Ethics – Are Business Schools the Source or Solution of Ethics Education Problems?
The Process of Formulating and Adopting Separate Faculty and Student Codes of Ethics

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Abstract

In 1789, the scion of business economics, Adam Smith, presciently observed in his “Wealth of Nations” “The directors of companies, however, being the managers of other people’s money than their own, it cannot well be expected, that they should watch over it with the same anxious vigilance [as owners] …Negligence and profusion, therefore, must always prevail, more or less, in the management of the affairs of such a company.”1 How might this relate to the present? Former Federal Reserve Chairman Paul Volcker has observed, “I was struck not too long ago when a leading figure on Wall Street said to me, ‘What do you expect when for 20 or 30 years all our best business schools have been teaching the ideology that the stock price is the only thing that counts.’ And it wasn’t to stretch the corollary far to say anything you can do to get the stock price up is appropriate.”2 If our best business schools are teaching that this is appropriate behavior, then it is not hard to see why business ethics has become a burnt offering on the altar of stock prices among other economic misdeeds.

The Aspen Institute’s executive director of the Business and Society program, Judith Samuelson relates:

Today’s business schools are under the microscope of public opinion. Many critics, including business schools’ own faculty, are calling for reform. A generation from now, will we be able to look back and say we were successful at making real changes? From my perspective, this is the acid test: In a world that is crying out for innovative and principled leaders, can they and will they come from business?3

Aside from a cornucopia of media reports of corporate ethical misconduct, evidence of mounting public opinion is reflected in polls, such as one recently conducted by the Marist College Institute for Public Opinion finding “that most Americans—and two-thirds of executives—give corporate America failing grades for honesty and ethics.” This same poll also reported that 76 percent of the U.S. public “believe that corporate America’s moral compass is pointed in the wrong direction.” The poll hit home a point that should draw the attention by business faculty, notably that “a majority of Americans, including two-thirds of executives, gave the financial and investment industries a grade of ‘D’ or ‘F’ in ethical matters.” Asked to explain “the primary factors that drive the business decisions of executives, more than 90 percent of Americans—and executives themselves—said that personal career advancement and personal financial gain rank equally high with corporate advantage.”4

In partial response to ethical consternation in business education, research subsequently led to the development of separate codes of ethics by the students, faculty, and administrators of the University of South Dakota Beacom School of Business. This article identifies the ethical code formation and adoption process that ultimately can lead to creation of aspirational student and faculty codes of ethics.

Introduction

If Paul Volcker and The Aspen Institute are right—that business schools bear some amount of responsibility for our current global ethical and economic crisis, how might these schools bring about a correction in unethical business decision-making? The Association To Advance Collegiate Schools of Business International’s (AACSB) requires that an accredited “institution or business program of the institution must establish expectations for ethical behavior by administrators, faculty, and students.”5 Seeking a renewed and elevated focus on ethics, how might a business school go about developing both a student and faculty/administrator code of ethics? Given different academic roles, there needs to be a different code for student business ethics that is separate from a faculty/administrator code, as they serve different groups in a business school learning community. Together they need to “[t]each a business model that promotes long-term sustainable growth rather than the shareholder-centric model that externalizes costs and discounts the future.”6

Sustainability is a word gaining prominence in business vernacular today. Its definition can be traced to “Our Common Future,” a 1987 report by the United Nations’ Brundtland Commission. It defines sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”7 Sustainability is also the theme of Pulitzer Prize winner Thomas Friedman’s 2008 futurist treatise, Hot, Flat, and Crowded that is garnering so much current business attention and discussion. It is a word that is becoming commonly used with business ethics.

Importance of Ethics in Present Business Environment

Recent events in corporate America demonstrate a lack of ethical perspective and sustainability by a number of business professionals today. When ethics are not present, devastating and destructive effects occur for constituents of the business enterprise and society as a whole. For example, on January 5, 2009, The Wall Street Journal reported in an article entitled “Keeping the Watchdogs Busy” that with the declining economy, some financial organizations are foregoing certain compliance measures. Citizens are becoming concerned over the growing rate of businesses unethically trying to cut corners in order to save money.1 A moral compass drives business excellence and enables corporations to better serve society. Moral behavior begins in business schools by insisting learners practice ethics while they are studying them in the classroom. Ethical conduct cannot just be taught; it must be established, reinforced, and exercised. The Aspen Institute’s Judith Samuelson argues business
schools can be the leaders in such education. “They can teach students that the freedom to operate requires considering the constituents all along the supply chain who are most affected by business decisions—employees, host communities, and their natural resources.”9

**Genesis**

Corporate leaders have never faced as many complex challenges as they do in the world of business today. Character matters in business, and the best situated graduates are those with a firm intellectual and moral foundation in integrity and ethical behavior. The AACSB recognizes the need for this tailored distinction in its Accreditation Standard E, which requires that business school stakeholders have a code of ethics. Public opinion confirms the wisdom of this course of action. Three-fourths of Americans and more than nine in ten executives surveyed by the Marist College for Public Opinion “think that a business can be both successful and ethical. Likewise, three-fourths of Americans and 86 percent of executives believe people should have the same ethical standards in business as in their personal lives.”10 This is an evolving phenomenon. Even though the University of South Dakota School of Business was founded over eighty-two years ago, no separate faculty or student code of ethics existed separate from a generic university code until 2008.

The Eligibility Procedures for AACSB International Accreditation Standard E requires that “[t]he institution or the business programs of the institution must establish expectations for ethical behavior by administrators, and students.”11 The AACSB also calls for model ethics codes that permeate the curriculum and provide a business behavior model of a life worth living for servant-leaders. “AACSB believes that ethical behavior is paramount to the delivery of quality business education. Schools are encouraged to develop ‘codes of conduct’ to indicate the importance of proper behavior for administrators, faculty, and students in their professional and personal actions.”12

**Maintenance of Accreditation**

This research project enabled the Beacom School of Business to more fully comply with the recently adopted accreditation standard prior to its reaccreditation inspection in January 2009. AACSB accredited institutions face the reaccreditation process every three years to ensure commitment to continuous improvement. To maintain accreditation, schools must satisfy distinct standards of excellence, and leaders of the school must devote their time to persistent improvement and advancement in the academic and business profession. John Fraedrich, Linda Ferrell, and O.C. Ferrell captured it well when they observed:

Business ethics issues that have become extremely relevant include concern for stakeholders, corporate governance, and the institutionalization of business ethics by government and society. Business schools are being asked to do a better job in teaching business ethics to help prepare future managers and to achieve accreditation by AACSB International by maintaining appropriate standards. In addition, more corporations are developing ethics programs and making ethics a higher priority than in previous years.13

**Background**

Research reveals there are 464 AACSB accredited business schools. Surprisingly only 165 (or 35.6 percent) have a student ethics code. Even more interesting, only 61 (or 13.1 percent) have a faculty code of ethics. These numbers reflect that few business schools have both a student ethics code and a faculty code of ethics. Perhaps Mr. Volcker is not far off in his observation that most business schools may be teaching the belief that nothing matters except a company’s stock price. Who has a greater need for teaching ethics—schools of business or publicly traded corporations? Especially at this distressing time in American economic history, never has there been a greater need for business educators and their pupils to make a clarion call for ethical behavior of the highest order.

**The Beginning**

Two student research assistants were recruited in April 2008 to perform a review of the 464 AACSB accredited schools in the United States and to help draft ethics codes. They had the opportunity to learn about ethical teaching and practices by studying various business schools around the country. The students were able to build their research skills, conduct focus group interviews, design and organize a mass survey, analyze the data, and draft proposed student and faculty codes of ethics. Research, analysis, and code-drafting are all practical business skills, especially in view of enactment of the Sarbanes-Oxley Act in 2002, which required all publicly traded companies to have a code of ethics, but somehow neglected business schools.14

**Review**

The first step in this research project began with an overview of the South Dakota Board of Regents (SDBOR) Student Disciplinary Code15, SDBOR Faculty Code of Professional Conduct16, and the University of South Dakota (USD) Career Service and Non-Faculty Employee Handbook17 containing University of South Dakota policies involving ethical standards. The business school codes served to build on the university-wide generic codes, while specifically addressing the academic and ethical standards of a great business school. It was imperative that the proposed drafts not be in conflict with the already existing baseline minimum standard SDBOR and University of South Dakota requirements, but rather strengthens them as a counterpart. Before drafting started, it proved instructive that the first step in this research process include a review of other university ethical conduct codes.

**Organization of Research**

The project’s second step was to devise a method to organize and tabulate results obtained from the peer code review. A spreadsheet was created to be a repository of information regarding the 464 AACSB accredited business schools that would be analyzed. For every business school listed on the spreadsheet, there was a column to record its Internet website address, location in the United States, current student enrollment, and total number of faculty employed. In addition, it was recorded whether or not the school had a student, faculty, or a general university-wide code of ethics present within their business school. The final column asked for a qualitative rating by the research assistants of
the codes present within each business school using a 1 to 10 system, with 10 being the highest and 1 being the lowest. Criteria used to determine each code’s score were creative appeal, ethical magnitude, and amount of detail.

Business schools operating with only a general code of ethics, one which is applicable to students in all areas of the university, were rated below 5. Business schools which used some form of tailored, distinctive code for business students or faculty were given a rating above 5. The ratings allowed the research assistants to identify which schools held specific ethics codes, and which did not. A business school received a rating of 7 or 8 by utilizing a code of ethics that proved well-written, easy for students to understand, and appealing. The ratings also provided the research assistants with a way to easily denote the most interesting codes, as they had the highest ratings.

Contacting Peer Business Schools

Two approaches proved to be most effective when searching for an ethics code. One was searching the business school Internet website. If the codes could not be found online, the dean or Associate Dean of the business school was contacted by email. The email explained what research was being conducted and requested a copy of the business school’s code of ethics for students or faculty if one was available. An email seemed to be the most appropriate form of communication with the deans and associate deans because the research was being conducted over summer break. It became easier to reach someone via email rather than telephoning their office. Also, contact through email allowed links and attachments of codes to be included in the response email.

Research Results

The ethics code review revealed the following:

- 464 – AACSБ Accredited Schools Reviewed.
- 165 – (35.6%) have a Student Honor or Ethics Code.
- 61 – (13.1%) have a Faculty Code of Ethics.
- 157 – (33.8%) have a University–wide general Code of Conduct.
- 81 – (17.4%) undetermined

These statistics reflect that business school ethics codes may be on the rise. It also provides AACSБ accredited business schools with an opportunity to further distinguish their students and administration through the development and application of ethical ingenuity. Society is beginning to expect high moral standards from those who assume the role of business leaders. Through the composition and adoption of student and faculty ethical codes, the University of South Dakota’s business school placed itself among the 61 schools that have sought the higher ethical ground. Especially now with what is transpiring nationally and internationally regarding confidence in business judgment and decision-making, this research project came at an appropriate time. There may be a trend in adoption of business school ethical codes. Innovation may be driving this trend.

The Aspen Institute’s Judith Samuelson argues that an “essential change business schools must undertake is to spotlight genuine business powered social innovation that tackles everything from poverty to climate change.” Going to the heart of business social ethics, she makes an insightful observation:

> [B]usiness schools do a credible job of introducing students to the concepts of social entrepreneurship, or how to create new enterprises defined by their social mission. But they’re not as good at teaching students social intrapreneurship—that is, showing them that companies can pursue multiple objectives, including both profit and social benefit.

Incorporating this in a business school code of ethics would appear to make good sense. Furthermore, a business school student ethics code could be a foundation upon which to build such teaching.

Drafting

The third step in this ethics formulation effort came in the form of analysis of the ethics code review. Every code rated higher than a 5 on the spreadsheet was carefully reexamined by the research assistants. After this second review, each assistant selected his or her ten best faculty codes and ten best student codes. A paragraph was composed justifying why each code was chosen. This justification was then shared with the other research assistant and professor. After review of the twenty student and twenty faculty codes (ten each from the two research assistants), it became clear that each code shared a similarity of creative layout, inspirational format, and consisted of no more than four pages. This review also revealed that inventive touches and innovative characteristics helped codes break through the clutter—reflecting certain codes to be more attractive and memorable.

For example, Towson University’s College of Business and Economics stated in their Student Code of Conduct “Members of the College of Business and Economics community are expected to display behavior consistent with the values of a Positive Attitude, Honesty, Integrity, Diversity, Support of the Learning Process, Community Responsibility, and Professionalism.” The code then went on to define and relate each value to the business school. (Appendix 1) At the conclusion of University of Wisconsin at Milwaukee’s Sheldon B. Lubar School of Business’s Student Code of Ethical Behavior, it states, “We will maintain these principles inside and outside the walls of this institution. We believe that high ethical standards developed here will transcend to high ethical standards in the greater business community.” (Appendix 2)

There are two directions a code of ethics can take. The first is a compliance orientation, which lists required demeanor and consequences for noncompliance. This type of code specifies desired actions, procedures, and required behavior for every individual to whom it applies. It may seem, however, like another list of rules laid upon students and faculty in addition to the pre-existing university policies.

The second direction a code of ethics can take is values orientation. This type of code strives to instill moral fiber and values into its followers. Research has shown that values-based ethics programs increase individual awareness of ethics, their integrity, and their perception that
more appropriate decisions are being made.22 This second type of code was chosen for the Beacom School of Business students and faculty because it would exceed the minimum requirements previously set forth by the university, challenging individuals to improve their character and integrity in a business learning environment. A values-based code appeared the best way to communicate the ideals and shared values of the business community.23

“According to a Wall Street Journal/NBC poll released on April 11, 57 percent of the 1,005 people surveyed said the ‘standards and values of corporate leaders and executives’ have dropped in the last twenty years’, not unlike the Marist College of Public opinion survey findings.24 Consequently, personal values and judgments play a critical role when leaders make business decisions. These values and judgments need to be cultivated as early as possible to ensure morally sound decision-making. Therefore, the thrust of this research project became the development of a culture within the business school, a culture embracing ethical actions through moral thinking. The culture would nurture one business school member helping another member aspire to think ethically, and not just to avoid being reprimanded. These codes of ethics were inspirationally drafted so they would apply to a variety of possible situations, both in and out of the business school. Inspirational codes should be applicable for students and administrators after they leave the school. They help to develop an ethical lifestyle through the guidance of normative behavior.25

The student researchers felt that the student code needed to be the more creative of the two codes, as it is likely students would be less interested in this idea initially than faculty might be. The researchers created a student code which was unique to the business student body with the use of the acronym B.E.A.C.O.M. representing the Beacom School of Business.

Desiring that the faculty/administrator code also be creative, the research assistants and professor debated and analyzed the pros and cons of the best way to format this code of conduct. The 360 degree discussion made it apparent that members of a business school faculty and administration are subject to various and distinct responsibilities. They often play five major roles: university employee, educator, scholar and researcher, colleague, and community member. In order to accurately represent these varying demands, the professional code was divided into the five duties a member of a business school carries. This helped the code apply to all faculty and administrators while they are representing the business school and when they are not.

**Focus Groups**

After review and discussion, the fourth step in this project involved the research group drafting two separate codes that were aspirational in nature and full of ethical stimulation and encouragement. Instead of sanctions or disciplinary motives, code drafting concentrated on improving ethical conduct. Thereafter, the research project involved focus groups to gather opinions, critiques, and ideas about the two draft codes. Students and faculty were asked to participate in the discussion because both groups would be greatly affected by each Code. It is important to seek input from both business school stakeholder constituencies to ensure full understanding and inculcation.

The number of participants in each focus group was set at a minimum of three and a maximum of thirteen to ensure utmost contribution from each member.26 At least three people were needed for each focus group to encourage participation and generate various insights. Research shows that smaller groups of people tend to suffer from an inclination of group members conforming to prevailing points of view to help maintain interpersonal relations.27 At the other end of the spectrum, research also indicates that groups larger than thirteen people often lead to only two or three people feeling comfortable enough to express their opinions, thus leading the group’s thoughts and frightening others from participating.28

A representative group of students and faculty members served as the first focus group for the student code. Three students (not including the project’s research assistants) and three faculty members (not including the project’s professor) gathered in the business school in the middle of August 2008 to discuss the proposed student code of ethics. A separate focus group was held later that same day to analyze the faculty/administrator code of ethics. The faculty/administrator focus group consisted of two students and seven members of faculty, staff, and administration. Participants in each focus group received a copy of the proposed code and its preamble, and were asked to carefully read them beforehand. Each focus group began with a short summary of the research completed, and the purpose of composing each code. The meetings involved open discussion with the research assistants reading the Preamble and Code out loud line by line. After each passage, questions and critiques from the groups were encouraged. The project members sought areas for improvement or clarification. The respective focus group comments greatly improved the proposed drafts in both quality and content.

Many positive results arose from the interaction of the focus groups. Participants highlighted elements of ethics the code did not touch on and also critiqued points in the codes they did not feel were necessary. Participants helped to compose more lucid phrasing and grammar. Most significantly, the focus groups built confidence that the business school community would accept the two drafted ethical codes when they came up for adoption.

**Email Solicitation**

Based on the focus groups’ constructive comments, the project’s fifth step involved revision of the draft codes. After revision, they were then ready for a wider variety of business school affiliates’ review and input. After all, an ethics curriculum can only be as strong as its readers interpret it to be.

The sixth step in this ethics endeavor consisted of an e-mail sent out to all of the school’s faculty, staff, and administration asking them to review the attached Professional Code of Ethics. Another email was sent out to all of the school’s students and faculty asking them to review the attached Student Ethics Code. Two specific responses were solicited by the email message – (1) comments for revision and (2) whether they supported this draft.

Eleven positive responses were received. There were no negative responses. It is suspected that the lack of more responses was due to the time of year the survey was sent out – at the end of summer. Both students and faculty were distracted from their e-mail for various reasons such as family vacation, travel, or a summer job. However, the responses received contained helpful points of criticism, suggestions for alterations, ambiguities that lay within, and encouraging words of support. One of the respondents wrote, “I feel this code may rival any other of its kind at this university or neighboring institutes. This truly displays what the School of Business stands for and how it intends to lead our
students into the future.” Another person commented, “I commend the School of Business for fostering responsibility, leadership, respect and professionalism among its members. Thanks for all you do to help make this a living-learning community.”

Council of Presidents

At this phase in the research process, the codes had been reviewed at two different points in time by focus groups and through mass emails. The research group felt that wording within the codes appeared eloquent, lucid, and understandable. Questions began to arise, however, as to whether the business school student body would adopt the ethics code. To solicit support and further strengthen the drafts, the seventh step involved the research team meeting with the School of Business Council of Presidents (COPS), a gathering of the presidents of various student business school organizations. The student code was presented to the presidents asking for their support, comments, and encouragement. They brought the student code back to their organizations to discuss and debate it with their student members.

A meeting was arranged five weeks later to gather comments from the student presidents. Five weeks allowed ample time for the COPS members to review the code with business students one last time, seeking further revisions and critiques. The presidents brought back several wording suggestions, ideas for clarification, and constructive format comments. They helped to ensure each value included in the B.E.A.C.O.M. student code encompassed the most common ethical situations students have encountered in the past and may encounter in the future. The presidents were also asked to hold a vote within their organization to determine the amount of support we could expect when a business school-wide referendum vote was conducted. Each organization recommended adoption of the code.

Adoption Process

Another purpose for approaching the COPS meeting was to seek ideas for the best way to conduct a student vote and institutionalize the code. Several options were debated such as an online vote, a requirement for class registration, a voting booth set up in the main hallway of the business school, or the dissemination of voting ballots in every class. The latter option allowed for the most accurate calculation of votes, largest reach of students, easiest way to provide explanation of the importance of voting, and comprehension of the code. Voting during class time allowed students to fully read through the code, comprehend its meaning, and carefully discuss their vote. It ensured that nearly every student enrolled in business school classes would be allowed the opportunity to cast a ballot and that all votes could be easily tallied.

The next day an email was sent to all professors in the business school explaining how to distribute and collect the ballots for each class, and to ensure duplicate voting was avoided. Two days later, ballots (Appendix 3) were passed out to students, collected, and then sent to the Office of the Dean of the Business School for an official count. The Student Code of Ethics passed with flying colors. The vote was 557 in favor, 66 against.

Professional Code Adoption

The Professional Code of Conduct was presented to the faculty and administration at a joint meeting for an adoption vote. The presentation preceding the vote was met with an intense debate as to why additional ethical governance was needed. The dissenting view argued that a faculty and administration code was unnecessary. Since the South Dakota Board of Regents already had a disciplinary system in place for addressing faculty and staff misconduct, some faculty felt that a supplementary code was unwarranted. Especially in view of the business community’s economic and moral leadership breakdown, the ultimate consensus was that faculty needed to make an affirmative statement about the place of ethics in the Beacom School of Business. It was argued that it is their duty, as leaders of the business school, to lead by example and supply valuable direction for daily decision-making.

This relates to the notion that business should be viewed as profession. What distinguishes a profession from a trade? The Aspen Institute Center for Business characterizes it as:

…[O]ne that includes the notions of service, common knowledge, and common values. Harvard professors Rakesh Khurana and Nitin Nohria have proposed a written code for business, much like the codes that exist for doctors and lawyers. With these scholars and others—including Angel Cabrera, dean of the Thunderbird School of Global Management, which already has a code in place for its graduates—we have begun to explore the idea of a “Hippocratic Oath” for business. We think the time is right for a moral touchstone, a credo that helps managers sustain their commitment to practicing business as if the wider world matters.29

Why is this wrong? If business ethics is about correct decision-making, then having a baseline ethical standard of behavior to work and teach from is critical. An ethics program will not be effective if the business school’s leadership fails to provide the vision and support needed for ethical conduct. The professional code was created with the purpose of generating an ethical climate, one which demands compliance of its leaders. In the marketplace of competing ideas, the consensus faculty and administrator view prevailed.

Role of Values in Drafting Ethics Codes

The approach used to compose the adopted codes is value based, not disciplinary, as processes for misconduct are already in place at the student and faculty level. Business school codes of ethics are about the beginning of the ethics formation journey. The development of ethical conduct codes is a way for business schools to offer additional guidance for appropriate professional business behavior. The codes can be resources to refer to when it becomes unclear in a business situation what is the appropriate course of action. With so much ambiguity present in many ethical situations, a code of ethics may give business school students and professional staff a means to apply these values. Those who become members of the business school are provided a framework to fairly analyze the difficult problems that accompany today’s business decisions.30
**Display of Student and Professional Codes**

Planning has also begun to place the codes on physical display within the walls of the school’s new building, set to be finished in the fall of 2009. The codes will be engraved plaques placed in a prominent location to convey the moral culture and high ethical ideals of the school. The codes carry the purpose and promote the qualities of honesty and integrity. They help build a reputation for fair and ethical business practices. They state not only who the members of this business school are, but who they want to be. (See Appendices 4 and 5 for the Student and Professional Code). This will be a lasting legacy. If business ethics do not start at least in the business school, then where should they start? A student code and faculty/staff professional code of ethics is, in fact, the place to start. The leading business schools already realize this and have made the ethics code formation journey. The next logical step is to implement an ethics training program that integrates these codes within the school. What should such an ethics training program address? That must be the subject of another article to come.

**Conclusion**

At this moment in business education history, ethics is the most important subject we should be discussing, debating, and forming a united academic consensus on. This consensus should be for the purpose of changing the direction that has brought so much fiduciary disservice to our profession, the economy, and our people. The most successful companies historically appear to be those characterizing their most treasured value as being “service.” Profit is without question an indispensable component or reward to business service. Our teaching error, however, has led to the displacement of the “service” theme, focus, and corporate purpose, with that of “profit.”

What we learned from Enron and the current market crisis is that mistakes weren’t fueled by lack of knowledge, but by greed, short-term thinking, and pay packages aligned with immediate results. Plenty of individuals could have helped avert disaster if they’d had the courage—and competence to speak up about the bad behavior they were witnessing.

Polling this subject, the Marist College Institute for Public Opinion found that “[i]nterestingly, three-fourths of Americans and more than nine in ten executives think that a business can be both successful and ethical. Likewise, three-fourths of Americans and 86 percent of executives believe people should have the same ethical standards in business as in their personal lives.” These competing forces in business pose a conundrum for business school faculty:

At Aspen CBE [Center for Business Education], we certainly don’t think business schools are wholly at fault for the world’s current financial woes. However, we do believe they bear some responsibility for teaching the narrow focus on short-term financial metrics that flows from the dominant theory of shareholder value. That kind of thinking led to the exaggerated risk-taking we are paying for now.

Through the creation and embracing of ethical ideals and aspirations, this school and faculty are respectfully disagreeing with former Federal Reserve Chairman Paul Volker’s claim that business schools teach “that the only thing that matters is raising the stock price.” This research project demonstrates that ethical ideals still exist. They are a critical factor for success in the business world, and in one’s own pursuit of happiness. Here, moral values are not unimportant rules that can be shoved aside to ensure a game-winning victory. The rules matter and they are critical for a successful business career and a fulfilling life.

Sir Ernest Shackleton captured it best when he wrote:

"Life to me is the greatest of all games. The danger lies in treating it as a trivial game, a game to be taken lightly, and a game in which the rules don’t matter much. The rules matter a great deal. The game has to be played fairly or it is no game at all. And even to win the game is not the chief end. The chief end is to win it honorably and splendidly."
Appendix 1

Code of Conduct

The objective of this code is to hold ALL members of the College of Business and Economics (i.e., students, faculty, administrators, and staff) to a high standard of academic and personal integrity, conduct and trust with the intent of promoting and building a reputation for fair and ethical business practices, for tolerance of others’ opinions and ideas, and for being life-long contributors to society. Members of the CBE community are expected to display behavior consistent with the values of a Positive Attitude, Honesty, Integrity, Diversity, Support of the Learning Process, Community Responsibility, and Professionalism.

The following is a definition of each value:

I. A Positive Attitude – Face every task with passion and purpose.

II. Honesty – Represent oneself honestly in all communications, oral and written, including interviews, research proposals, manuscripts, student assignments, papers, exams, and other correspondence.

III. Integrity – Execute assignments honestly and fairly, avoiding any actions that might be construed as having the potential for one to gain an unfair advantage. Respect the integrity and confidentiality of ideas, materials, data, and the real and intellectual property of others gathered during conversations, class projects or research studies, making sure that any such materials or property are not used for commercial or personal gain without prior permission of the owners.

IV. Diversity – Foster a positive learning environment for all individuals by not tolerating disparaging comments or harassment of any individual or group based on gender, race, ethnicity, religion, or sexual orientation. Discourage bigotry, always striving to learn from the differences in the cultures, ideas, experiences, and opinions of others. Respect the dignity of all others.

V. Support the Learning Environment – Recognize learning as a lifelong process, accept responsibility for one’s own learning, encourage the learning of others, and avoid any action that might impede the learning of others.

VI. Community Responsibility – Contribute to the learning environment by participating and/or leading in informal and formal sessions including classroom and extracurricular activities in the College, sharing experiences with peers, holding classroom discussions, and contributing one’s views while respecting the views of others.

VII. Professionalism – Maintain an attitude of leadership, respect, responsibility and accountability.

Administration of the Code

This Code of Conduct is a serious statement that represents the culture of the College of Business and Economics. It is incumbent on every CBE member to assure that it is upheld with pride and reinforced on a daily basis. While each and every member of the CBE community is responsible for his or her own conduct, there is a collective responsibility to ensure that the standards in this Code are respected. Should a member of the CBE community discover a breach of these principles, that member is responsible for alerting the Department Chair or Associate Dean of the College. In the event of any accusation of a breach of this code, there will be an investigation of the facts by the appropriate Department Chair or Associate Dean, who will determine the action to be taken using the relevant enforcement means available.

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College of Business and Economics
Stephens Hall, Room 218
Phone: 410-704-3342
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Appendix 2

Student Code of Ethical Behavior

The students of the Sheldon B. Lubar School of Business at the University of Wisconsin-Milwaukee believe that ethical behavior in business starts with ethical behavior in business school. We are dedicated to the establishment of high ethical and moral standards. For this reason we have developed the following code of ethical behavior for all student members of this academic community to adopt.

We shall…

Promote Honesty and Integrity
· Pursue academic goals with the highest standard of honesty and integrity while enhancing our personal reputations and that of the Lubar School of Business.
· Take responsibility for our learning and hold ourselves accountable for our own actions.
· Develop and covet integrity and ethical behavior in the classroom, on campus, and in the community while maintaining professionalism at all time.

Foster Respect and Team Work
· Embrace common drive, purpose, and positive relationships among students, faculty, and staff.
· Cultivate community and teamwork by respecting the views of others.
· Uphold the principle of fair play and be vigilant against conduct which has the intent, capability, or effect of being deceptive or dishonest.
Appendix 3

TO: Students of the Beacom School of Business
FROM: Council of Presidents of the Beacom School of Business
SUBJECT: Proposed Student Code of Ethics

Business School Codes of Ethics are needed to satisfy a recent standard added to the list of AACSB accreditation requirements. The new AACSB standard requires that an accredited “institution or business program of the institution must establish expectations for ethical behavior by administrators, faculty, and students.” A parallel code has also been drafted for faculty, staff, and administrators of the Business School. The Beacom School of Business will undergo a normal re-accreditation review and visit by an AACSB team this coming January.

A literature review was recently performed which revealed the following:

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61 - (13.1%) have a Faculty Code of Ethics
157 - (33.8%) have a University-wide general Code of Conduct

Based on this research and careful review, a proposed Student Code of Ethics was drafted, selecting parts of other successful Business School Codes of Ethics while crafting original provisions as well. The draft work was shared with a student and faculty focus group this past summer. Soon after, a mass e-mail was sent out to the entire body of students enrolled in the Beacom School of Business asking them to review the attached draft. Based on the focus group’s constructive comments and the student input, a final proposed Student Code of Ethics was created. The final proposal was presented at student meetings by student presidents this past month. A copy is on the Beacom School of Business website.

Therefore be it resolved, we the students adopt the Beacom School of Business Student Code of Ethics.

Yes ________  No________

Appendix 4

Beacom School of Business Student Code of Ethics:

B- Behave in a professional and exemplary manner.

Contribute to the success of others and demonstrate gratitude for the contributions from others. Be fair and objective in the evaluation of administrators, faculty, staff, and fellow students. Foster a positive learning environment for all individuals by not tolerating disparaging comments, discrimination, or harassment.

E- Enhance an atmosphere of mutual respect among all members of the school community.

Show respect to classmates, administration, staff, and faculty. Strive to set a standard of professional behavior in the academic and professional aspects of my life, in and outside of the classroom. Respect our college facility by maintaining a safe, clean, and professional learning environment. Attend all class sessions fully prepared and ready to participate, dress appropriately, and refrain from class disturbances which impede the learning of others, including the unjust or unauthorized use of cell phones, calculators, and other electronic devices.

A- Accept responsibility for one’s own learning and encourage the learning of others.

Recognize that learning is a lifelong process. Practice principles of continuous improvement in academics, interactions with others, and professional goals. Commit to the ongoing pursuit of intellectual and personal development for yourself and peers.

C- Cultivate community and teamwork by respecting the views of others.

Treat fellow students, faculty, staff, and administration fairly and remember that personal variations among people enrich us and society. Discourage prejudices while striving to learn from the differences in the cultures, ideas, experiences, and opinions of others. Respect the dignity of all others. Recognize the responsibility to participate in community-benefitting activities.
O- Own and acknowledge failure just as we celebrate success.

Protect the spirit of the Code of Ethics by encouraging others to uphold its tenets and intervening with those who violate its principles. Accept responsibility for decisions, actions, and inactions, as well as the consequences associated with each. Strive to hold both personal integrity and honesty in the highest regard.

M- Maintain an attitude of leadership, scholarship, responsibility, and accountability.

Avoid seeking unfair advantage over other students, including but not limited to giving or receiving unauthorized aid during completion of academic requirements. Refrain from academic dishonesty, which includes submitting fraudulent work, giving or receiving unauthorized assistance, tampering with the credibility of information, cheating on exams or similar measures of performance, or any other suspect behavior.

(Adopted by vote of students December 5, 2008.)

Appendix 5

Beacom School of Business Professional Code of Ethics

Preamble:

“Integrity without knowledge is weak and useless, and knowledge without integrity is dangerous and dreadful.”

(Samuel Johnson, English author)

Members of the faculty and administration, guided by a passion for the value and distinction of higher learning, recognize the special responsibilities placed upon them. Ultimately, the viability of a business school will depend on the integrity and the capabilities of its members. As role models for future business professionals, it is not only imperative that Beacom School of Business faculty and administration follow ethical business practices, but also demonstrate commitment to linking ethical theory with practice for tomorrow’s business leaders. These ethical business principles go well beyond Board of Regents (BOR) policies and are applicable to general business situations.

Students will be subject to a proposed separate Beacom School of Business Student Code of Ethics. It is understood and accepted that any conflict or confusion between the BOR Code or other BOR policies or the Senate Code or other university policies and the Beacom Code will be resolved in favor of the BOR Code, or BOR policies, or the Senate Code, or University policies.

As members of the faculty and administration of the Beacom School of Business and the University of South Dakota, we shall strive to:

· Accept obligation to honor and defend academic freedom.
· Practice intellectual honesty.
· Act in a manner that will contribute positively to the overall mission and vision of the Beacom School of Business and enhance personal and school reputation.
· Accept a fiduciary relationship with the University based on loyalty, trust, good faith, and candor in performing job-related duties. In order to avoid conflict of interest or appearance of such, we will avoid all situations in which our interests or business dealings could be seen as in conflict with those of the Beacom School of Business.
· Adhere to the stated regulations of the institution, while we maintain the right to criticize and seek revision.
· Respect and safeguard confidential information.
· Avoid any mistreatment, harassment, or discriminatory treatment of students, faculty, administration, or staff.

As educators, we shall strive to:

· Promote excellence and the free pursuit of learning in our students.
· Demonstrate respect for students as individuals and adhere to our proper roles as intellectual guides and counselors.
· Make every reasonable effort to foster honest academic conduct and to assure that evaluation, promotional, and disciplinary decisions for students reflect students’ true merit.
· Remain reasonably accessible to students.

As scholars and researchers, we shall strive to:

· Remain current in our fields of expertise and in the general business environment.
· Propose, conduct, and report research with integrity and with the highest ethical standards.
· Avoid any exploitation of students for our private advantage and acknowledge assistance from them.

As colleagues, we shall strive to:

· Be objective and unbiased in our conduct with colleagues.
· Show civility, courtesy, and respect towards others.
· Accept our share of faculty responsibilities for the governance and operations of our school, institution, and profession.
As members of our community, we shall strive to:

- Avoid creating the impression of speaking or acting on behalf of the Beacom School of Business or the University unless authorized to do so.
- Contribute by doing service and taking on leadership roles when appropriate.
- Be law-abiding citizens.

(Adopted by vote of faculty on November 20, 2008.)

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