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DEPARTMENT OF MANAGEMENT AND ORGANIZATION

CO-CURRICULAR ETHICS STRATEGY FOR THE SMEAL COLLEGE OF BUSINESS

SABRINA KNOTT
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Reviewed and approved* by the following:

Michelle Darnell
Associate Clinical Professor of Management and Organization
Thesis Supervisor

Srikanth Paruchuri
Associate Professor of Management and Organization
Honors Adviser

* Signatures are on file in the Schreyer Honors College.

ABSTRACT

Undergraduate business schools stress the importance of business ethics in the world today, and as a place of learning and self-reflection, the undergraduate business school arena is well-suited for the practice of ethical behaviors and lessons. However, many argue over how best to teach this material. Critics debate the effectiveness of presenting ethical issues to students in an academic setting, worrying that they will become desensitized to them, while supporters believe that the early exposure will inspire moral behavior on a more consistent basis (Arlow, 1991, 63-64). The Smeal College of Business at Penn State University is joining other schools in promoting the education of business ethics through class material, case competitions, and student task forces.

I argue that the best way to teach undergraduate business students about business ethics is to empower them at the student organization level – to take a co-curricular approach. To do so, I will utilize concepts from several ethical philosophers, explore how businesses are rated by third parties on ethical dimensions, review the current state of co-curricular business ethics initiatives at Smeal (as well as peer and aspirant schools), examine the role of a student organization on learning, and recommend a solution for the Department of Honor and Integrity at the Smeal College of Business.

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Introduction

The Department of Honor and Integrity at the Smeal College of Business empowers students to seize “[the] opportunity to develop skills associated with ethical leadership, and practice those skills now” (“Integrity at Smeal>Students”, n.d.).

To learn about ethics, one must appreciate the plurality of the subject matter -- there are a variety of philosophers, businesspeople, and other thought leaders with frameworks to promote critical thinking about what it means to live an ethical life. Some researchers believe that organizations are responsible for a person’s ethical behavior, while others argue for the individual to be responsible for all moral actions (Clegg and Rhodes, 2007, 108). In other research journals, people debate over the role that an environment plays in shaping one’s moral compass. Since ethics is a multidimensional topic, it is important for individuals, businesses, and societies to learn about it consistently and often.

Broadly speaking, acting ethically means “to do the right thing” amid a variety of contextual factors and environments. The business world especially has a responsibility to promote ethical behavior due to the widespread impact of company activities. As an undergraduate business school, the Smeal College of Business similarly must show students that acting ethically is important for lifelong success.

In this paper, I will be focusing on three interconnected approaches to ethics: affective moral development, individual moral development, and social moral development. My goal is to design a new approach for empowering students at the Smeal College of Business to care about ethics by representing each of these topics in a collective strategy. This will be at the co-curricular level, meaning outside of academic classes and within student organizations. For the purposes of this discussion, I will define strategy as a method to create sustainable competitive advantage for Smeal, not only among other

undergraduate business programs but as a leader in academia. I will also use the word “moral” interchangeably with the word “ethical” although there are subtle differences between these terms.

First, I will define affective, individual, and social moral development by referring to philosophical theory, which will serve as the groundwork of my strategic recommendation. Then, I will explore how businesses are rated on ethics by third-party agencies, to understand how to create ethical standards. Next, I will investigate how student organizations function at the undergraduate level, to identify how my recommendation would be implemented. Fourth, I will examine co-curricular ethics initiatives at peer and aspirant universities to the Smeal College of Business, followed by a deep dive exploration into current Smeal initiatives and my final recommendation. My objective is to design an opportunity for students to engage with ethics at a co-curricular (student organization) level, strengthening the initiatives of the Honor and Integrity office, promoting the strategic success of the Smeal College of Business, and aiding students in becoming ethical individuals.

Chapter 1 Philosophical Theory

To ground my analysis in theory, I will first be describing the ethical arguments presented by several Western philosophers. Just as philosophy requires a critical discussion of right and wrong, so too does ethics in the business world. These claims are not exhaustive of each philosopher's ethical theory, but are crucial in the understanding of how to improve the Smeal College of Business' strategy. By including these philosophers in this work, I will create my definitions of affective, individual, and social moral development.

Affective Moral Development

An activity designated as affective relates to the use of emotion. Ethics, being the practice of doing what is morally right, is an emotional act because people must personally judge the rightness or wrongness of a situation before making a decision, and be vulnerable while doing so. The consequences of ethical choices also lead to emotional impact on one's self and others. To further demonstrate the importance of affective moral development, I will invoke the philosophical teachings of Annette Baier, who refers to trust as an important emotion used in ethical judgement because of the mutual vulnerability at stake.

Annette Baier, 20th and 21st century philosopher, emphasized trust as an important aspect of moral behavior (Baier, 1986, 233-234). It is important to care for others and respect their inherent vulnerability: "Trust, the phenomenon we are so familiar with that we scarcely notice its presence and variety, is shown by us and responded to by us not only with intimates but with strangers, and even with declared enemies" (Baier, 1986, p. 233-234). Baier argued that this trust could be proven using a test – the people in question

must be able to continue their relationship if they discovered the motives behind one another's trust (Baier, 1986, p. 259). In other words, people should be comfortable knowing that (ideally) they trust in one another authentically and ethically. The ability to trust other people, Baier posits, comes easily when there is a "climate of trust" (Baier, 1986, p. 245), meaning people have awareness of the environment's customs and experience interacting with similar topics. Rights and duties associated with a certain role will also help strengthen a climate of trust (Baier, 1986, p. 245).

To be ethical, one must be capable of authentic trust and be able to trust others despite being vulnerable, which is improved by the knowledge of one's motives and responsibility over one's position. A co-curricular ethics strategy for Smeal should incorporate the ability for people to learn, be open, and assume accountability to align with affective moral development.

Individual Moral Development

Since people and their emotions have some influence over their own ethical behavior, it is important to consider how to encourage individual moral development. By empowering individuals to act morally, people can be more aware of how their biases impact their decision-making skills and be more informed about their ethical perspective on the world. To show how this topic is essential to a successful ethics strategy, I will turn to David Hume, who explains how experience with morally good and bad topics improves the ability to make ethical judgements.

David Hume, 18th century philosopher, focused on experience-based ethics (Cohon, 2018). To be able to pass ethical judgement, one must be qualified to do so with familiarity and from a distanced, generalized view to avoid favoritism (Cohon 2018). He claimed "...we gain awareness of moral good and evil by experiencing the pleasure of approval and the uneasiness of disapproval when we contemplate a character trait or action from an imaginatively sensitive and unbiased point of view" (Cohon, 2018). For an individual to understand a situation and act ethically, that person must have knowledge of what the

“pleasure of approval” and “uneasiness of disapproval” truly feels like (Cohon, 2018). The goal is to achieve “extensive sympathy” (Cohon, 2018) to communicate emotions between people who are not close to each other and gain experience with a topic while continuing to avoid bias. By experiencing sympathy, approval, and disapproval while also maintaining a safe distance from the situation at hand, an individual is able to make ethical choices.

Hume’s claims illustrate the importance of keeping individual experience with a generalized perspective at the heart of ethics. To incorporate this into my recommendation, I will prioritize the need for sympathy-based, hands-on interactions with moral judgement so that students take the topics seriously. The individuals should also be somewhat removed from the situation so that they do not act in a heavily biased manner.

Social Moral Development

The degree to which ethical behavior is performed is based (in part) on the social environment. If people are able to “get away” with morally questionable actions and not face repercussions, it is likely that they will continue to do so. The same basic truths should apply to all organizations to ensure that people are socially responsible for being ethical. To show how this logically follows in favor of social moral development, I will present Louis Pojman’s argument that supports objective ethical standards.

Louis Pojman, 20th and 21st century philosopher, argues against the dependency thesis, which states that moral correctness ultimately depends on the society’s acceptance and not on any other criteria (Pojman, 1995, p. 6). He states that there are harmful conclusions drawn from this way of thinking: “If, as seems to be the case, valid criticism supposes an objective or impartial standard, relativists cannot morally criticize anyone outside their own culture. Adolf Hitler's genocidal actions, so long as they are culturally accepted, are as morally legitimate as Mother Teresa's works of mercy” (Pojman, 1995, p. 6). Put simply, according to the dependency thesis, no unethical culture or immoral system can be denounced

because each would be accompanied by some method of justification. Objective moral standards, meaning they apply across cultures, societies, and organizations, are crucial so that belief systems can remain ethical and there is common ground that delineates the boundary between right and wrong.

Pojman's argument relates to my construction of a business ethics strategy for Smeal because the end goal will need to include elements of an objective moral standard. These values not only hold true for the student organization in question, but Smeal and Penn State University as a collective whole.

Chapter 2 Corporate Ethics

Undergraduate business schools aim to prepare students to work at companies upon graduation and interact with firms in future engagements. Therefore, it is helpful to look at ethics in the corporate world, both on a theoretical level and with real-world application. First, I will examine two models developed by researchers to explain corporate ethics, then look at third-party rating agencies to draw inspiration for my final recommendation. By doing so, I can create standards that student organizations should adhere to, with a focus on similarity to the business world. Students will be able to understand the impact of acting ethically and be more compelled to follow a moral path.

Models

First, the Ethics Qualities Model (Figure 1) by Dalen and Kaptein seeks to address three areas of ethical uncertainty within a business: the interests of individual employees in relation to their greater organizations, the interests of individual employees in relation to their departments or units, and the interests of individual employees in relation to the stakeholders of the organization (Dalen and Kaptein, 2000, p. 101). By understanding these relationships, which are referred to as “the three characteristic dilemmas” (Dalen and Kaptein, 2000, p. 101), businesses are able to help balance the ethical pressures placed on employees and create a welcoming environment. These researchers conducted their sample evaluation of a company by giving a survey to employees including “200 propositions about various aspects of organizational context and ethical conduct, which employees have been asked to evaluate on 5-point agreement scales” (Dalen and Kaptein, 2000, p. 104). This type of information gathering is helpful so that the final score reflects employees’ average score at all organizational levels. Further analysis can be done to separate the sources of data and identify problem areas within the organization.

TABLE II
The ethics qualities model for describing the ethical content of organizations

Ethics qualities	Organizational dimensions		
	“Entangled hands” – responsibilities in regards to the organization –	“Many hands” – responsibilities within the organization –	“Dirty hands” – responsibilities on behalf of the organization –
Clarity	It is clear how staff should handle the assets of the organization.	It is clear what the functional responsibilities of the employees are.	It is clear what stakeholders expect of employees.
Consistency	Referents make enough effort to handle the assets of the organization with care.	Referents make enough effort to fulfill their functional responsibilities.	Referents make enough effort to realize the expectations of stakeholders.
Sanctionability	If the assets are not handled with care deliberately, staff is sanctioned.	If the functional responsibilities are (not) realized deliberately, staff is sanctioned.	If the expectations of stakeholders are (not) realized deliberately, staff is sanctioned.
Achievability	The expectations regarding the handling of corporate assets can be realized.	The staff’s functional responsibilities can be realized.	The expectations raised to stakeholders can be realized.
Supportability	The organization stimulates support for the careful use of the corporate assets.	The organization stimulates support for an adequate coordination between employees.	The organization stimulates support for the realization of the interest of stakeholders.
Visibility	(Consequences of) conduct regarding the handling of corporate assets can be observed.	(Consequences of) conduct regarding the realization of functional responsibilities can be observed.	(Consequences of) conduct regarding the realization of stakeholders’ expectations can be observed.
Discussability	Dilemmas, problems, and criticisms regarding the handling of corporate assets can be discussed.	Dilemmas, problems, and criticisms regarding realization of functional responsibilities can be discussed.	Dilemmas, problems, and criticisms regarding the realization of stakeholders’ expectations can be discussed.

Figure 1. Ethics Qualities Model

By seeking to understand what types of interpersonal dilemmas exist, companies are able to understand how to create a better environment for employees to be reminded of ethical behavior. Although not all of these areas will be highly relevant for a student organization (i.e. a group may not have any physical assets), I will utilize the different qualities stated above in my final standards

recommendation. One of my focus areas is to encourage students to take ethical topics seriously, and by referencing a corporate approach, they will be able to see that these dimensions hold significant weight in the business world.

Another model, the Partnership Model (Figure 2) by Wood, examines the commitment of an organization to the external groups they affect (Wood, 2002, p. 63). “Self-regulation” is not substantial enough to manage the ethical direction of the business and greater society; Wood argues for an investment in the promotion of ethics at the company, shareholder, management (known as organizational artifacts in the model), and marketplace levels (Wood, 2002, p. 61-63). To maintain an ethical culture

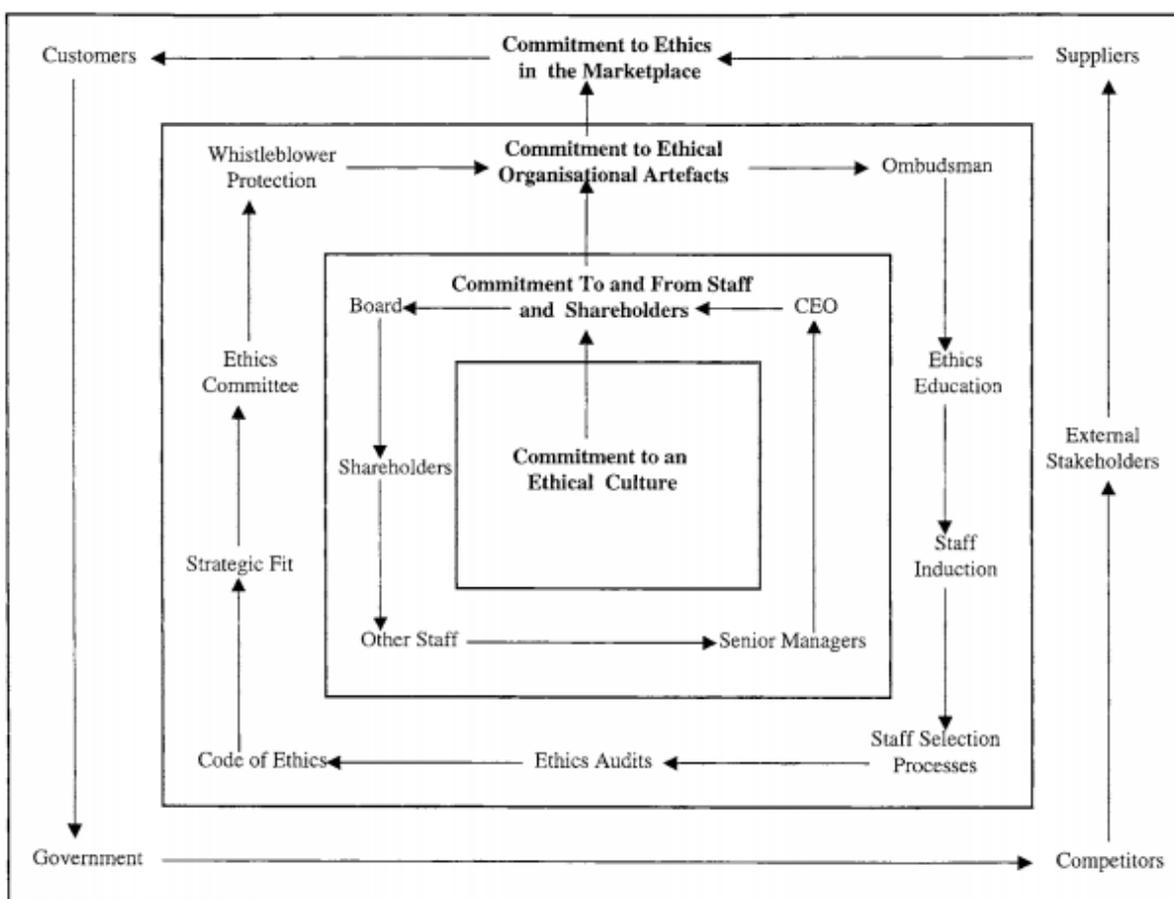


Figure 2. Partnership Model

means that “...it must be interwoven into all aspects of the company’s activities. The critical factor is that time and resources must be devoted to this ideal in order to give it the best possible chance of success.”

(Wood, 2002, 64-65). He also recommends to conduct regular ethics audits, where ethical performance would be assessed in a similar way to current organizational performance, such as a qualitative appraisal that shows how well an employee is carrying out tasks and responsibilities (Wood, 2002, 68). Since the business and other groups are placing trust in an individual's ability to act morally, it is logical that there should be a way to keep that person accountable for success and/or infractions. By holding organizations accountable, the risk for unethical behavior will decrease, and employees will feel that they are not only making their organization stronger, but the world around them.

Student organizations can also follow a similar model, with slight changes to the parties implicated. The person's affiliation with the company will become the student organization, the shareholders potential corporate sponsors, the management leadership positions, and the marketplace the Smeal College of Business. My recommendation will include standards that speak to the ethical responsibility owed to each of these parties.

These two ethical models generate more criteria I will consider in the final recommendation for the Smeal College of Business' department of Honor and Integrity. I will include standards that speak to a person's commitment to various responsibilities (in regards to, within, and on behalf of the organization) as well as groups (student, sponsor, leadership, and college levels).

Third-Party Ratings

Today, corporations can be legitimately rated and certified on different ethical criteria by third-party organizations. These scores are publicly broadcasted and can lead to special recognition for top businesses. Although the certifications are not as well-established as some familiar indicators of success like financial reports, they demonstrate the ethical health of a business and mobilize efforts to help the company become more ethical. For these reasons, I will examine a few of the most popular certifications to help inform my student organization solution.

One of the most rigorous certifications a company can achieve in the ethics arena is B Corporation certification (this differs from a benefit corporation, which is a legal organizational structure), conducted by B Lab (Figure 3) (“About B Corps,” n.d.). The B Corp certificate involves many areas of impact such as social and environmental practices, but also includes a section on ethics, specifically about the practices concerning the promotion of ethical decision making and the prevention of corruption (Appendix A) (“The B Impact Assessment,” n.d.). There is also room for companies to improve their ratings after filling out the survey, as the B Lab analysts review the new measures and any confidential documentation; to keep the certification active, a business must retake the assessment every three years (“Certification,” n.d.). By seeing a scorecard with different areas of impact, a business is able to assess performance on new dimensions in addition to typical financial measures found in an Annual Report.

The construction of B Lab’s Impact Assessment questions are intriguing. By utilizing multiple select answer choices, as well as an “Other” option and the opportunity to leave feedback (Appendix A), companies can be flexible with their answers and “consider stakeholder impact for the long term” (“Certification,” n.d.). I would like to incorporate these characteristics into a solution for student organizations in the Smeal College of Business to use.



Figure 3. B Lab Mission

A second third-party ratings system is Ethisphere, which offers an Ethical Culture and Perceptions Assessment for companies as well as an Ethics and Compliance Program Assessment (“Ethisphere: Advancing Business Integrity for Competitive Advantage,” n.d.). This company puts together a list of the World’s Most Ethical Companies each year based on assessment performance and asserts that following the behaviors outlined in the assessment “enhance corporate character...integrity and transparency [to] impact the public trust and the bottom line of any organization” (“Ethisphere: Advancing Business Integrity for Competitive Advantage,” n.d.). Like B Lab, this is a scorecard system that assigns scores to companies based on their average answers to questions. This is supplemented by meetings and communication for business leaders so that they can distribute it to their employees (“Ethical Culture & Perceptions Assessment,” n.d.).

Ethisphere emphasizes measuring ethical culture so that the company can focus on different priorities and show employees what matters (Appendix B) (“Ethisphere’s Eight Pillars of Corporate Culture”, n.d.). By presenting this rating opportunity as a chance to influence trust, increase profitability, and prioritize employee feedback, Ethisphere has encouraged companies to take responsibility for their ethics practices.

These third-party rating systems illustrate the importance of an outside perspective on ethics within an organization. By adhering to a universal standard of excellence, companies are able to prove their worth as ethical corporations to their stakeholders. To incorporate these findings into my recommendation, I will build in opportunities for third parties to evaluate the ethical makeup of an organization while also making the scorecard available on a semester-by-semester basis to encourage continuous improvement.

Chapter 3 Role of Student Organizations

Students at undergraduate business schools across the United States focus on other opportunities than just academics – there are a range of student organizations that they are involved in outside of classes. This participation has led to several important impacts, largely in the realm of personal and professional development. According to a study by Foubert and Urbanski measuring the impact of student organizations on student development using the Student Development Task and Lifestyle Inventory (SDTLI) tool (Foubert and Urbanski, 2006, p. 169):

- “...college juniors who are members of student organizations score higher on educational involvement, career planning, lifestyle planning, cultural participation, and academic autonomy” (Foubert and Urbanski, 2006, p. 169).
- “...first-year students who join student organizations score higher on developing purpose.” (Foubert and Urbanski, 2006, p. 169).
- “Specific leadership responsibilities in an organization have been found to correlate positively with developmental gains in interpersonal competence, practical competence, cognitive complexity, and humanitarianism.” (Foubert and Urbanski, 2006, p. 170).

These conclusions were synthesized across a variety of research studies, meaning that the benefits of being involved in a student organization are significant. Two of the three focus on how more leadership opportunities can have positive impact on areas like developing purpose (Foubert and Urbanski, 2006, p. 169).

I chose to focus on student organizations as the place where Smeal can introduce a new initiative because students are learning and growing in these groups, yet there is no opportunity for them to participate in the perpetuation of business ethics.

Chapter 4 Ethics at Undergraduate Business Schools

Currently, many undergraduate business schools sponsor ethics-related initiatives. To see where Smeal fits alongside peer and aspirant universities as determined by the Association to Advance Collegiate Schools of Business (AACSB), I will be describing the various co-curricular ethics programs that exist to engage students. Overall, all of these universities have substantial ethics research programs, yet none have any center initiatives at the student organizational level. The peer universities included are the University of Maryland, the University of Texas at Austin, and the University of California, Berkeley, and the aspirant university included is The University of Pennsylvania.

Peer Universities

The Center for the Study of Business Ethics, Regulation, and Crime at the University of Maryland combines criminology and business by offering a speaker series and research opportunities for students to become involved with understanding ethical topics (“Center for the Study of Business Ethics, Regulation, & Crime (C-BERC),” n.d.). Additionally, the C-BERC Fellows Program enables students to aid in various center programs like guest lectures and faculty research (“C-BERC Fellows Program,” n.d.). Students are encouraged to help with “[generating] new ideas and information at the intersection of theory, policy, and practice that will serve as a resource for business leaders, policymakers, and practitioners” (“About Us,” n.d.).

The McCombs Center for Leadership and Ethics at the University of Texas at Austin connects ethics and leadership by presenting an event and speaker series for students and the BBA Leadership Assessment (“Teaching,” n.d.). This assessment is based on the CLE framework (Figure 5) and is given

twice throughout an undergraduate's college experience – at the beginning of the first year and during the junior year so that improvement can be measured (“Teaching,” n.d.). The mission of the center is for students to aid in “...stimulating original research, developing unconventional and powerful educational programs, and facilitating connections among students, alumni, the business community, faculty and staff” (“Center for Leadership and Ethics,” n.d.).

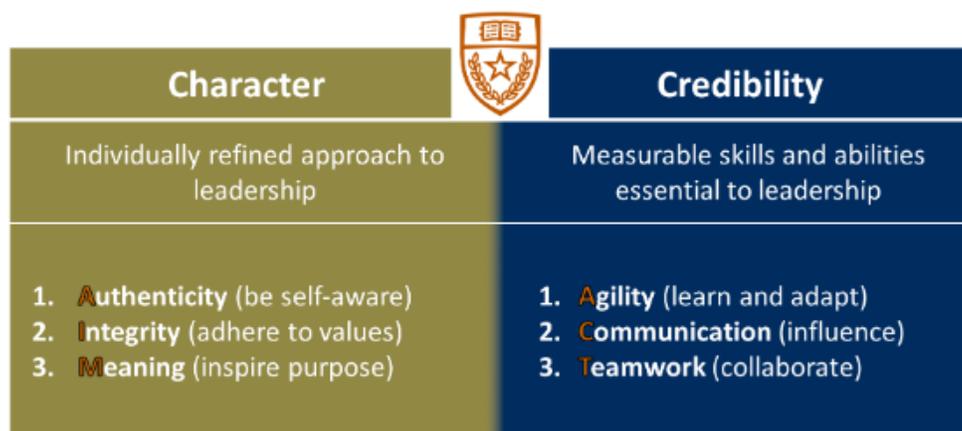


Figure 4. Center for Leadership and Ethics Framework at UT Austin

The Center for Responsible Business at University of California, Berkeley focuses on sustainability and social impact through research, including a General Student Assistant position for undergraduates to support CRB staff (“For Students,” n.d.). The center also is home to the CRB Student Advisory Board, where undergraduates work with Master’s and MBA students to improve the center’s structure, plan events, and reach out to potential partners (“For Students,” n.d.). This center’s goal involves “Incorporating more, and more innovative, sustainable, and socially responsible principles into everyday practice...redefining how business gets done” (“For Students,” n.d.).

These schools similarly engage undergraduate business school students in ethics research and individual experiences like speakers and assessments. The Smeal College of Business has the opportunity to capitalize on a new approach – to empower student organizations to take on the responsibility of moral action and leadership.

Aspirant University

One example of an aspirant university's ethics program is The Zicklin Center for Business Ethics Research at the University of Pennsylvania. This center concentrates on producing research within eight areas: normative business ethics, business ethics and neuroscience, corporate governance and accountability, cryptoregulation, business development and innovation, moral psychology and business ethics, financial regulation, and business and human rights ("Research," n.d.). The center also hosts a variety of workshops and events throughout the academic year, and partners with groups such as the World Bank, United Nations, and National Academy of Sciences ("Partners," n.d.). Students are able to help "...sponsor and disseminate leading-edge research on critical topics in business ethics... [striving] to have an impact with...research, convening power, and advocacy" ("Impact," n.d.).

The University of Pennsylvania has access to these high-profile partners due to the connections and reputation of the college. Although Penn State may not have these types of contacts, it would be helpful for students to have a role in the output of ethics publications. Similar to the output of these research programs garnering attention due to the people who are helping to create them, Smeal could create a unique way of expressing the ethical breakthroughs discovered by students and give them the responsibility to do so.

Chapter 5 Smeal Deep Dive

Before stating my final analysis and recommendation, I will examine how the Smeal College of Business' Department of Honor and Integrity engages undergraduate students in learning about ethics today, followed by a discussion about Smeal student organizations. This will help to illuminate the gap that exists between student groups and the Honor and Integrity office, giving rise to my solution.

Current State

At the Smeal College of Business, there are several ways students are able to be involved in learning about the importance of ethics. First, there is the Smeal Honor Code, signed by students, faculty and staff each semester (Figure 4) ("Integrity at Smeal," n.d.). There is also a student task force called the Smeal Integrity Advocates, who run a case competition for first-year students and choose a local business to be awarded the Ethical Business Award ("Getting Involved," n.d.). Other options include the Ethics Team, which is a group for students interested in traveling to different universities for case competitions

Smeal Honor Code

***We, the Smeal College of Business Community,
aspire to the highest ethical standards
and will hold each other accountable to them.
We will not engage in any action that is improper
or that creates the appearance of impropriety in our academic lives,
and we intend to hold to this standard in our future careers.***

Figure 5. Smeal Honor Code

on different ethical topics, and the upcoming PRRIDE Challenge, which will be a series of events for students to complete and achieve special recognition (“Getting Involved,” n.d.). Lastly, the Kohl’s Business with Integrity Case Competition is another opportunity for students to engage with ethical questions and develop a real-world recommendation for a company (“Kohl’s Business with Integrity Case Competition,” n.d.).

These opportunities are helpful for students to know about ethics and compete against peers to win competitions, but lack the combination of affective, individual, and social moral development mentioned earlier in this paper. A majority of these initiatives are focused on the individual and the case competitions are simulated environments, which do not engage the affective faculties of students as much as a personal cause would. Therefore, I turn to a new approach that will involve student organizations.

Student Organizations at Smeal

At the Smeal College of Business, there are over 40 active organizations where students can engage in hands-on experiences and strengthen their ethical decision-making skills (“Student Organizations,” n.d.). According to the 2017-2018 Smeal Undergraduate Employment Report, 67% of graduating Smeal students were involved in at least one Smeal student organization during their time as an undergraduate (“2017-2018 Smeal Undergraduate Employment Report”, 2018). As there were 1,543 student responses (out of 1,915 graduating students), around 4,000 students of Smeal’s total undergraduate population are involved in at least one student organization (“2017-2018 Smeal Undergraduate Employment Report”, 2018). This is a significant portion of the Smeal undergraduate community, which represents a great opportunity for the Department of Honor and Integrity to become more involved in promoting ethical development.

Each registered Penn State student organization has a profile on OrgCentral, a newly launched platform where individuals are able to see the description, contact information, officers of the organization, and more (“OrgCentral Launch,” n.d.). Students are also able to “join” different student organizations and track their involvement in the Co-Curricular Record, complete forms like waivers and involvement fair signups, and see news from the Office of Student Activities (“OrgCentral,” n.d.). This centralized platform enables streamlined communication among members of student organizations and between groups. This site would be a great place for new initiatives from the Smeal Department of Honor and Integrity to interact with students.

Chapter 6 Analysis and Recommendation

Based on my exploration through philosophical, corporate, and university arenas I have determined that a new strategy for Smeal ethics needs to incorporate the following:

- *Affective Moral Development*: Evoke emotions like trust through personal experience
- *Individual Moral Development*: Emphasize the role of personal growth
- *Social Moral Development*: Focus on how the broader social context helps to reinforce ethical behavior and decision-making
- *Topics from the Ethical Qualities Model*: Discover relationships to, within, and on behalf of the organization
- *Topics from the Partnership Model*: Urge collaboration with student organization leadership, corporate sponsors, stakeholders, and broader Smeal community
- *Actionable Results*: Choose multiple select, flexible questions for transparency and flexibility
- *Recurring Evaluation*: Encourage continuous opportunities for improvement
- *Third-Party Involvement*: Establish responsible party to oversee initiative
- *Student Organization Engagement*: Assign responsibilities to student organizations
- *Utilize Resources*: Leverage current student organization resources

These findings will culminate in an ethics certification survey, which will be available for all Smeal student organizations. The Smeal Integrity Advocates, under the supervision of Honor and Integrity director Michelle Darnell, will be responsible for creating questions, encouraging organizations to participate, and determining thresholds for different levels of recognition. Each academic year, a group will be chosen to receive the RISE Above award based on their efforts (Figure 6) (“RISE Above Student Organization Award Guidelines,” n.d.) in collaboration with the Department of Undergraduate Education.

RISE Above Student Organization Award Award Guidelines

Description:

Integrity is a fundamental part of the culture. The Smeal Honor Code, started by students, is a pledge that holds the community accountable for integrity and ethical behavior. It reads: "We, the Smeal College of Business community, aspire to the highest ethical standards and will hold each other accountable to them. We will not engage in any action that is improper or that creates the appearance of impropriety in our academic lives, and we intend to hold to this standard in our future careers."

The RISE Above Award recognizes a Smeal student organization that demonstrates an on-going commitment to integrity and ethical behavior. The organization shows ethical awareness and ethical decision-making, and identifies formal and/or informal opportunities to promote integrity and ethical behavior across their general body membership. The organizational membership also encourages others within the Smeal community to aspire to the highest ethical standards.

Figure 6. RISE Above Award

Pilot Stage

First, before any questions are sent to student organizations, focus groups and interviews should be conducted to receive student feedback on the proposed survey. To ensure that this will be exciting for student organizations to take, an alpha version of the certification questions should be sent to a few pilot groups. After iterating upon the question material and the delivery method, the survey can continue to rollout to all Smeal organizations. The Integrity Advocates will have responsibility for this experience and will primarily be in charge of conducting this feedback process. Another avenue to consider is proposing to MGMT 496 or BA 497 APEX, consulting practicums courses where a dedicated class of undergraduate students can develop a robust marketing and deployment solution. Since this process also includes information technology, a technical team from another college should be assigned this project as

well. This stage (recommended duration: 1 academic year) will be focused on learning about the organizations at Smeal, what common characteristics they share, and how to appeal to fellow students.

Engagement Stage

After the pilot stage is complete, the survey should be available for all Smeal student organizations. For purposes of this paper, I will discuss a sample engagement plan. This begins with the student group being interested in being certified as a Smeal Organization of Ethical Distinction (OED, example of a potential title) and the President navigating to their personal OrgCentral page to start the process. The President selects a member of the organization to be designated as the Director of Ethics Certification, and confirms with the rest of the leadership team before selecting “Begin” on the OrgCentral page. After confirmation, two individuals from Integrity Advocates will be assigned to this student organization and set up a primary meeting to discuss expectations and timeline (each survey should be administered on an annual basis), which includes multiple feedback checkpoints to promote interpersonal communication. The notes from the primary meeting will be shared with Michelle Darnell, Smeal Honor and Integrity Director, who will approve the organization to begin the certification process. This group will need to reach a certain number of points to be considered an OED, with intermediary stages to encourage continuous improvement.

Sustaining Stage

A strategy is about creating a sustainable competitive advantage. To keep this new initiative successful over time, the program should be re-evaluated every 2 years for effectiveness. The goal is to empower students to help shape the future of ethics, and to do so by applying learnings from philosophy, business, and academia, which has been outlined in an introductory way in this thesis. In the future, the

Honor and Integrity office may consider appointing a research team to examine how this process has impacted the ethical behavior of business undergraduate students at Penn State University. If proven effective, the Smeal College of Business can achieve competitive advantage over other undergraduate business schools while shaping the next generation of business leaders to be more ethical and ultimately, more successful human beings.

Appendix A

B-Corp Impact Assessment

The questions in the Assessment will intentionally be challenging and thought-provoking. They are intended to reflect what is best practice across these impact areas, not necessarily what is easy or common.

Governance



Workers



Community



Environment



Customers



CONTINUE

Use the Assessment as an opportunity to learn



EXPLAIN THIS

SHOW EXAMPLE

IN PRACTICE

LEAVE FEEDBACK

Each question will be presented in this format.

To learn more about the question, you can click "Explain This", "Show Example" and "In Practice". You may also use the star icon to mark the question for improvement and the bookmark icon to revisit the question at a later time.

Check all that apply

- I care about my workers.
- I care about the environment.
- I care about the community.
- I care about the way I run my company.
- I care about my customers.



 **Mission & Engagement**

The Governance Impact Area



The Governance Impact Area evaluates a company's overall mission, ethics, accountability and transparency.
Tip: Information about your company financials and the company's governance structure will help you complete this section.

[BEGIN](#)

Ethics Policies and Practices

[EXPLAIN THIS](#)[LEAVE FEEDBACK](#)

What practices does your company have in place to promote ethical decision-making and prevent corruption?

- A written Code of Ethics
- A written whistleblower policy
- We have created internal financial controls
- We have conducted an ethics-focused risk assessment in the last two years
- Other - please describe

- None of the above

Assessments

Active Assessment ⋮

OVERALL SCORE

3.5

OPERATIONS SCORE

3.5

IMPACT BUSINESS MODEL SCORE

0

N/A SCORE

0

	Governance	3.5
	Workers	0
	Community	0
	Environment	0
	Customers	0
	Disclosure Questionnaire	NA

VERSION

6

STATUS

In Progress

COMPLETION

8.7%

YEAR

2019

MARKET

Developed

SECTOR

Agriculture/Growers

SIZE

1-9

INDUSTRY

Fishing & aquaculture

Appendix B

Ethisphere

Ethisphere's Eight Pillars of Corporate Culture

The Increasing Importance of Culture

Regulators around the globe are increasingly calling on organizations to examine their cultures—and for good reason.

Studies consistently show that businesses that have strong ethical cultures outperform those that don't. Companies with stronger cultures tend to have more engaged and committed employees, lower turnover, and higher productivity.

The bottom line: a company is better protected from the risks of misconduct when its culture is ethically strong.

Why Measure Ethical Culture?

What you measure in your organization focuses attention and signals corporate priorities. Most companies do not lack for objectives, but not every objective gets a metric. Metrics (or the lack thereof) tell employees—especially newer employees—what the company really cares about.

If you can't answer the following questions with confidence, you may have an ethical blind spot within your corporate culture:

- Are employees aware of where to find compliance resources?
- Are those in leadership and management positions viewed as trustworthy?
- Do employees experience any degree of pressure to compromise company standards of conduct to meet business objectives?
- Is it believed that the rules (and corresponding penalties for breaking them) are fair?

What Should Be Measured?

Enter Ethisphere's Pillars of Ethical Culture. These eight foundational themes serve as a framework for systematically and objectively capturing employee sentiment on the formal and informal ethical systems of the enterprise.

Developed by Ethisphere experts in collaboration with members of its Business Ethics Leadership Alliance (BELA), each Pillar is designed to provide insights that lead to clear action and remediation (or praise) where it is most needed.



- PILLAR 1 | Awareness of the Program and Resources**
Familiarity with the assets and efforts of the compliance and ethics function.
- PILLAR 2 | Perceptions of the Function**
Perceived quality and effectiveness of the function's efforts in communicating, training and support.
- PILLAR 3 | Observing and Reporting Misconduct**
Comfort in reporting perceived misconduct, the reason for doing so, and potential reporting barriers.
- PILLAR 4 | Pressure**
Strength and source of pressure employees may be experiencing to compromise standards to hit goals.

- PILLAR 5 | Organizational Justice**
Perception of whether the company holds wrongdoers accountable and the awareness of discipline.
- PILLAR 6 | Manager Perceptions**
Perceptions of supervisor's conduct and communication; comfort approaching with concerns.
- PILLAR 7 | Perceptions of Leadership**
Perceptions of the conduct, values, and communications of senior leadership.
- PILLAR 8 | Perceptions of Peers and Environment**
Perceived priorities of coworkers, the values of their organization, and willingness to share opinions.

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ACADEMIC VITA

SABRINA M. KNOTT

sabrina.knott@gmail.com | (720) 381 - 7543
<https://www.linkedin.com/in/sabrina-kl/>

INTRODUCTION

Meticulous business analyst. Highly organized, flexible, and empathetic to stakeholder pain points and needs. Questions premises and assumptions, applies frameworks such as agile and design thinking, and facilitates interpersonal communication for disruptive transformation. Presents innovative solutions with confidence in client-facing environments.

PROFESSIONAL EXPERIENCE

TATA Consultancy Services *Product Owner/Business Analyst Intern*

Cincinnati, OH May 2018 - Aug 2018

- Translated technical requirements into business strategy for proof-of-concept mobile application with 9-person development team.
- Directed agile ceremonies for 6 two-week sprints, including sprint planning, backlog refinement, and sprint retrospective.
- Created qualitative analysis, pitched demo application to internal stakeholders, and created succession plan for project.
- Synthesized mobility ecosystem research for 3-day design thinking workshop with global airline firm (€10B annual revenue).

Third Horizon Consulting (Founded by Arthur Andersen Partners) *Business Analyst Intern*

Sydney, NSW, Australia May 2017 - Aug 2017

- Developed recommendations for government train organization, vehicle testing agency and private global construction firm.
- Constructed and analyzed project pipeline using Excel to demonstrate quantitative \$1.5M integrated road and rail strategy.
- Utilized human-centered design to interview 3 key stakeholders, facilitate co-design workshop, and develop 2 connected and autonomous vehicle testing business models using Business Model Canvas.

The Masie Center *Research and Development Intern (VR Learn Project)*

Saratoga Springs, NY May 2016 - Aug 2016

- Researched virtual, augmented, mixed reality to generate futuristic VR Learn report for 1,600+ learning and development executives.
- Coded Amazon Alexa skill using Node.js to explain compliance testing opportunity for 50+ Learning Innovations LAB participants.
- Co-hosted VR Learn exhibit driven by summer research at Learning 2016 (\$2M event in Orlando, FL with 2,000+ learning professionals).

EDUCATION

The Pennsylvania State University | Schreyer Honors College | Sapphire Leadership Program

University Park, PA

Bachelor of Science, Corporate Innovation and Entrepreneurship | The Smeal College of Business

Graduation: May 2019

Bachelor of Arts, Philosophy | The College of Liberal Arts

Minor, Information Systems Management

Relevant Coursework: Business Analytics, Strategic Management, Management and Change in Organizations, Critical Thinking

EXTRACURRICULAR EXPERIENCE

Lion LaunchPad Special Living Option (SLO) *Co-Founder and President*

University Park, PA Aug 2017 - Present

- Partnered with entrepreneurship faculty and housing staff to multiply student enrollment in entrepreneurship SLO by 5x.
- Guided technical and non-technical student leadership in \$40K makerspace buildout within residence hall environment.
- Organized 4+ entrepreneurship projects for student teams and guided stakeholder-driven biweekly feedback sessions.

Delta Sigma Pi Professional International Business Fraternity *Vice President of Professional Activities*

University Park, PA Jan 2017 - Present

- Constructed and marketed alumni brother database with survey data and Excel/Tableau analysis to create networking opportunities.
- Improved scorecard process for recruits by applying objective standards and feedback mechanisms for informed decision making.

Raw Aesthetic Movements Dance Club *Choreographer, Public Relations Chair*

University Park, PA Aug 2015 - May 2018

- Coordinated hip hop routines for 70+ members and performed freestyle dance at 7+ community events per semester.
- Volunteered at fundraising events to raise \$1000+ for the fight against pediatric cancer, Penn State THON.
- Collaborated with executive board to host \$2K jam with internationally recognized judges and university sponsorship.

AWARDS AND ACHIEVEMENTS

Kohl's Business With Integrity Case Competition (2018)

Awarded 2nd place for presentation detailing digital transformation with integrity (chosen from 40+ teams).

Horowitz Scholarship for Schreyer Scholars (2018)

Chosen for academic and extracurricular achievement as a Schreyer Honors College student in the Smeal College of Business.

Janiak Family Scholarship for Women Entrepreneurs (2017)

Selected for academic and extracurricular achievement by the Farrell Center for Corporate Innovation and Entrepreneurship.

SKILLS AND INTERESTS

Skills: Microsoft Word/Excel/PowerPoint/Access/Outlook, AWS, SQL, Tableau, Content Marketing, Change Management, Surveys

Interests: Hip hop dance, science fiction, virtual reality, productivity, video games, ESL tutoring