Teaching Business Ethics, Moral dilemmas and Experiential learning: Less lecturing, More practice?¹

Introduction

Business Ethics and Social Responsibility courses are nowadays a popular element of management studies, with a continuously growing number of theoretical approaches, articles, monographs and textbooks. The development of the theory is by all means necessary, as the ethical issues in contemporary business management develop over time (as do the law and regulations), requiring solutions to new problems, as well as models and approaches to handling ethical issues enriched by the continuous development of general ethics, sociology and psychology. It is, however, common to observe, that both the student responses and the general attitude of academics towards teaching business ethics is predominantly critical. Reasons for failures of business ethics programs in corporate environment have been already analysed² in research. Among other things, the pedagogy of business ethics certainly has issues, which limit the influence of courses on participants:

¹ The main arguments of this article have been presented during the 21st International Conference “Ethics in Economic Life”, University of Łódź, 2017. I am very grateful to the participants for their helpful remarks during the discussion and their interest in my approach.

A (...) common mistake is designing an ethics program that is little more than a series of lectures. In such cases, participants typically recall less than 15 percent the day after the training\(^3\).

This critique of business teaching-methods is founded in efficiency of memorisation of course material. However, this attitude neglects another issue: the student’s inability to remember a desired amount of material is not the only problem of business ethics teaching. In such cases, the amelioration of teaching technique and development of study materials would certainly marginalise the problem. A much more serious issue, I am convinced, lies at the foundation of what business ethics programs should aim at. Theoretical knowledge, imparted through lectures in Business Ethics and CSR programs is undoubtedly important, but not essential. What, I believe, is far more important, is to offer students a basic experience of what – in real life – can happen, when a person has to decide what to do in a difficult, morally ambivalent situation. Business ethics training should influence doing informed ethical decisions under teachers’ supervision, rather than focus on lecturing about ethically founded enterprises and their codes of conduct. Applied business ethics is a field, where the agent is required to identify and resolve an ethical dilemma in practice, rather than simply identify the issue and propose a theoretically founded solution out of a textbook of ethics or a lecture he attended. As Bowie remarked as early as 1982:

The ethical conflicts that are the grist for the ethics mill are those conflicts and dilemmas that arise because different courses of action each have good reasons to recommend them. In that case we have a genuine ethical dilemma\(^4\).

Certainly, a person trained in business ethics, should be aware of these reasons and be able to recognize the recommended ways of handling them ethically. An improvement of effective transfer of knowledge will undoubtedly allow the agent to know more about the ethical dilemma. It is however debatable, whether ethics lectures will influence the decision-making process of a person involved in a real-life ethical dilemma. A 2004 study of social workers shows, that on the one hand, there is a good argument for improving the theoretical knowledge behind ethical decision-making process,\(^5\) as the survey participants did report to hav-

ing sometimes drawn on ethical theory. On the other hand, contemporary research shows that the experiential factor is, if not decisive, then at least equally important with regard to the decision-making process\textsuperscript{6}, which confirms the basic premises of virtue ethics theory and its understanding of the importance of ethical education\textsuperscript{7}.

Thus, offering students a situation of not being lectured about ethical dilemmas but identify and experience them, and have to make their own decisions in simulation seems to be an important element of ethical education in business studies. Having understood, on the grounds of results in the aforementioned developments in business ethics teaching theory, that both knowledge and experience are necessary for students to continue to develop throughout the course (especially in regard to experiencing ethical dilemmas), I conclude that business ethics course participants need more personal engagement during their classes, as well as the opportunity to experience and reflect upon an ethical decision-making situation first-hand. This conclusion consequently leads to proposing improvement of teaching pedagogy. I did find Kolb’s learning style theory (1984), to be an excellent starting point for developing a business ethics course, in that it offers an excellent framework to combine the theoretical and experiential factors.

**Kolb’s learning style theory and business ethics**

In his 1984 book “Experiential Learning: Experience as the Source of Learning and Development”\textsuperscript{8}, David Kolb introduced a theoretical model of experiential learning based upon the psychological and philosophical foundations of J. Dewey, J. Piaget and K. Lewin. Kolb proposed that we see the learning experience as a cycle, entailing four learning modes: concrete experience, reflective observation, abstract conceptualization, and active experimentation. These learning modes are interconnected and iterative, providing a framework for understanding how learning occurs through experience.


and active experimentation. According to Kolb, the process of learning is not identical and may, depending on the individual, be initiated in one of the aforementioned modes. However, it is by integrating these four elements that the experience of learning, according to Kolb, is most efficient. Taking his cue from the premises of existential philosophy of J. P. Sartre, Kolb observes that when a learner is both active and engaged in the learning process and is encouraged to take responsibility for the decisions of how and why to learn, this makes the learning process much more efficient as it allows for the combining the abstract theory with personal experience.

The idea of using Kolb’s theory of learning styles in business ethics is by no means new, and is the main subject of Ronald R. Sims’ “Using experiential learning theory in business ethics education” (2002). In this work, Sims observed the benefit of combining experiential theory with Business Ethics programmes, stressing the benefits of combining knowledge with practice and the teacher’s pedagogy with individual attitude of the participant:

Business ethics education requires not only acquisition of knowledge but also a change of attitude as well as personal change. It must address emotional, perceptual, cognitive, and behavioral issues (...). Experiential learning theory is an inclusive paradigm that allows for a range of responses to the learning requirements of ethics education in business schools.

As Sims proposed an excellent framework for adapting Kolb’s theory to business ethics teaching, before continuing to the next section (in which I will describe a Kolb theory-based Business Ethics programme), it is pertinent to briefly summarise his most important conclusions. Summarising Kolb’s theory’s relevance to business ethics, Sims noted, that:

Experiential learning theory describes learning as the holistic engagement of affective perceptual, cognitive, and behavioral processes (Kolb, 1984). Learning results from the interplay of these processes, which are positioned along two primary dimensions of knowledge. Prehension, knowing by taking in data, involves the affect of concrete experience and cognition of abstract conceptualization. Transformation, knowing through modification of

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10 R.R. Sims, Teaching Business Ethics..., p. 84–85.
data, requires perception in reflective observation and behaviour in active experimentation.\textsuperscript{11}

Considering the aforementioned critiques of Business Ethics and CSR programmes, we may conclude that, contrary to Kolb’s theory, a traditional lecture in ethics offers the student the process of prehension, strongly limiting the possibility of transformation.

Sims also stressed the importance of taking into consideration the individual learning styles of participants (in terms of the posited cycle of learning modes), which, as he perceptively remarked, is both necessary and very difficult to achieve:

Resources for business ethics education must be organized to be maximally responsive to what each student wants to (and should) learn and the manner in which that learning is to be achieved. (...) Such individualized learning sometimes comes into conflict with a particular instructor’s view that learning involves a one-size-fits-all ethical or moral view of the world and a learning environment of sameness\textsuperscript{12} (...) Experiential learning theory offers a perspective for addressing individualized learning in ethics education. Each student is unique in the way he or she learns and equal in his or her contribution to a larger holistic learning cycle that values, acknowledges, and includes all ways of knowing. There is no one best way to learn\textsuperscript{13}.

Sims’ observation describes what is (I suggest) both the most important asset and the biggest challenge to the development of an experiential theory-based Business Ethics programme (ETBEP), as it stresses the importance of taking into account the student’s personal learning style and expectations\textsuperscript{14}.

Regarding the element of experience in learning, Sims notes that the benefit of adapting to Kolb’s theory is that it allows for using the student’s own experience in the learning process:

\textsuperscript{11} Ibidem, p. 85.
\textsuperscript{12} Ibidem, p. 84–85.
\textsuperscript{13} Ibidem, p. 85.
\textsuperscript{14} When we discussed this issue during the 21st International Conference “Ethics in Economic Life” conference, this observation—regarding the necessity of adapting to student’s learning styles—provoked an almost instant reaction from the academics, because it necessitates a very strict restriction of quantity of people participating in business ethics courses. The general consent during the discussion was that the problem is less the lack of motivation of the lecturer in proposing ETBEP than the resistance of faculty administration (interested in savings and limiting ethical programs in business studies) to offer the possibility of teaching business ethics in adequately small groups.
Experiential learning theory proposes that the foundation of learning resides not in business schools, books, or even faculty. Rather, it rests in the experiences of students. This approach to education emphasizes self-directed learning and the role that sharing, dialogue, and discussion play in the creation of a psychologically safe climate of learning\textsuperscript{15}.

This remark is especially significant in explaining why Kolb’s theory may be considered a good starting point for a Business Ethics programme. It opens up the academic course, not just to the possibility of participation (e.g. a discussion of text during class), but also to the necessary step of combining the processes ofprehension and transformation in concrete designed exercises (e.g. simulation of a business situation). Developing the relation between business ethics and Kolb’s theory, Sims mentions three spheres that must be taken into account when adapting experiential theory to business ethics:

– better understanding of the students involved in the business ethics teaching effort
– developing a business ethics teaching design that addresses a particular group of students within a particular context or learning environment
– facilitating the teaching effort in a way that promotes active learning\textsuperscript{16}

A key strength of Sims’ intriguing book is his development of these spheres in the search for successful student engagement, as well as his consideration of personal teaching strategies and the teacher’s own development during active learning. Sims, following Kolb, bases his teaching strategy on the use of the student’s experience (allowing the student to engage in their own learning style), as well as the teacher’s developmental engagement throughout the activity. His primary concern is to propose a more effective and engaging method of teaching (and learning), and to understand and relate to student’s needs and preferences\textsuperscript{17}, rather than focusing selectively on the specific decision-making dimension in the moral dilemma situation. I suggest that it is precisely this element of business ethics training that offers the most promising results, when combined with the experiential learning theory; this claim will be developed in the following section. In my opinion, it is exactly in teaching the student how to identify a moral dilemma and then, individually, choose the best possible solution, that experiential learning offers the biggest advantage over traditional, lecture-focused pedagogy.

\textsuperscript{15} R.R. Sims, \textit{Teaching Business Ethics}..., p. 85–86.
\textsuperscript{16} Ibidem, p. 89.
\textsuperscript{17} Ibidem, p. 89.
Decision-making in moral dilemma preparation for business ethics courses, based on Kolb’s theory of learning styles: the challenge of experiences, decisions and reflections

Contemporary ethical theory commonly associates the ethical dilemma with the remarks of Jean-Paul Sartre, who elaborated on the issue in *Existentialism is Humanism*\(^\text{18}\). It describes a situation of choice in which both alternatives are founded on moral claims and the situation is difficult to resolve via moral reflection (if indeed it is resolvable at all), even if the agent makes reference to ethical theory. Following Sartre, this issue was picked up by Bernard Williams, who claimed that normative ethics cannot help us to resolve moral dilemmas, and that no normative theory can successfully eliminate or prevent such situations\(^\text{19}\). The only solution, as proposed by Sartre in 1945, was to stress the freedom of the subject to choose for himself, not valuing the outcome of the decision, but the agent’s power to choose. Even though the question of how to resolve moral dilemmas is the subject of rich ethical debate (grounded primarily on the moral realism vs. moral anti-realism debate), there is a considerable influence of the moral dilemma theory on business ethics theory. For example, the authors of a popular business ethics course book claim that:

The ethical decision-making model presented in this chapter cannot tell you if a business decision is ethical or unethical. It bears repeating that it is impossible to tell you what is right or wrong; instead, we attempt to prepare you to make informed ethical decisions. Although this chapter does not moralize by telling you what to do in a specific situation, it does provide an overview of typical decision-making processes and factors that influence ethical decisions. The model is not a guide for how to make decisions, but is intended to provide you with insights and knowledge about typical ethical decision-making processes in business organizations\(^\text{20}\).

As an element of business ethics education, such position is understandable: it suggests that knowledge is a possible resource for an agent


in a difficult moral situation. What such model does not provide, however, is the basic element of the concept of moral dilemma – that is, the experience of having to make a difficult choice, after recognizing the disadvantages of each, considered solution. Ethical education should, of course, allow the agent to recognize, when a situation is to be resolved, without defining the situation as a moral dilemma, and propose the best solution in accordance to contemporary knowledge and standards of the organization. I suggest however, that it is not only in knowing about informed ethical decisions, but also in choosing an informed ethical action for themselves, that the students receive the best that contemporary academic education has to offer. Relating to Kolb’s experiential theory, I claim that it is in the action of choosing that the student has the best opportunity to practice combining knowledge with experience, theory with practice, and to develop their own ability to use the ethical framework in the decision-making process.

By taking into account the individual’s learning style and allowing students to take responsibility for one’s own educational process, experiential learning theory seems to be well-suited to teaching about ethical decision-making process – shifting the emphasis from simply following the rules to choosing the most adequate solution, and engaging knowledge and experience rather than simply applying theory as a standard reference point.

It is precisely in situations of moral dilemmas, where we discover that there is no single preferable way of resolving the dilemma, that we are most likely to recognise the role of experience and reflection in decision-making, as well as the difficulty of overcoming our emotions. The assumption is this: practicing decision-making in a comfortable and secure classroom simulation provided the student with a valuable learning experience, one that offers much greater room for development than simply trying to relate to the subjects of case-study discussions.

Experiential learning in course preparation

To understand and evaluate the difference between experiential learning technique and a resource-based standard business ethics lecture, I focussed my Business Ethics classes for two groups of students (Spring 2016) on the issue of decision-making in ethical dilemmas. In both groups, the same situation was discussed, relating to the issue of conflict between company policy and corporate culture\(^\text{21}\). The first group (Group A) had to read the ethical dilemma situation after a standard, 90-minute

\(^{21}\) The situation discussed in class was taken from O.C. Ferrell, J. Fraedrich, L. Ferrell, *Business Ethics...*, 2015, p. 2–3.
business ethics lecture and relate to the described event using the information learned from the lecture during class discussion. The second group (Group B) of students agreed to participate in the event, prepared on basis of Kolb’s experiential learning theory. The students agreed to role-play the ethical dilemma situation, and the teaching module was composed of 4 separate elements:

1. Concrete Experience: The students, role-playing characters in an ethical dilemma situation, received instructions as to their situation and had to engage in dialogue with other students, playing different roles, asking questions and engaging in discussions with people from the same office. The students were given free rein to add their own knowledge and experiences in the discussions, during which their tried to gather information on the problematic issue.

2. Reflective Observation of the new experience: Having played their characters, the class engaged in a discussion of the experience they had participated in, trying to relate and understand the issue that had taken place.

3. Abstract Conceptualization: In groups, students worked on providing an informed, ethical decision that should be made in the situation they had enacted. When desired, students could relate to their course books and to teacher’s knowledge in this part of exercise.

4. Active Experimentation: Students were asked to come back to their roles from part 1 of the exercise, implementing informed, ethical decisions into the concrete situation of the moral dilemma. On having finished this part, all participants were asked to relate to the finished exercise, confirm having finished the role-play and thank all other participants for engagement in the simulation.

In the described event, a considerable difference was observed in preserved knowledge. Both student groups received a standard, 10 question multiple-choice test the week after. The median result for group A was 60%. The median result for group B was 80%. Many of the students who participated in group B reflected positively in the course evaluation on using the experiential elements during their business ethics education. The key issue of using the experiential learning theory was, however, not only to raise efficiency in students remembering the material. Much work has been done during the course on observing the student decision-making process, to address their experience of having to choose (in class simulation) the best solution to an ethical dilemma, and be able to identify possible solutions, relate them to ethical theory and provide argumentation for having made their final decision. Some of the stu-

22 Test results and anonymous course evaluation forms are available from the author of the article.
dent raised concern as the long-term consequences of informed ethical decisions, which lead to development of course framework. In further classes of business ethics, this focus on making informed decisions, rather than finding adequate, theoretical solutions, was further developed, addressing the raised concerns.

Conclusion

As a result of other known instances of successful implementation of experiential learning theory to applied ethics, as well as my own practice, and general remarks on the advantages of experiential learning theory in business ethics, it is tempting to conclude that implementation of Kolb’s theory in business ethics education is beneficial for the students. It is recognized to aid the students in remembering the theory covered during business ethics classes; it provides the opportunity to draw on experience, as well as the chance to practise making moral decisions. More importantly, as my primary interest was in the relation between Kolb’s method and experience of moral dilemma, I believe, that it is exactly in this part of business ethics education, that the theory offers best solutions. First, it directly encourages the student to rely on his own experience. Second, it promotes being in a situation, where the student has to decide for himself, rather than simply relate to distant or abstract situations. Simulating the engagement of the person in a moral dilemma situation seems to offer a deeper and more genuine experience of how business ethics can be applied, rather than e.g. studying case studies and discussing possible resolutions of described situations.

There are, however, some issues and reservations that require further consideration before any commitment to re-designing the framework Business Ethics programmes. The most serious challenge in respect to moral dilemmas and decision-making processes concerns emotions. It has already been observed that Kolb’s experiential learning theory seems to downplay the role of emotions as well as intuition in individual learning-styles and this is certainly problematic given recent developments in educational theory. Emotions not only influence the learning process, they can also be a significant factor for making

\[23\] For a comprehensive bibliography of Kolb’s theory-criticism see the excellent resource provided by Roger Greenaway: http://reviewing.co.uk/research/experiential.learning.htm#25 (visited 23.1.2018).

the process more stressful and difficult. In relation to moral dilemmas, it must be said that any class simulation in which students relate to conflicts of values may possibly lead to emotional reactions and stress, which in turn require the teacher’s educational experience in handling such cases professionally.

On received feedback from students, it seemed important to develop the proposed ethical dilemma resolution teaching, providing students, after simulation exercises, with a workshop organized with employee working in corporate business ethics environment, or alternatively, devote a separate class to case studying long-term consequences of genuine ethical decisions. The aim of the workshop is to reflect and address not only the importance of choosing an informed ethical decision, but also provide students with in-depth knowledge of how consequences of implemented decisions and inform them, how do they actually work in real-life corporate situations. This added element seems necessary, given student’s raised concerns regarding difficulty to predict consequences of chosen action in the simulation.

It is also worth reflecting further whether, even having informed the students about the scope and possibility of conflict within the exercise, it is ethical to engage students in the simulation, since stress is a possible effect. This objection should be supplemented with the reservations made in “Ethics in Economic Life” conference participants], regarding the time required for a full cycle to be executed, as well as the necessity of working with small groups of students. Addressing all these issues, it must be concluded that the main advantage of using Kolb’s theory—that is, the possibility of addressing the role of experience both in learning ethical theory as well as in learning how to implement the theory in a specific situation—cannot be underestimated, even if the negative elements mentioned above certainly need addressing. And this leads, in my view, rather to a demand to further develop and enhance this pre-established model of experiential learning both by the conclusions of contemporary, interdisciplinary educational theory as well as improvements in teaching technique of the lecturer. This can, I believe, be achieved, among others, by developing the teachers’ knowledge and experience, especially when it comes to understanding the role of emotion in learning, as well as their proficiency in handling difficult and possibly stressful class-situations professionally, allowing students to benefit from the experience of prepared simulations while safeguarding them from possible effects of conflict and tension.
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Edukacja etyki biznesu, dylematy moralne i uczenie doświadczalne: mniej wykładów, więcej praktyki?

Summary
The premise of the current article is this: Business Ethics and CSR academic courses relying solely on lectures are inappropriate to the essential purpose of the subject, given its applied nature. During the article, after a brief consideration of business ethics teaching theory, I will explain my business ethics teaching model, which is founded on the conviction that in Business Ethics courses, ethical decision-making process must be practiced by participants, not solely lectured about, in order to make academic business ethics education more effective. Later on in the article, I will provide specific data on tools used in business ethics decision-making training, and refer to the feedback of participants of my teaching program to evaluate the advantages and disadvantages of a more practical, teaching approach within this scope. In conclusion I will provide a short summary of business ethics moral dilemma module preparation, stressing the importance of group work, simulation, role-playing and debating by participants, for a developed, critical discussion.

Abstrakt
Teza niniejszego artykułu brzmi następująco: Kursy etyki biznesu i społecznej odpowiedzialności biznesu bazujące głównie na wykładach są nieadekwatne do esencjalnego celu przedmiotu, biorąc pod uwagę jego praktyczny wymiar. W artykule, po wstępnym opisie teorii pedagogiki etyki biznesu, rozpatrzony zostanie mój model nauczania etyki biznesu, bazujący na przekonaniu, że proces decyzyjny w etyce biznesu musi być praktykowany przez studentów, nie jedynie wykładany na zajęciach. W dalszej części tekstu, opisane są narzędzia do doświadczalnego nauczania etyki biznesu oraz reakcje studentów na stosowane metody nauczania. W wnioskach końcowych wskazany zostanie moduł dydaktyczny, poświęcony dylematom etycznym, wskazujący na potrzebę używania pracy grupowej, symulacji i dyskusji uczestników, podczas zajęć.

Keywords: business ethics, Kolb’s cycle, ethical education

Słowa kluczowe: etyka biznesu, cykl Kolba, edukacja etyczna

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