# About Ethics and Values in Business Education - A Cross-Cultural Perspective

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## INTRODUCTION

The purpose of this paper is to describe our thoughts and reflections concerning some current ethical questions and values in business education. We will try to put our own perceptions of these themes into linguistic form, although we accept the idea that linguistic expression can reach only a part of the human experience (Lehtovaara 1992, 119, Perttula 1996, 11, also Polanyi 1967). In that sense, also this written paper is limited by language. Our study is based on the papers and the discussion at "The Fourth International Conference on Social Values in Education and Business" held in Oxford in the summer of 1997. Rather than present all the topics of the conference, we will focus on the themes which we found to be especially cogent and relevant to the field of business education.

We study the themes from the viewpoint of western business teachers and in that sense we are bound in our pre-understanding. Pre-understanding encompasses the conditions of our existence which create the limits and, at the same time, give opportunities to our understanding (Kusch 1985, 90, Lehtovaara 1992, 126). The starting point in this paper is interesting, because we, as writers, have different cultural backgrounds (Finland and the United States) and in that sense our pre-understanding is different. Despite this, we believe that our common experiences at the conference provided us with shared understandings and meanings. Writing this paper has also meant the development of these shared meanings (Aaltio-

Marjosola 1992, 28 - 29, 32 - 33, also Berger & Luckman 1966). Therefore, we assume that this paper can be richer in description than it otherwise would be. Our purpose is not only to describe our thoughts and reflections but to create discussions surrounding the topics.

**KEY CONCEPTS**

The key concepts in this paper are ethics, morals and values. Saarinen (1985, 414) defines the ethics as a division of philosophy which includes studies of the nature, the origin and the field of good and bad, right and wrong, justice and other concepts related to these ideas. The concepts of ethics and morals are closely related. While we use the two terms interchangeably, morals are generally understood to be the principles of right and wrong, whereas ethics involves an entire system of moral issues and focuses on right and wrong behaviour (Turunen et al. 1994, 123 - 124). According to Takala (1993, 4), the concepts have several meanings within different linguistic areas. Values can be understood as ideals which are behind actions (von Wright 1963). They influence our behaviour and are relatively general beliefs. Values are connected to ethics as they are ideals and possibilities which can become important for human beings when trying to achieve good life (see e.g. Koskiaho 1990, 126). Values guide choices of human behaviour and norms reflect those values that human beings in a society have accepted whether consciously or unconsciously. In this paper, we will concentrate on ethical values.

The main theories of ethics are utilitarism and deontology. Utilitarism holds that the moral worth of behaviour can be determined solely by the consequences of that behaviour. There are several approaches in utilitarism, but the main idea is that an act or decision is "right" if it results in benefits for people, and it is "wrong" if it leads to damages or harm. The objective seems to be to create the greatest degree of benefits for the largest number of people with the least amount of damage or harm. (See e.g. Frankena 1963, 29 - 46.) Deontology emphasises duties and obligations, and Immanuel Kant, the main advocate of deontology formulated moral rules which are rational and which must be the same for all rational beings. In this theory, the rules of morality are binding on all rational beings and what is important is their will to carry them out. Hence the moral rules ought to be held by all human beings, independent of circumstances and conditions, and which should be obeyed consistently by every rational agent on every occasion. (See e.g.

Frankena 1963, 15 - 16.) Kant proposed a test for personal duty and good will, to eliminate self-interest and self-deception, and to ensure regard for the moral worth of others. The test is to ask yourself whether you would be willing to have everyone in the world, faced with the same circumstances, forced to act exactly the same way. This is the Categorical Imperative, where categorical refers to absolute, and the precept is that an act can be judged to be good or bad or proper only if everyone must perform the same act or reach the same decision, given similar circumstances (e.g. Velasquez 1982, 66). In the Categorical Imperative, humanity is interpreted as "good will" (Dean 1996). In addition to utilitarianism and deontology, there is a theory called virtue ethics. Virtue (originally the Greek word "arete" - excellence of any kind) ethics concentrates on the character of a human being and Aristotle, one of the proponents of virtue ethics, believed that virtues of human beings are both theoretical and practical. Virtues are characterictics which enable good deeds to become natural choices for human beings. (See e.g. Airaksinen 1987, MacIntyre 1996.)

**VALUES AND CULTURE**

One of the aims of the conference was to provide a platform for discussions among people with different cultural backgrounds, and to increase understanding between these people. Culture can be defined to be a common and learned way of thinking and behaving among a group of people. It has been viewed as everything that people have, do, and think as members of their society (Ferraro 1990). In cultural research there are different approaches (see e.g. Fischer et al. 1995, 129 - 135). According to Geerz (1973) a culture is a system of meanings, through which people interpret their expectations, and which directs their behaviour (also Aaltio-Marjosola 1992, 23). Hofstede (1980) identifies several different levels of cultures, such as nations, genders, generations and organizations, to use in studying cultures The literature on cultures reveals that cultures differ in several ways (e.g. Deal & Kennedy 1982, Hofstede 1980). Hofstede, for example, has found four dimensions according to which national cultures differ from each other. These dimensions are power distance, uncertainty avoidance, individualism-collectivism and masculinity-feminity. On the other hand, Deal and Kennedy identify a tough-quy macho culture, a work hard/play hard one, a bet-your-company culture and a process culture. Deal and Kennedy speak of different types of organizational cultures.

## INTERNATIONALIZATION AND CULTURES

Values, as an integral component of cultures, was a theme that was discussed at the conference. While ethical values are deeply bound within a culture, it is often difficult to make them visible or to understand them. For instance, in international co-operation it might be easy to recognize and learn the surface-level phenomena of a culture, such as artefacts and rituals, but the core values behind those rituals may be difficult for a representative of another culture to understand.

In the global economy, there is an increasing need for different nations, companies and individuals to work together in co-operative efforts. This emerging global perspective emphasizes the need for individuals to behave competently within a different cultural environment. However, individuals should understand that ethical values may exist in one culture which are different from the ethical values in their own society. Although different, these values might also be considered right and good.

As business teachers, we believe that we are in an important position to influence inter-cultural understanding among our students. Furthermore, we strongly believe that we have a responsibility to develop such teaching and to foster a cross-cultural perspective. The crucial question is, how should this be taught? We believe that theoretical teaching is not enough, which brings the practical side of teaching into focus. Inter-cultural understanding could be developed through interactions and partnerships between universities, schools and firms from different cultures. Based on this interaction, we believe it is possible to develop shared meanings about norms, attitudes and even values. The partnership should be one of continuous co-operation because shared values develop as a process and in this way students can learn through experience (Kolb 1984). The main idea is that learners should develop a deep understanding of their own values and then have opportunities to experience the values of another culture. We assume, here, that individuals have the ability to grow and develop through self-knowledge and their own experiences. Closeness between partners, whether physical or some other type (e.g. internet or other media), is required for the development of common understanding. This requirement becomes a challenge for both curriculum development and student exchange programs. But it is not just students whose understanding of different cultures is a concern. It seems important to us that we also focus on teachers. Without their competence and willingness to understand different

cultures, it is difficult to believe that much progress will occur.

At this point, we want to discuss the value-basis of international co-operation. By this we mean that the co-operative partners should aim for equality and a climate of humanness. It seems important to us that all partners should be treated with respect, trust and acceptance. Knowles (1990) emphasizes this aspect when creating a model of good learning. We also mean, that partners should not try to use power against each other. Such power can be based on the size or the economic wealth of one of the cultures. Common understanding requires an "ideal speech situation", in which genuine consensus is achieved without the operation of power (Burrell & Morgan 1989, 295). We believe that one of the basic requirements in co-operation is to understand and accept such relational values as equality, empathy, trust and fairness rather than to try to agree on substantive values.

## CONSIDERATIONS ABOUT EVALUATING VALUES OF ANOTHER CULTURE

In developing a paradigm for international co-operation, first, it is important to determine the values of another culture and then to try to understand those values. A problem which arises from this paradigm is whether it is possible to accept all the values of other cultures. One of the questions discussed at the conference was, "how do we define good or bad values and how can the knowledge of these values be acquired?" The question is problematic, and there are several ethical approaches which have been used in an attempt to answer it.

For example, the objectivistic approach claims that a human being understands ethical good by rational reasoning. According to this there exists a common idea of good outside a human being, which idea is universal and static. This objectivistic approach is originally based on the ideas of Plato (Räikkä et al. 1995, 51), and modern ethical theories, such as utilitarianism and deontology, are aimed at universal values. Thus, they consider morals from the objective viewpoint. The deontology-utilitarianism model provides a foundation in ethical decision making (Brady & Dunn 1995). The essential question here, is whether we ever can know what the universal idea of good is like, or if there even exists a universality of the concept of good. Cultural absolutionism proposes that there are no neutral, universal human rights principles: all values and morals are culture-specific (Howard 1993). Modern theories are very

abstract, and in practise it seems to us it is difficult to apply these principles. For example, a consistent advocate of utilitarianism has difficulties in allocating scarce resources. How will he/she determine if a heart-operation should be done for a person older than 80 years if this doesn't maximize the greatest common utility. The problem is how to calculate the common greatest utility.

On the other hand, the subjectivistic approach claims that there exists no objective idea of good. The opinion of an individual is good and right for this individual and there are no means to compare different viewpoints (Räikkä et al. 1995, 53). This can lead to the extreme relativism, which doesn't sound reasonable to us. We believe that there might exist a few so-called strong ethical values, which are important for human beings and most human beings can accept. These kinds of values probably include survival (respect of life) and some kind of co-operation between human beings. Based on these values, it might be possible for some common norms to evolve, but the commonality may be eroded by culture specific ethical values.

One of the conference presentations asserted that companies should "think global and act local". That means that while businesses should respect different cultures, they should act from a coherent ethical platform. Each firm has to identify the values which management wants to promote and these will become the ethical platform for the future behavior of that firm. The idea is to try to combine different moral values, so that actors understand and accept the basic values of their organization, but they are able to apply these values within the context of the local culture. This becomes problematic, however, when trying to determine what are right and good values, especially when a conflict exists between the global and local values. After all, an actor (e.g. a manager) must be able to make decisions by considering different global and local values. So, we conclude that actors themselves and their characteristics influence these situations. At the moment, there is an increasing interest in virtue ethics (cf. Airaksinen 1987, 228 - 241, MacIntyre 1996), and this theme was discussed in the conference. Virtue ethics emphasizes the character of an actor, and virtues like courage or honesty are characteristics that can be developed and taught, at least to some degree (Heller 1990, 131). To us, virtue ethics seems to be a suitable approach to specific professional roles and positions (like a manager, a teacher, an accountant, a lawyer etc.), where contextual and situational aspects should be considered. But can there be any

shared acceptance among human beings of basic human virtues? Cultures in different places and times have emphasized many virtues which differ from each other. MacIntyre (1996, 186) suggests that there is no single, central, core conceptions of the virtues which might make claim for universal allegiance. He assumes that virtues always require the acceptance of a common body of standards and features upon which a society's moral and social life is judged. This leads us to think that a social community (e.g. organization) is a place (physical or virtual) where members co-operatively try to achieve the standards of excellence which are appropriate to that form of activity (MacIntyre 1996, 187). For instance, as business teachers, we should consider virtues connected to the profession of a business teacher among other business teachers, or even among all of the teachers and professors in our own schools or universities. This, however, raises another question concerning how virtues of adults in an organization are developed or should be developed. Our assumption is that human beings have the ability to evolve their own values and moral development, as well as their self-awareness. In this way they understand ethical and other social necessities and can begin to develop ethically good characteristics. The meanings that are attributed to one's existence and the virtues that are needed for such an existence come from the human beings themselves. The ability to raise these meanings to a conscious level generally requires interaction with other human beings, who provide a common, interactive way of developing and learning virtues. The members of a community might do this by pondering their historical traditions and reflecting upon those virtues which are most strongly stressed within that tradition. By doing this, they might develop a consensus on which virtues are still relevant and ways in which they might strengthen them. The common action in this process makes it possible to "cross the bridge" between a single human and a community (Engeström 1995).

**COMMUNICATION AND VALUES**

A value-based approach to business-ethics seems to be dependent on the organization's ability to communicate. This means that the members of an organization need to understand the basic values of their organization (Elmark 1996) and they need to have opportunities to reflect upon them together. The trend towards participative leadership, team management and learning organization theories might offer opportunities for shared and equal communications about values (e.g. Argyris &

Schön 1978, Engeström 1995, Katzenbach & Smith 1993).

In Finnish schools, there has been an increasing discussion about values and value-based management. This discussion has its roots in the professional ethics of a teacher. However, the discussion about values in business among business teachers has been much more rare. Within the American educational system, there is an interest in ethics and business ethics, but the implementation of this interest is also very weak. Standards for accrediting business schools include ethical issues in the curriculum, but they tend to be stressed less frequently than other concepts. It is interesting to note that in the American popular culture, there is an increasing move toward re-evaluating morals within society. This is evidenced by the popularity of such books as The Moral Compass (Bennett 1995) which stresses the moral stories and traditions of American culture. We can examine the proverbs of different cultures to glimpse their core values. This is an interesting way of determining the historical emphasis that a culture has placed on various virtues, however, many of these virtues may seem irrelevant today.

We believe that it is important for all of us to consider the implicit and explicit assumptions that lie behind our educational systems and bring those assumptions into any discussions we have on the existence and development of our values. If this debate is not enlarged to include a discussion concerning values in business life, there is a danger that the discussion will be limited within a "closed system", meaning only the professional ethics of teachers. The question concerning values in business is difficult. At the conference, there was an an interesting presentation about the ways in which different values in business could be combined. According to this approach, the core values for business (and other human practises, too) are human dignity, love, trust, prudence and survival. Other values supporting these values can be divided to environmental, economical, social and human values. Firms can achieve success by following these values in the long run and the combination of these values creates synergy. This could provide some guidelines for considering business education values from a broad perspective that emphasizes more than just economical values.

A final topic of interest focused on communication and the use of language, especially the increasing use of business language in schools. How does the use of business language change the

reality of schools and education? It is through language that human beings construct their social realities and their cultures, and therefore, it is through language that humans can be locked into or unlocked from these realities (Burrell & Morgan 1989, 295 - 299). As an example of this is the increasing use of the concept of a customer instead of a student. If students are customers, are they active participants constructing the reality of a school or are they just "objects of marketing"? In addition, the concept of a customer might limit the broad educational task of schools. In our opinion, we should critically reflect upon the language we use in schools.

## SUMMARY

In this paper, we have reflected upon some of the interesting themes about values in business and education that were raised at "The Fourth International Conference on Social Values in Business and Education". We have reviewed these themes from a cultural and an international co-operative pespective. Our focus has been on the values of other cultures and whether we can, or even should, accept all values of other cultures. We have also reflected upon the role that communication and language play in constructing social reality. Our perspective in this paper is the perspective of three western female business teachers. In writing this paper we had to cross our own bridge of international co-operation and electronic communications. This journey has enriched our cross-cultural understandings and has enhanced the wonderful learning experiences we shared at this conference.

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