

Ethics Education in MBA Programs



GMAC® Data-to-Go Series

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Research Objectives

- Learn how ethics is incorporated in curriculum
- Measure how effectively ethics is incorporated
- Identify predictors of effectiveness
- Discover how MBA students assess significance of corporate scandals
- Measure attitudes toward effects of corporate scandals on (1) business and (2) job search

Methodology

- Online survey—Global MBA Graduate Survey 2003
- 75 U.S. schools
- 3,225 respondents
- Response rate = 27%

Sample

Gender	%
Male	67%
Female	33%

Median age = 29

Citizenship (World Regions)	%
Asia	16%
United States	70%
Canada	1%
Latin America & the Caribbean	7%
Europe	5%

Sample (continued)

Program Type	
Full-time	82%
Part-time	15%
Executive	3%
Class Size	
Small (< 100)	24%
Medium (100 to 250)	33%
Large (> 250)	43%
School Prestige	
Top-ranked	44%
All others	56%

Methods Used to Incorporate Ethics

Speakers	56%
Required core course(s)	46%
Integrated case studies within some courses	44%
Referred to in most courses	40%
Elective course(s)	40%
Workshops	26%
Integrated case studies within most courses	18%
Outside assignments/projects	17%

School Differences in Major Methods

Speakers

Full-time—62%

Part-time—28%

Executive—44%

Top-ranked—68%

All others—46%

Required core courses

Full-time—48%

Part-time—40%

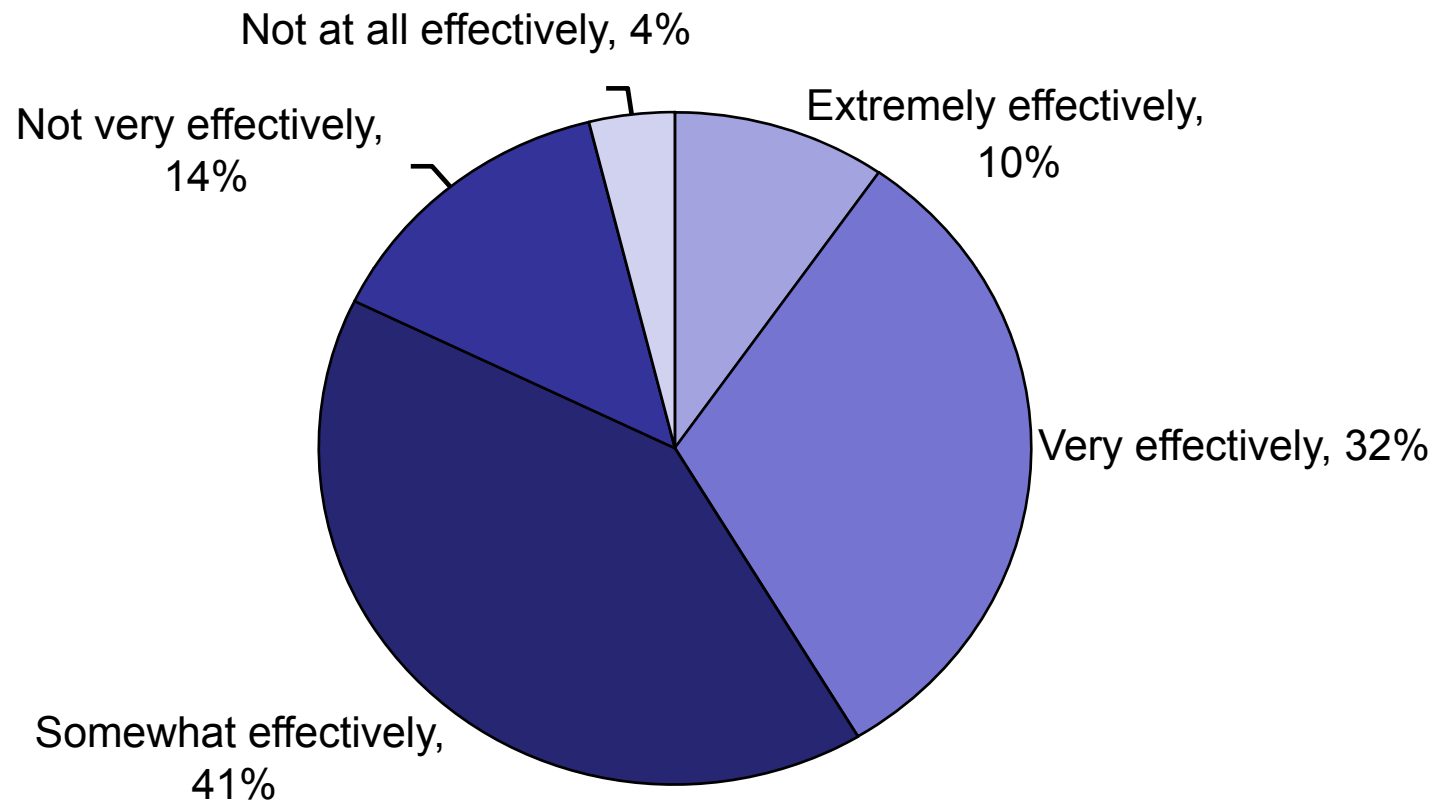
Executive—26%

Top-ranked—46%

All others—46%

Integrated case studies within some courses—no significant differences

Effectiveness of Ethics Incorporation in Curriculum



Comparison of Mean Effectiveness Rating Based on Usage of Method

Method	Mean Effectiveness Rating		
	Used	Not Used	Difference
Integrated case studies within most courses	3.97	3.14	0.82
Outside assignments/projects	3.81	3.18	0.63
Referred to in most courses	3.65	3.05	0.59
Speakers	3.50	3.03	0.48
Workshops	3.63	3.17	0.46
Required core course(s)	3.54	3.08	0.45
Integrated cases studies within some courses	3.46	3.16	0.30
Elective courses	3.45	3.19	0.26

5 pt scale: 5 = Extremely effective; 1 = Not at all effective

Multiple Regression Model Predicting Effectiveness Rating

Independent Variable	Standardized Beta Coefficient
Number of incorporation methods used	0.260*
Required core course(s)	0.152*
Quality of program management	0.149*
Integrated case studies within most courses	0.145*
Referred to in most courses	0.120*
Willingness to recommend school	0.081*
Quality of curriculum	0.075**
Quality of faculty	0.062***

* $p < 0.001$; ** $p < 0.01$; *** $p < 0.02$.

Mean Number of Ways of Incorporation by School Characteristics

Program Type		Mean ^a
	Full-time	3.1
	Part-time	2.3
	Executive	2.5
School Size		
	Small (< 100)	2.8
	Medium (100 to 250)	2.8
	Large (> 250)	3.1
School Prestige		
	Top-ranked	3.2
	All others	2.7
^a Overall mean = 2.9		

Attitudes toward Recent Corporate Scandals

- More significant—68%
- No different—29%
- Less significant—3%

Effects of Recent Corporate Scandals

Effect	% Choosing Effect
Created an atmosphere of distrust of corporations	81%
Promoted short- and long-term change in business practices	52%
Caused companies to act more openly	41%
Caused companies to act more ethically	37%
Negatively impacted the perceptions by the marketplace of MBAs	30%
Brought about short-term change, but will not change long-term business practices	29%
Had little or no effect on business practices	8%
Elevated the respectability of an MBA education	4%

Effectiveness and Effects

More effective, *more likely* to say the recent corporate scandals—

- caused companies to act more ethically
- promoted short- and long-term change in business practices
- elevated the respectability of an MBA education
- caused companies to act more openly

Less likely to say—

- brought about short-term change, but will not change long-term business practices
- had little or no effect on business practices
- negatively affected perceptions by the marketplace of MBAs

Effects of Corporate Scandals on Job Search Behavior

Effect	% Choosing Effect
I'm more likely to accept a job offer from a reputable company versus one under investigation	64%
I think more critically about the ethical culture of prospective employers	52%
I'm more likely to ask questions about company values in job interviews	39%
I spend more time closely reading corporate financial statements	24%

Correlations of Effects on Job Search Behavior with Ethics Incorporation Rating

Effect	Pearson Correlation
I think more critically about the ethical culture of prospective employers	0.13
I spend more time closely reading corporate financial statements	0.11
I'm more likely to accept a job offer from a reputable company versus one under investigation	0.09
I'm more likely to ask questions about company values in job interviews	0.07