

Ethics Curriculum in Accounting Courses: Examination of Student Perceptions of Delivery Methods

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The authors explore student perceptions about the need for ethics instruction within an undergraduate accounting curriculum. Students enrolled in an online, undergraduate accounting courses were sampled. The purpose of this study was to specifically examine students' preference between using a stand-alone approach to teaching ethics or using an integrated model. Results included suggest that over 92% of students desire an ethics component within the curriculum. And, 56% of the participants prefer an integrated model. Results suggest that ethics courses should include case studies, real-world ethical situations, and ethical dilemma consideration. The beneficiaries of the study include students, faculty, administrators, textbook providers, and curriculum designers, among others.

Keywords: accounting, accounting curriculum, ethics, ethics training

INTRODUCTION

Ethics is a cardinal component in the foundation of every profession. According to Thornton (2014), ethics instills trust in the individual or organization providing a service; ethics guides their decision-making by enhancing knowledge and understanding of issues that may jeopardize sustainability. Each profession selects its own methods to educate its members about ethical dilemmas and how to guard against unethical behaviors within the profession (Klein, 2016). The accounting profession monitors the financial health of a business. Members of the profession should have education and training in the ethical execution of accounting tasks to ensure recipients of financial data can trust the presentation and accuracy of the results. It is imperative that accountants understand their ethical responsibility and be aware of the consequences of ethical lapses; education is imperative (Copeland, 2005).

Ethical Decisions

As the 21st century enters another decade in 2021, so does the critical need for ethical decision-making in financial reporting. According to Duska, Duska and Kury (2011), the accounting profession is

experiencing an ethical crisis. Accounting standards evolve continuously; thus, there is a need for increased awareness of ethics among practitioners and an emphasis on ethics in preparatory education for the accounting profession. It is crucial to provide accounting students the proper tools for recognizing and making ethical and appropriate accounting decisions. Furthermore, accounting students should be trained to analyze complicated, ethical dilemmas using an understanding of ethical principles (Duska et al., 2011).

Ethics is essential to ensure trust within any profession; the accounting discipline is no exception. Accounting is the language of business, and when the language becomes confused, purposely confounding or unclear, it can create significant problems for organizations, shareholders, accounting individuals, stakeholders, and the entire profession. When there is a lack of ethical behavior such as in the examples provided by the Enron, Worldcom, and Tyco scandals, the public experiences a negative reaction and a loss of respect for the accounting profession. Ethics education emphasizes the ability to identify unethical and fraudulent practices, transactions, and the consequences for those choices. Fundamentally, ethics is about doing the right thing in all circumstances. As stated by Aldo Leopold, “Ethical behaviour is doing the right thing when no one else is watching—even when doing the wrong thing is legal” (McMillan, 2018, para. 2).

Ethics Course Delivery Methods

At present, two distinctly separate frameworks exist for ethics education (Vendemia & Kos, 2013). The first framework is the teaching of ethics as a stand-alone course. The second framework allows instructors to integrate ethical teachings into existing curriculum (Vendemia & Kos, 2013). Implementing a stand-alone ethics course requires a different pedagogical approach than is used in courses with integrated ethics topics (Chawla et al., 2015; Swisher, 2018). The stand-alone module is focused on deeper engagement with the concept and application of ethics in the accounting profession. In stand-alone courses, students are challenged with ethical dilemmas and spend time learning how to apply ethical principles of accounting in order to arrive at correct decisions (Swisher, 2018).

Researchers have shown positive results for stand-alone ethics courses. Klimek and Wenell (2011) found that those students who took a separate ethics in accounting course had higher ethical reasoning abilities than students who received ethical instruction within various accounting courses. Chawla et al. (2015) and Swisher (2018) noted that the use of a stand-alone ethics course provides students a way to enhance their decision-making skills and improve their ethical reasoning.

Purpose and Rationale for Study

There is an existing gap in the literature regarding how students perceive the need for ethics instruction within an undergraduate accounting curriculum. The purpose of this study was to specifically examine students’ preference between using a stand-alone approach to teaching ethics or using an integrated model. The beneficiaries of the study include students, faculty, administrators, textbook providers, and curriculum designers, among others.

One very important issue to consider at the outset is the viability of ethics education. That is, there are two diametrically opposed points of view: one, that ethics cannot be “taught” to someone whose “moral compass” is not predisposed to ethical behavior, and two, the opposite view is that yes, ethics can be taught (Jonson, McGuire & O’Neill, 2015). That simple dispute-statement begs the question, “Does ethics teaching and education yield ethical behaviors?” That question is beyond the scope of the current authors’ intent.

LITERATURE REVIEW

According to Martinov-Bennie and Mladenovic (2015), there are two types of analysis relating an ethical framework and an integrated ethics education for accounting student’s ethical sensitivity and ethical decision-making for ethical judgment. Ethical sensitivity is related to the ability to recognize an ethical issue and, further, helps to select an ethical decision and action and that every ethical dilemma and decision can have several layers and students need to be sensitive to the issues associated with ethical decisions. Ethics education is critical to the accounting curriculum for a variety of reasons; the proper framework can be a hybrid of integrated and stand-alone courses.

Before 1991, the Association to Advance Collegiate Schools of Business (AACSB) required member institutions to provide stand-alone ethics courses (Swanson & Frederick, 2004, as cited by Rutherford et al. 2012). But the AACSB revised its requirement and allowed member schools to select its method of delivery.

Advantages and Disadvantages of Delivery Methods

The advantages and disadvantages of each method for delivering accounting ethics training have been identified in prior literature (Jonson, et al., 2015). Before the 2002 Enron, the 2003 Tyco, the 2001 WorldCom, and other accounting scandals in the early 2000's, the consensus accepted the integration of ethics into the existing curriculum. But the scandals generated an unsuccessful effort to get the AACSB to readopt the stand-alone training methodology. Therefore, although there is consensus that ethics training must remain an important component of accounting education, that consensus does not translate into a unified determination of how best to implement the training into a coherent, unified judgment for how to best structure curriculum (Jonson, et al., 2015).

The impetus for an ethics framework is to introduce students to ethical decision-making topics and furnish them with the proper tools that they will need to identify these ethical issues. Ultimately, the desired outcome is that accounting students will choose to make an ethical, educated decision. The research suggests that an ethical framework might not only provide exposure to ethics topics, but can also increase awareness and to develop ethical sensitivity. In turn, that may develop effective ethical decision-making; an integrated process of ethics education provides students a better format to understand the how to approach an ethical issue within the accounting profession (Martinov-Bennie & Mladenovic 2015).

According to Adkins and Radtke (2004), the perception of the importance of ethics education within a business or accounting curriculum has several expectation gaps between accountants in the public sector, academia, and accounting students. The main gap is among accounting professors and accounting students as it relates to accounting ethics education modality.

Faculty and Student Perceptions

Faculty's perception was that teaching ethics education may be influenced by their own goals and values regarding accounting ethics. According to Adkins and Radtke (2004) faculty believe teaching the technical objectives to be more essential and perhaps ethics education should be considered less important. Additionally, faculty did have concerns about how to deliver the concepts of ethics; teaching qualifications were also identified as a concern.

From the student's perspective, because they may already have an ethical base, and therefore learning additional ethics in academia may be unimportant to them. Students entering the accounting profession are aware of ethical issues and seek guidance to help recognize the associated dilemmas. However, there may be faculty who are not qualified, or may not possess the desire to teach ethics education; rather, they may merely want to serve as a resource for information. As a result, the expectation gap is that faculty may believe that teaching ethics is not as important as teaching basic accounting curriculum. Conversely, students may believe it is more important as a means to enhance their future ethics values and goals (Adkins & Radtke, 2004).

Beggs and Dean (2007) analyzed the approach of business school faculty discernments about those accounting and business scandals over the past decade and the lack of ethics and ethics education. There has been no lack of corporate scandals that have raised public concerns about business and accounting practices; educators and the colleges that teach ethics are responsible for implementing ethics training for future accounting professionals. Beggs and Dean further note that faculty believed that additional legislation is needed, such as SOX, and responsibility for ethics issues within US corporations resides with government regulation.

Some literature suggests that faculty did not believe they had proper training to teach ethics; others believed that there is not enough time within a semester to teach the technical material, and therefore teaching ethics should not be a priority (Adkins & Radtke, 2004). They further suggested that many faculty members did not believe the college of business was effectively introducing students to ethical topics. Many faculty members believe that legislation would be a better approach with rules and enforcement of the law

(Duska, Duska & Ragatz, 2011). Faculty were also unconvinced that they could change students' behavior as it relates to ethics and ethical dilemmas, preferring government sanctions for violations. However, the organization's culture must be considered. The need to win regardless of the consequences may be one culture-norm that impedes ethical behavior. Ultimately, faculty seem to focus on those external solutions, such as government laws that will punish a business for unethical behavior because they may not support teaching ethical education.

According to Chawla, et al. (2015), "Accounting students need a standalone ethics course in order to be able to think through various situations dealing with ethics and learn how to hone their ethical reasoning skills" (para. 1). A student's approach to ethics is based on their own limited work experiences. These perceptions have the potential to influence a student's ability to discern the ethics of managers to whom they report. For example, managers can use political skills to manipulate workers into believing unethical behavior is acceptable. This type of leadership incivility at the top can set the tone throughout the organization.

Ariail, et al. (2021) examined the relationship between ethical leadership and perceptions of political skill; through the use of a survey and an ethical leadership scale, the authors found that 703 students who were employed either part-time or full-time viewed political skill and ethical leadership with a high level of association. The findings of the study also showed that the level of ethics education received in the classroom did not adequately prepare them for discernment in the workplace as it relates to ethical sensitivity (Ariail et al., 2021). As a result, students who currently work in the accounting industry might confuse leadership abilities with the attributes of ethical leadership and political skill. Younger accounting students may not possess the ethical skills necessary to think critically when experiencing manipulation from unethical leaders (Ariail et al., 2021). The results of their study suggest that there is a need for a more robust ethical training in accounting courses.

Most students accept ethical training in accounting courses as an appropriate curriculum component; this acceptance is based on the expectation that professors have enough skill to present ethical teachings to their students through proper materials, qualifications to teach ethics, and the application of real-world scenarios (Abidin & Fatima, 2016). For a clearer understanding of the desire to have integrated ethics teaching in the classroom, Abidin and Fatima (2016) sent 100 questionnaires to Diploma in Accountancy (DIA) students in Malaysia. Ninety-six respondents showed a two-thirds majority in favor of ethics education integrated in the classroom. The DIA students held the opinion that if ethics is not taught in the classroom, ethical scandals will continue (Abidin & Fatima, 2016). However, the one-third minority of DIA students disagreed with the integration. These students indicated a concern that ethics teachings could not be applied in the classroom effectively (Abidin & Fatima, 2016).

Chelariu, et al. (2014) approached ethics in accounting education by studying the accounting profession through intrinsic and extrinsic measures; they focused on measures to improve accounting ethics education through conceptual content analysis. Trends found in research favored extrinsic measures including modifying the curriculum, enforcement of legislation in the accounting professions, and an emphasis on ethics teaching by professors. Intrinsic values were seen through attention to social and economic contexts in which accountants work, models of ethical behavior in the accounting professions, and the moral and cognitive development of accountant as students and as accounting professionals (Gray, et al., 1993). The researchers concluded that personal characteristics of people formed their views on ethical education.

There was also a trend toward extrinsic motivation through a robust ethics curriculum, stressing accounting legislation as a foundation of ethics, and an emphasis on the moral and cognitive development of students throughout their accounting careers. There were some limits to this study. Chelariu et al. (2014) noted there was limited access to international databases. The articles analyzed were strictly from an academic environment. Expanded research into the topic will offer more insight.

METHODOLOGY

The authors collected data using a Google forms survey instrument. The participants were recruited from an undergraduate accounting class at an online university. Although the dynamics are different

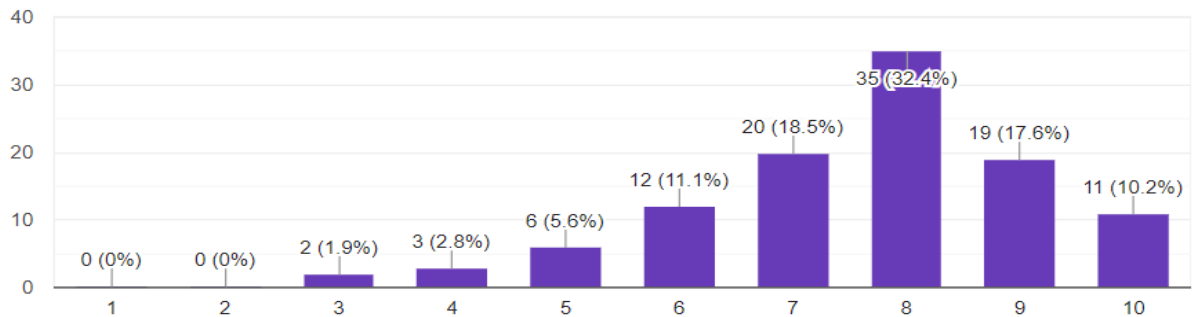
between traditional, face-to-face versus online modes of delivery, the application should be broadly generalizable (Self, et. al., 2018). There were 108 respondents to the survey. Results of the data contributed to an overall understanding of the preference of participants regarding preferences for teaching ethics curriculum in a stand-alone course versus using an integrated approach within existing accounting courses.

As a baseline for this study, participants were also asked to rank their existing level of ethical awareness on a scale of 1 to 10. Additionally, participants were asked if ethics should be part of the overall accounting curriculum.

RESULTS

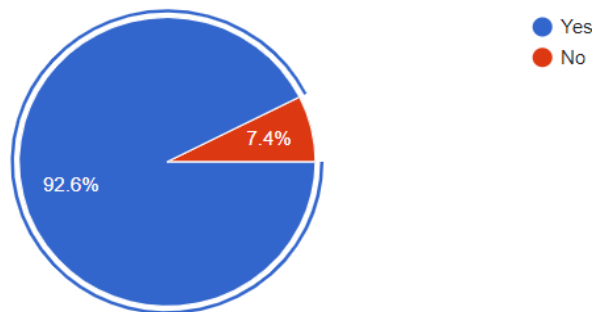
Overall, 60.2% ($n = 65$) of respondents scored their level of ethical awareness as 8 or higher (Figure 1).

**FIGURE 1
LEVEL OF ETHICAL AWARENESS BY PARTICIPANT RESPONSE**



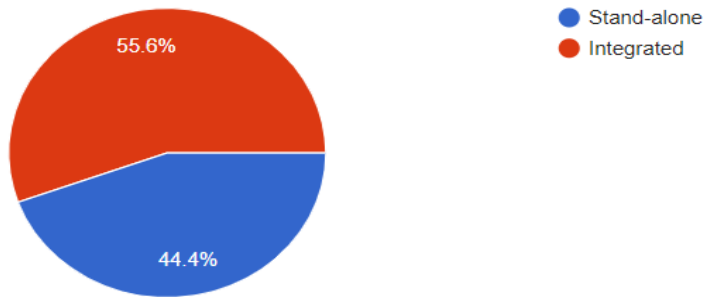
Results indicated 93% ($n = 100$) participants were in favor of teaching ethics within the accounting curriculum (Figure 2).

**FIGURE 2
ETHICS TEACHING AS PART OF THE ACCOUNTING CURRICULUM**



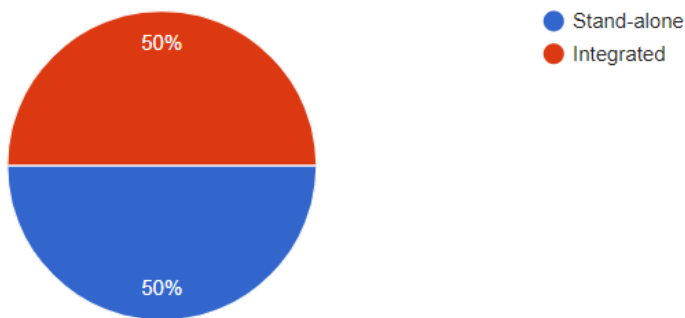
The preference of the stand-alone versus the integrated model was split between the respondents. Fifty-six percent ($n = 60$) of the participants preferred the integrated model, and 44% ($n = 48$) viewed the stand-alone course as more favorable (Figure 3).

FIGURE 3
INTEGRATED MODEL VS. STAND-ALONE COURSE



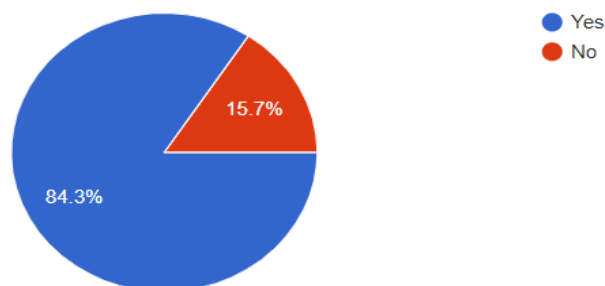
These results were consistent with responses to the question: which method of ethics education they believed would provide them with increased ethical awareness for the accounting profession? The results were distributed equally between both methods.

FIGURE 4
INCREASED ETHICAL AWARENESS



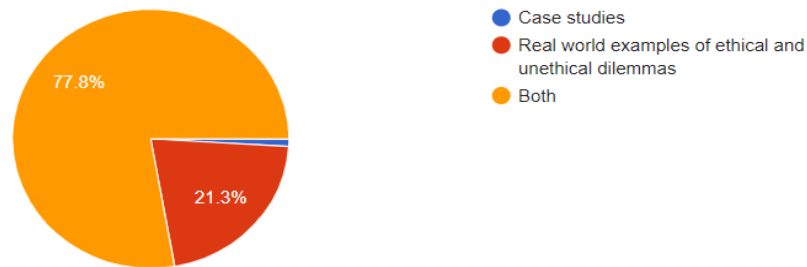
Participants were also asked if a targeted ethics course with training, case studies, and examples would add to their present knowledge of ethics. The results overwhelmingly supported (84%, $n = 91$) having an ethics course containing those teaching methods would add to a knowledge of ethics.

FIGURE 5
BENEFIT OF TARGETED ETHICS COURSE



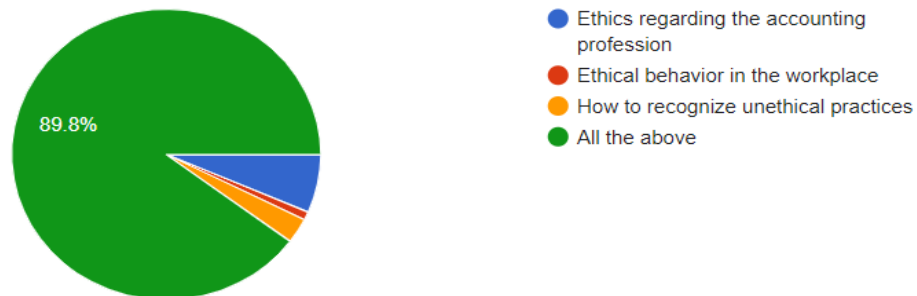
There was also participant feedback on the most efficient way to teach ethics. Participants were given the option of case studies, real world examples of ethical and unethical dilemmas, or both. Seventy-eight percent ($n = 84$) of participants preferred both options and 21.3% ($n = 23$) wanted more of a focus on real world examples (Figure 6). Only 1% of participants favored a case study only approach.

FIGURE 6
OPTIONS FOR TEACHING ETHICS



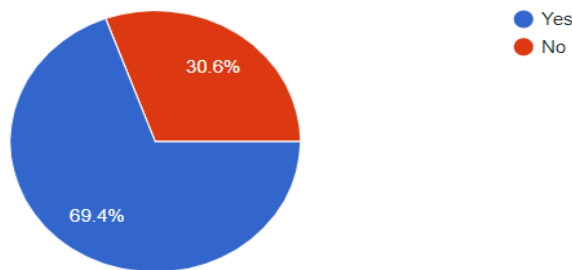
Other key findings from the study included participant input on the most efficient way to teach ethics. The majority of respondents (90%, $n = 97$) felt that ethics regarding the accounting profession, ethical behavior in the workplace, and how to recognize unethical practices were all topics of interest (Figure 7).

FIGURE 7
TOPICS OF INTEREST



The teaching of ethical leadership was also of interest to participants. The majority (69%, $n = 75$) of the participants wanted this topic included in the curriculum (Figure 8).

FIGURE 8
ETHICAL LEADERSHIP AS PART OF CURRICULUM



DISCUSSION

The data from the survey indicate an existing knowledge of ethical awareness among the participants. On a scale of 1 to 10, greater than 60% of respondents ranked their level of ethical awareness as an 8 or higher. The majority of respondents (93%) agreed that the teaching of ethics should be part of the accounting curriculum.

The purpose of this study was to examine more closely students' preference between using a stand-alone approach to teaching ethics or using an integrated model. This preference was split between the respondents. Although 56% of the respondents preferred the integrated model, 44% of participants viewed the stand-alone course as more favorable. This response was also consistent with respondents' preference that both approaches increase ethical awareness. Half of the respondents thought the stand-alone approach would increase ethical awareness in the accounting profession but the other half thought an integrated model was more suitable. Other key takeaways from the study include using both case studies and real-world examples as the most efficient way to learn ethical behavior in the accounting workplace.

The most widely used approach to ethics education is the integration of ethics topics in accounting curriculum (Chawla et al., 2015). Although researchers have noted the differences in ethical reasoning between students who take a separate accounting course and those who receive ethics instruction as an integrated model (Martinov-Bennie & Mladenovic, 2015), students who participated in this study showed more preference toward the integrated model. Based on these results, the current widely-used model, or integrated approach, is also the most preferred model.

CONCLUSION

The authors explored student perceptions about the need for ethics instruction within an undergraduate accounting curriculum. Participants included 65 undergraduate accounting students. The survey included several key questions about student preferences, including between using a stand-alone approach to teaching ethics or using an integrated model. Results included suggest that over 92% of students desire an ethics component within the curriculum. And, 56% of the participants prefer an integrated model.

When asked about the instructional mechanism, 77% indicated a mixed-method using cases and real-world examples was preferred over each individual instructional method. Other key findings from the study included participant input on the most efficient way to teach ethics. The majority of respondents, 90% felt that ethics regarding the accounting profession, ethical behavior in the workplace, and how to recognize unethical practices were all topics of interest.

The beneficiaries of the study include students, faculty, administrators, textbook providers, and curriculum designers. However, the results can also be of value to industry and management staff.

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