

# **Active Learning-Reflective Exercises for Face-to-Face and Remote Delivery of Governance and Business Ethics Classes**

## Larry A. Wood and Peggy L. Hedges

Haskayne School of Business, University of Calgary, Canada

Abstract. Despite revisions to curriculum in ethics education in business schools, there continues to be high profile examples of unethical decision making regularly spotlighted in the media. Rather than simply teaching about behaviors and how they might impact decision makers and stakeholders, we describe a suite of activities used to highlight various behaviors and biases that impact the decisions individuals might make. These activities are intertwined with course materials regarding ethics and corporate governance to remind and help students better understand how decision making can be influenced and challenged by personal ethics. We provide lesson planning suggestions including adapting to remote delivery, and student handouts. This suite of activities can be incorporated into any undergraduate or graduate level course that has content dealing with ethical decision making.

Keywords: classroom activity, active learning, ethics, governance, critical thinking, large classes, remote delivery, decision making.

#### 1. Introduction

Despite revisions to curricula to include the teaching of ethics, ethical lapses in business continue to appear frequently in news headlines. There has been much discussion and debate regarding how and when ethics should be taught in a business school and the difficulty in measuring the efficacy of these lessons (for example, see Cavico & Mujtaba 2009, Bendahan, Zehnder, Pralong, & Antonakis 2015, Mladenovic, Martinov-Bennie, & Bell 2019). Our students are skilled learners, they are taught and become knowledgeable about behaviors and various behavioral theories, but many have limited exposure to "real world business decisions" making it difficult to apply what they have learned to their own personal experiences. This disconnect between what is learned, and what is done, signals a need to revise the nature of business ethics education.

There are a multitude of papers that discuss the use of a specific activity in a classroom setting to help students understand how their actions can impact others (for a reasonably comprehensive and recent listing see Uhl & Lütge 2018, and

This shortened version of the article is for promotional purposes on publicly accessible databases. Readers who wish to obtain the full text version of the article can order it via the url https://www.neilsonjournals.com/JBEE/abstractibee18woodhedges.html

Any enquiries, please contact the Publishing Editor, Peter Neilson pneilson@neilsonjournals.com © NeilsonJournals Publishing 2021.

Thor, York, & Condon 2014). What we have not found are any papers that provide a comprehensive suite of activities that can be used within one course that provides students with 1) a more in-depth opportunity to examine the impact of their or others' decisions, and 2) the emotions that result from making the decision or being the impacted stakeholder. To that end, we provide a discussion of six activities that we have used in a required senior level undergraduate course on corporate governance and ethics. These activities, used in disciplines including sociology, religious studies, philosophy, psychology, and economics, were adapted to address specific ethical and governance issues that decision makers often face.<sup>1</sup> The activities place students in the role of decision maker, stakeholder, innocent bystander, and observer, and allow the students to experience the feelings that can result from poor decision making, or governance practices, and then relate these feelings to policy setting using actual events. The use of multiple activities provides students with numerous opportunities to examine how peer pressure and social trends, along with their personal biases and personal ethics would, or might, entice them or others to engage in behaviors that could be considered unethical. We challenge them throughout the course to reflect on their self-concept of those behaviors and, when presented with situations that affect their self-concept, to determine if they exhibited self-protective and/or selfenhancing responses (Caprar, Do, Rynes, & Bartunek 2016, provide a full discussion).

In the following section, we provide 1) the reference to the original paper that describes the activity, 2) a brief description of each activity and the intended learning outcomes, 3) some additional teaching points relative to the purpose of the activity and some student responses, 4) worksheets that we have designed and used, and 5) a description of how the student learnings are reinforced and refined as the course progresses for all six activities. We conclude with a brief discussion of how the use of a suite of activities has improved student awareness of the challenges surrounding ethical decision making, regulation, and their personal biases.

### 2. Description of the Activities Embedded in the Course

As noted earlier, rather than having one major activity, or focus, we have embedded several activities and exercises into a required, senior level corporate governance and ethics class. Our rationale was three-fold: 1) to re-introduce topics that had been taught in earlier courses in the context of ethics and governance practices, 2) to expose students to the role of decision maker, or the stakeholder, and 3) to allow students the opportunity to share and reflect on their experiences and feelings during and after the activity. In short, our goal is to take

<sup>1.</sup> We have included a brief description of how we decided on these particular activities and some ideas on how to search for more activities in Appendix A.

the students outside of the textbook and lecture mindset and place them in situations that they likely have already personally encountered and will likely encounter many times in their futures.

These activities were used in a larger section (60 student) course that had many sections offered during a term. Two of the activities described below (Activity #4 and Activity #6) take between 15-30 minutes; the other four require nearly 75 minutes. For the shorter activities, a discussion of the results can immediately follow the activity, or, alternatively, can be scheduled for the next lecture, or throughout the term when appropriate. Each of the lessons and activities were designed to be completed within a 75-minute class. Generally, Activities #1 and # 6 are the first and last activities in the course. The remaining activities were linked to the course content and could easily be shifted to earlier, or later, in the term.

Most of the activities we use were originally designed for relatively small class sizes (20 students), but we have also successfully scaled them so that they can be used for class sizes up to 100 students. The bulk of the teaching materials for these activities are available in the original papers and are easily adaptable to an individual instructor's requirements. The original papers also provide a fairly comprehensive discussion of teaching points. Given the uncertainty of when face-to-face delivery can resume due to COVID-19 restrictions, and for those who are simply looking for deeper ways to engage their on-line learners, we offer suggestions on how a specific activity can be adapted to accommodate remote delivery. In face-to-face delivery, we use and collect paper copies of the worksheets; for remote delivery, the worksheets are uploaded to the drop box of the course's LMS (Learning Management System such as Blackboard, Canvas, D2L, Moodle).

#### Activity #1: Unfair Competitive Advantage

Using "The dollar game: Questioning the ethics of capitalism and bargaining," (Collins 1999), this activity provides select students with a scarce resource which necessitates negotiations between students with that resource and those who want it, while highlighting the problem of how to allocate this resource – particularly when they realize there is a resource shortfall.

The activity reinforces that those who might have, or control, a scarce resource have power over those who want it. From a learning perspective though, we have found many students do not understand the emotional aspect of distributing resources when there is a resource constraint. Students who own the resource have their personal ethical convictions tested. For example, should they honor the deal as negotiated, should they sacrifice their potential gains, should they look to distribute equally even though all stakeholders will receive a negative Net Present Value? For those students who must negotiate to receive the scarce resource there is typically a threefold reaction 1) I am already disadvantaged and, therefore, am a victim, 2) the resource holder is unethical in their dealings, and I

am now a victim, or 3) the others who do not have the resource are poor negotiators and got what they deserved. During the debrief discussion students are asked to discuss the deals that were made, the outcomes if the deals were changed after the deal was made, and their general feelings and observations. We, like the activity author, Collins, use the terms winners and losers in the discussion and then take time to unravel these value-laden categorizations. At the end of the discussion, students are asked to reflect on the activity and record their thoughts (see Exhibit 1). These short reflection pieces are collected by the instructors who then read and collate the general themes raised which are then discussed in the next class and are used throughout the remainder of the term when reviewing examples of decision making, and governance practices.

We have encountered many of the same reactions as Collins (1999) and have responded in a very similar manner. We have found that the reflection piece (Exhibit 1) provides excellent teaching points as we progress though the course. For example, when we examine topics and various examples of decisions that have been made by companies, we ask students to look at whether the decision that was made placed anyone (proponent or opponents) in a position of unfair competitive advantage. This leads to a discussion of whether it would have been possible for regulators and government agencies to create, implement, and enforce a set of rules that would have encouraged more socially desirable habits, and punished socially undesirable habits. In cases where we see companies entering into partnerships that might seem questionable, we ask students to reflect on this activity. Is this company's behavior similar to yours? That is, who did you negotiate with, and ultimately who did you choose to strike a deal with? In many instances, students tell us they struck deals with friends or acquaintances. This is a valuable observation when we look at composition of boards in certain industries - many board members are connected through friendship or acquaintances. Students then begin to understand and appreciate the value, and peril, of networks. This provides a natural segue for a later activity on setting executive compensation. This helps reinforce to students that ethical dilemmas can be part of the decision process.

Exhibit 1: Reflections on Unfair Competitive Advantage

Name: \_\_\_\_\_\_ Please answer the following.

	How does this exercise relate to unfair competitive advantage?
2.	Do you believe it is possible to create, implement, and enforce a new set of rules that encourages socially desirable habits and punishes socially undesirable habits? Why or why not?
3.	Do you believe it is possible to change aspects of our human nature that make us willing to sacrifice the welfare of others for our own personal financial benefit? Why or why not?