in the higher education systems to meet the demands of students, lecturers, and industries (Kiriş, 2014). The stakeholders’ requirements and preferences need to be considered when working on programs at business schools. According to the Bologna process, European universities have to develop student-oriented, learning-oriented teaching systems with quality assurance (Kiriş, 2014).

Business education must enable graduates to create and maintain a successful enterprise through designing programs fostering the professional development of students (Hodges et al., 2015). The Integrative Business Experience (IBE) approach connects core business courses and an entrepreneurial practicum course requiring students to create a real start-up business with a bank loan (McCord et al., 2015). The IBE program gives students an opportunity to launch and manage a business enterprise, to develop students’ sense of ethical and corporate responsibility as the program requires to use the profit for funding nonprofit projects, and encourages students to take individual responsibility to the community by personal involvement in a social project (McCord et al., 2015).

Likewise, students need to have reflective, analytical, and collaborative thinking, team and communication skills, meaningful job experience that contributes to their understanding of business operations (McCord et al., 2015). The Team-Based Learning (TBL) method focuses on content application while developing students’ interpersonal and team skills (McCord et al., 2015). The IBE helps develop critical thinking since students can conduct business in the real world, as well as teaches core courses through the TBL method (McCord et al., 2015). Thus, Experiential Learning Theory allows transforming learning through experience, and consequently, IBE coupled with TBL encourage teamwork, as well as interpersonal, and communication skills essential for problem-solving (McCord et al., 2015).

Furthermore, academic entrepreneurship refers to commercialization on the campus of the university with a strategic approach and includes licensing, patenting, and start-up creation (Siegel & Wright, 2015). Universities are no more viewed as providers of “education for education’s sake” or “knowledge for knowledge’s sake”, but rather they are expected to adopt a more utilitarian perspective to generate wider benefits for society (Siegel & Wright, 2015). This leads to changing purpose and role of universities and fuels debates about whether all universities should be involved in academic entrepreneurship.

Finally, the business education programs are transforming hand in hand with changes occurred in society around the world, mirroring new demands on the labor market, and offering modern teaching methods for effective learning.

3. BUSINESS ETHICS AND CSR COURSES AT BUSINESS SCHOOLS: WHY AND HOW TO TEACH CSR?
In many business schools, business ethics is part of the educational program aiming at preparing ethical business leaders (Heller, et al., 2010). Students need to learn both about unethical business behavior and about companies operating with integrity and social responsibility (Heller, et al., 2010).

Higher education institutions not only provide degrees but also develop responsible citizens, managers and employees with a sense of morality and integrity (Gottardello & Pàmies, 2019). Responsible management contains sustainability, responsibility, and ethics (Tamis & Gentile, 2020). The scholars argue that organizational performance can be improved through education and hence, future managers and entrepreneurs need to have education in
corporate social responsibility to overcome challenges current organizations are facing (García-Álvarez & Atristain-Suárez, 2020).

The purpose of ethics courses is to explain ethical behavior, and ethical decision-making as well as train them to resist other’s unethical actions (Gottardello & Pàmies, 2019). Previous studies argued that the demand of ethical and supportive leaders is growing among young employees who also prefer to work in ethical organizations (Gigauri, 2021; Gigauri & Mushkudiani, 2021).

Apart from teaching students ethical values and comparing what is good and bad, improving their personal and emotional skills are also essential, as graduates need to take into consideration the interest and viewpoint of different stakeholders (Gottardello & Pàmies, 2019). Moreover, Gottardello and Pàmies (2019) found out that culture is also a vital variable; for example, countries with individualism unlike collectivist cultures follow or transmit ethical values and tend to train future leaders in honesty and integrity.

The design of a CSR curriculum needs to allow students not only to develop their knowledge but to act as sustainability change agents with critical analysis, communication, negotiation, and change management skills (Stubbs & Schapper, 2011). As claimed by Stubbs and Schapper (2011), the teaching method of CSR subject should encourage independent research, discussion, and reflection within but also outside the classroom, as independent learning contributes to development research skills and critical thinking (Stubbs & Schapper, 2011).

It is worth noting that professors and their concepts play an influential role in teaching ethics at universities (Gottardello & Pàmies, 2019). They can not only promote ethics but also help students to understand the complex realities and engage in fair business practice (Gottardello & Pàmies, 2019).

The research confirmed the effectiveness of mobile apps along with traditional methods for teaching CSR to undergraduate students (Alonso-Martínez et al., 2019). Moreover, mixed teaching methods combine traditional textbooks, handbooks, and scientific journals with digital tools such as apps, videos, technological aids, and have the capability to increase business students’ CSR and sustainability learning outcomes (Alonso-Martínez et al., 2019).

In this regard, Sholihin and colleagues remark that virtual reality (VR) can fill the gap between business ethics theories and their application in the real world (Sholihin et al., 2020). Media-based VR for teaching business ethics make the learning process interesting, motivating, and ultimately improves learning effectiveness (Sholihin et al., 2020).

Furthermore, the Giving Voice to Values (GVV) methodology enables teaching future leaders and managers not only to articulate their ideas but also how to listen in terms of really hear their employees as well as other stakeholders. Graduates need to possess skills to give voice to their values and make ethical decisions even under pressure (Tams & Gentile, 2020). The concept of GVV highlights the important role of ethical action, rather than only recognize problematic behavior, and can teach students how to develop arguments based on collected data taking into account different perspectives (Tams & Gentile, 2020).

Since future managers need to understand their roles in fulfilling Sustainable Development Goals (SDGs), business education in CSR and sustainability should not remain solely in a utilitarian practice (Ramboarisata & Gendron, 2019). However, the research findings indicated that there are multiple barriers to non-utilitarian teaching created by business scholars, business school deans, business media, and ranking systems (Ramboarisata & Gendron, 2019).

Generally, movies and case studies are broadly used to illustrate moral and unethical behaviors in CSR and business ethics classes. Movies being a visual method of storytelling are considered to be a powerful medium to display courage, honor, generosity, as characters portray moral examples (Teays, 2015; Teays, 2012), but they also demonstrate unethical behavior. Therefore, movies can sharpen students’ moral reasoning skills, and bring ethics to life by presenting ethical dilemmas and stimulate deep thinking (Teays, 2015). Besides, case studies facilitate ethical reflection and evaluation of moral conflicts as well as illustrating moral dilemmas (Teays, 2015). Using real-world cases during business ethics classes, students can discuss social, political, and ethical issues (Teays, 2015).

Thus, movies in combination with case studies have the ability to present corporate behavior from a distance and as a result, inspire moral reasoning of students, leave their marks on them, stimulate thinking, and encourage them to apply ethical decision-making to their own lives (Teays, 2012).

Eventually, case studies help students develop judgment by exposing analogies. Because of rapid changes and constant uncertainties, future leaders and managers need judgment skills to cope with difficulties. The scenarios in case studies give students a structure that improves their strategic thinking to identify solutions for ethical dilemmas.

In the similar vein, business ethics classes should not tell students what is right or wrong, but teach them instead what they need to figure out and how to think about difficult situations they will face as business leaders. Furthermore, experiential learning gives a sense of empowerment and prepares graduates for the real world. In this respect, case studies are valuable for teaching ethics, as it requires critical thinking to solve various moral problems considering multiple stakeholders in their decision-making. By the same token, creativity enhances imagination that helps graduates to reflect on how their decision will affect all stakeholders. As a result, future leaders will be more
innovative, more imaginative, have creative, and analytical skills. Furthermore, case studies can be discussed in the light of different ethic theories to explore morally right and wrong behavior. Students can put themselves in those positions and debate the actual situations. Albeit students, in general, make right - moral, ethical decisions when working on cases, essential is to put them in real situations where they have to make decisions, and where they have some interest. As a consequence, they explore how to translate thoughts and choices into actions in the real world. Under such circumstances, students can experience ethical decision-making in lieu of talking about it.

4. CONCLUSION
In this article, the business education framework was outlined, and the philosophies behind business education are overviewed. Additionally, the importance of and approaches to teaching business ethics and CSR were discussed. The purpose of business education should be to widen the lenses and perspectives of students to see the world from different angles, which ultimately empowers graduates to take more ethical decisions. Since CSR principles need to be integrated into all aspects of business activities, a new generation of business leaders should be equipped with appropriate skills and knowledge.

Along with business competencies, business education programs must prepare graduates with a broader horizon of moral issues they will encounter in society and the workplace. Respectively, adopting new approaches is necessary to bridge course content and the real world.

Finally, higher education institutions should give examples themselves by engaging in CSR programs. In addition to teaching business ethics, they should design CSR activities in which students can take part. Organizations such as universities can represent change agents creating incentives for positive transformation in society towards more ethical business behavior.

REFERENCES