

Does ethics have a place in the classroom?

Are Business Schools Brainwashing Their MBAs?

by AMITAI ETZIONI

SOON BUSINESS RECRUITERS will ask prospective MBAs not only about their grade average, but how they scored in their ethics education. Headhunters will want to know not only what beginning salary a client expects but if there are any skeletons in his closet. Ethics has all the earmarks of a new theme for the 1990s: The Bush Administration is setting a higher priority on cleaner government, Congress is considering reforms, and significant segments of the business community are increasingly concerned about the impact of recent scandals in finance, commodities, and other markets. Ethical executives will soon be in demand.

Business schools, in educating the next generation of business leaders, are responding by paying increased attention to ethics. The MIT Sloan School of Management's reoriented curriculum now stresses manufacturing over finance, a concern for the qualities of production over maximizing financial returns in the short run. The Harvard Business School just launched its program in "Values, Leadership and Corporate Responsibility." Other business schools are working to shore up (or start up) their ethics course offerings.

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Far from enjoying universal approval, however, ethics training is widely questioned — and business school faculties are among the challengers. The most common charge, repeated in informal discussions, is that one cannot teach ethics without indoctrinating or "imposing" one's own values.

It goes without saying that indoctrination is unacceptable, whether totalitarian, dogmatically religious, or secularly humanistic. But the reality is that while in teaching one cannot help but communicate an ethical position, indoctrination need not and usually does not occur. There is no ethically neutral teaching. Everything that happens in the classroom communicates an ethical position. The only difference between business ethics courses and all others is truth in advertising: Ethics courses state explicitly when value positions are communicated; the regular curriculum embodies hidden assumptions of which even the professor may be unaware.

For instance, marketing classes that train students in methods of persuasion — putting small products in large packaging, using "hot" colors to trigger impulse buying — teach future business executives that manipulating the customer is ethically acceptable, although this is never mentioned outright. Transmitting unethical positions this way may be even more effective because one is less aware that value judgments are being made. The same holds for classes that teach

managers how to conduct labor relations by seeming to invite participatory decision making without sharing actual control; for finance classes that consider the profit in breaking implicit contracts; and for economics classes that insist people are motivated merely by pleasure or self-interest. Other courses suggest that labor dignity should be recognized, that cooperation is more important than competition, and that genuine worker participation is vital. The specific position is unimportant. The point is that a business class without ethical undertones has yet to be taught.

FEAR OF INDOCTRINATION

Classes in ethics add explicit, open treatment of the value-laden messages that exist anyhow, allowing teachers and students to explore the rationale for taking various positions, and introducing students to methods for working out conflicting moral obligations. Ethics courses also enhance students' awareness that moral issues not only are present in exceptional, obvious circumstances such as price fixing, but permeate nearly every decision an executive renders.

As to the fear of indoctrination, it is largely illusory. Most business ethics teachers do not take a definitive position in their courses. They typically offer several perspectives on an issue (even if they have a hard time hiding their own). More important, students are subject to a multitude of different ethical messages each day, from a variety of faculty, from their peers, and from the culture at large. Hence, even if their ethics teacher were to emphasize strenuously one particular position, it's difficult to see how students would be indoctrinated.

"Well, which values are we to teach?" asked a junior professor during a recent meeting on teaching business ethics. Part of the answer is to increase students' awareness of the moral dimension and to help them sort out their own ethical judgments. One does not have to present one overarching, specific set of values.

However, those very few business schools that do have a common ethics curriculum, in which the classes on ethics all share one perspective, go a step further. They suggest that there are two kinds of values: those which are more or less standard and those over which reasonable people are divided. Leading the list of shared values is respect for the law. There are, of course, very exceptional situations, as the Nuremberg trials showed, in which an appeal to our deepest sense of what is right supersedes the written law. But as a general rule, we can agree that an executive should not feel free to choose which laws it "pays" to observe and which to disregard.

Other values are less absolute, and the students will themselves have to seek out a position. For example, some hold that an executive must not lie but may "deceive" (by giving an answer that is technically correct but misleading). Others believe that an executive ought to calculate the harm that truth telling may cause to various constituencies and then determine if the lie is justified. In either case, it is better to air these ideas before the student confronts them in the marketplace.

Future executives and the rest of society would be well served if between classes on how to read accounting reports, contracts, and financial statements, business students spent more time considering ethical issues and clarifying their positions. In a free country, no business school can or should do much more — but many still do quite a bit less. □