Ethical Case Analysis Template: Learning to Develop Ethical Values Through Practice

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Abstract. Ethical behaviors are taught in business classrooms using multiple methods, among which case studies are a standard method. However, when introduced at the undergraduate level, until students have developed a strong foundation in moral philosophy, a prescriptive case analysis template may help them build constructive mental models towards that foundation. The paper thus proposes a case analysis method template based on critical components identified in the Ethics literature that lead to ethical decision-making that can be used as a tool by teachers in Ethics in Business classrooms. The critical components entail the development of moral awareness by training the students to develop ethical values through practice. Students learn how to identify an ethical dilemma, analyze various stakeholder characteristics, explore ethical principles, and make moral judgments before recommending moral actions in each context. A sample case analysis is also provided for classroom use. The implications and value to educators, students, and managers are discussed.

Keywords: ethical case analysis method, ethical dilemma identification rule.

1. Introduction

Ethical decision-making is undoubtedly essential (Schwartz 2016). However, the gap between the AACSB's objectives for Business Ethics courses, and the means of achieving them gave rise to a call for all business school educators to set the stage for a strengthened ethics education. (Hartman and Hartman 2004). Despite the contradictory research perspectives on whether Ethics can be taught, neurocognitive models state that ethics education is indeed possible (Reynolds 2006). Several studies emphasize different aspects of ethical decision-making processes (Rest 1986, Jones 1991, O'Fallon and Butterfield 2005, Reynolds 2006, Bagdasarov, Johnson, MacDougall, Steele, Connelly and Mumford 2016, Schwartz 2016). Yet, no study presents a step by step analysis that will help students develop their ethical decision-making capabilities. Hence, explaining the various tools and techniques of moral reasoning to make ethical decisions to students will be most useful (Schwartz 2016). This paper draws out key areas

highlighted in the literature that could lead to ethical behaviors and presents a case analysis template that can be used in Business Ethics Courses. The template is explained in detail, along with a sample case study which is analyzed using the template for reference. The paper concludes with a summary of the model, its implications, limitations, and further research.

2. Literature Review

2.1. Need for Ethical Decision-Making Training in Business Education

Businesses operate in dynamic and new contexts with non-existent norms. Since managers need the right tools to make quick judgment calls, the more moral rules that an organization provides, the more likely managers are to use them to solve their dilemmas effectively (Reynolds 2006). The limited information-processing capacity of managers, however, opens them to influences from various sources, forcing them to select information, and process it in a sequential manner, which eventually helps them develop a conceptual model based on their prior knowledge and experience (Bommer, Gratto, Gravander and Tuttle 1987). Prior knowledge and experience increase the individual's understanding of the situation using sensemaking processes which lead to enhanced ethical decision-making in both trained novices and experts (Bagdasarov, *et al.* 2016).

Ethical behavior may, however, be very subtly influenced (Welsh and Ordóñez, 2014). This influence occurs when moral standards are unclear. Individuals then tend to overlook the ethical aspects of any given situation leading to an amoral decision (Mazar, Amir, and Ariely 2008). If individuals are primed with ethical content (Mazar *et al.* 2008), neurocognitive models suggest that based on implicit association and reflexive pattern-matching cycles, the moral concepts will be triggered, leading one to make ethical decisions (Reynolds 2006).

Offering ethics training in Business schools, therefore, helps students develop models they can tap into when making ethical decisions in the real world. Teaching students, who comprise the future workforce, how to make ethical decisions, will also help them counter the conflict between performance goals and moral controls (Barsky 2008). Showing students how to approach the ethical problem in a sequential manner using prototypes and moral rules would help them develop a conceptual model aiding them to identify the ethical dilemma, understand its impact on stakeholders and resolve the situation. Thus, training students to develop an ethical primer through better understanding and building that knowledge and experience through case study analyses will be beneficial.