
ETHICAL-ECONOMIC DILEMMAS IN BUSINESS EDUCATION

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Abstract. The main purpose of the article is to support the idea of institutionalizing business ethics education at all business schools. Further, the article stresses the importance of using ethical-economic dilemmas in business ethics education. It argues that business students should learn that managerial work is too complex to make do with expertise and experience and help them to acquire the skill of ethical reflection of economic activity. Solving ethical-economic dilemmas in business ethics courses helps to develop cognitive skills in considering economic or managerial problems on the basis of ethical and economic interaction. In order to support the main purpose stated above, we aimed at getting a picture of how respondents assess and solve an ethical-economic dilemma. Hence, this article presents results of an empirical investigation of the ethical decision-making (EDM) process on a sample of Slovak students of Management.

Keywords: business ethics, ethical-economic dilemma, ethical decision-making (EDM), ethical rationality, economic rationality, business education.

JEL Classification: A13, A22, A23.

1. Introduction

People have been constantly confronted with consequences of unethical business practises. It is not unusual to witness how ethical misconduct in business gives rise to negative outcomes of enormous proportions. As unethical decisions of business leaders was identified as one of the key factors leading to many disasters (Donaldson 2012; Friedman, H., Friedman, L. 2010), with increasing number of such cases urgency arises to pay more attention to ethical education of future managers. In recent years, world leading business schools have been aiming attention at integrating business ethics in their curriculum, as some of them became embarrassed by the role played by their alumni in corporate scandals.

According to Ghoshal (2003), business school teachers have been careless in their responsibilities, ill preparing students for the reality of corporate life by treating business disciplines “as if it were a kind of physics, in which individual intentions and choices either do not play a role or, if they do, can safely be taken as being determined

by economic, social and psychological laws” (Ghoshal 2003). He is just one of those calling for change in business education, suggesting that “coursework-as-usual is insufficient, or at least irresponsible, because they cover material independent of ethics” (Cant, Kulik 2009). Though some argue that ethics cannot be taught (e.g. Cragg 1997) and that it is difficult to change personal values and principles in business ethics courses (McCabe *et al.* 1991), the Association to Advance Collegiate Schools of Business (AACSB) obviously assuming that ethical decision-making (EDM) strategies and ethical values can be trained (Sims, Felton 2006) has included ethics instruction as an accreditation requirement and recommended it to be high priority in the curriculum (Falkenberg, Woiceshyn 2007).

2. The role of ethics in business education

Business is “a social activity with moral prerequisites” (De George 1989) and with “the potential for a myriad of moral dilemmas” (Falkenberg, Woiceshyn 2007). Business students should realize that ethics is an integral part of business and is present in every decision-making. “A business decision may be labelled or categorized as a financial, manufacturing or marketing decision, but ethical dimensions are intertwined in the decision, regardless of its description” (Sims, Felton 2006).

Students should learn that in the course of professional activity, the manager commonly gets into situations when his moral beliefs conflict with his economic intent; when there is a conflict between the desire to succeed and the desire to act honestly; a conflict between career and conscience, or moral values of his associates and his/her values. The purpose of teaching business ethics is to achieve students’ realization that ethics is not a luxury or additional cost in the manager’s work, but an integral part of his everyday work (Remišová 2004). As “all management decisions have possible second and third generation consequences of an ethical nature” (Sims, Felton 2006), students should be aware that “what may appear to be an ethically responsible decision when viewed from a short-term perspective often has long-term negative and unintended consequences that are ethically irresponsible” (Sims, Felton 2006). Previous research showed that perceived importance of an ethical issue is a predictor of moral intent (Haines *et al.* 2008), which supports the significance of discussing ethical issues regarding all business activities to better understand their impact. Students should understand that every decision has an ethical dimension, be able to find and assess it, as well as, reason ethical primacy in their decisions.

However intense the debate might be on integrating ethics into business education, it should primarily focus not on *whether* ethics can be taught, but on *how* to teach ethics more effectively. What can educators do to achieve the best possible education results? Many authors agree that apart from familiarizing students with business ethics as a subject matter, a good business ethics course should (1) raise awareness of ethical issues, (2) help students to identify and understand their core values and give them the

possibility to question and challenge them, (3) broaden students' understanding of ethics and its complexities, and (4) strengthen their analytical skills, moral reasoning and judging abilities (see e.g. Sims 2002; Lowry 2003; Sims, Felton 2006; Cant, Kulik 2009; Kolb, A. Y., Kolb, D. A. 2005). Moreover, business ethics course should be intended to “strengthen students' adaptation” to meet their future managerial social obligations (Sims 2002), increase capacity “to critically respond to changing environments that contain competing interests and complex obligations to numerous stakeholders” (Cant, Kulik 2009), and get them into the “habit” of applying EDM strategies in a school setting (Oddo 1997). There are also suggestions that developing certain competencies may help individuals to effectively include ethics in decision-making process (Morales-Sánchez, Cabello-Medina 2013). Last not least, it is important to help students understand that “being an ethical manager is a process – a process that needs to be nurtured throughout one's management career” (Sims, Felton 2006).

3. Ethical-economic dilemmas

To accomplish the exacting objectives, a wide range of pedagogical approaches to teaching business ethics has been discussed over the literature, ranging from structured lectures, discussions, role-plays, case-studies, presenting ethical issues within the context of films and novels to “interaction with convicted white-collar criminals to learn from their mistakes” (Sims, Felton 2006). We agree that in order to make business ethics courses effective, the learning must be experience based and emphasize personal experience application (Sims, Felton 2006) as more experienced students appear to be more ethically oriented (Eweje, Brunton 2010). In accordance with the finding that studying ethics scandals positively impacted student perceptions of the ethics of business people (Cagle, Baucus 2006), we believe students should be given an opportunity to see business situation from someone else's point of view in simulations, role plays, ethical-economic dilemmas, or by sharing their own experience. By engaging in such activities, they experience how it feels to be “on the other side” of their decision, and/or experience consequences of their decisions in model situation.

At *Faculty of Management, Comenius University in Bratislava*, where all authors of this article teach courses in business and managerial ethics, the instruction is based on three main pillars:

1. *Primacy of ethical rationality over economic one.* Based on Ulrich's (1997, 2010) integrative approach to business ethics, emphasized in all Remišová's works on business ethics (e.g. Remišová 1997, 2004, 2011, 2012; Remišová, Búciová 2012), students are taught to understand the difference in ethical and economic rationality in everyday business situations and learn to integrate them. Moreover, they are taught to understand, that in case those rationalities are in conflict, the ethical one should be given priority (i.e. the universal interests should be preferred over individual ones). The main goal of the courses is to teach students distinguish

between ethical and economic aspects of everyday business situations, and to help them acquire skills to solve them in favour of ethics.

2. *Managerial ethics is a professional ethics*, and therefore cannot be withdrawn from business education. Just as medical or law students cannot graduate without encountering ethics instruction during their studies, all business students should complete courses in business or/and managerial ethics to have the opportunity to encounter and discuss ethical issues of their future profession, improve their moral sensitivity, thinking, reasoning, etc.
3. *Solving ethical-economic dilemmas helps developing students' thinking and moral judgment*. This idea derives from Kohlberg's model of moral development, which was analyzed by Remišová (1996). According to Kohlberg's theory of moral development (1981), moral judgment develops over time together with the development of one's thinking. In teaching ethics, it is more important that students have to *engage in the process* of solving ethical dilemmas, than the actual solutions they are able to come up with. By facing ethical dilemmas in school environment, students are forced to think about how to solve such situations, and thus they create mental schemes for solving such problems. This is one of the most important outcomes business ethics courses can provide.

Ethical-economic dilemmas present everyday business situations in which economic dimensions of a managerial problem are confronted with ethical ones. Solving such situations becomes not merely a matter of business knowledge, economic parameters and legislation, but is strongly influenced by ethical moments. Individual action is influenced by one's moral principles, values, character qualities, moral development, ability to respect human rights of other people, and ability to consider concerns of all the individuals and groups involved (Remišová 2004). Ethical-economic dilemmas are not simply about choosing between "the right" and "the wrong". According to Brady (1990) such dichotomy is misleading and may cause frustration. They present a complex decision-making process, in which decisions between profit and social harm take place, complicated multilateral alternatives are assessed, and expected consequences, uncertain possibilities and career implications are taken into consideration (Remišová 2004).

According to Remišová (2004) in order to find a solution of an ethical-economic dilemma, three types of analysis may help: *economic* (considering impersonal market principles), *legislative* (considering impersonal social rules) and *ethical* one (trusting individual moral values). Students are taught to analyze various situations from ethical viewpoint (as it is assumed that they have already been taught to analyze problems from economic viewpoint on many other subjects in the curriculum). Discussing such dilemmas enhances their moral awareness, ethical thinking and improves moral reasoning (Remišová et al. 2014). As already mentioned, the most significant outcome of solving ethical-economic dilemmas is in the process itself. No matter what the decision made is, by facing and solving the dilemmas and weighing possible solutions students are creating an important habit for their future profession.

4. Research methodology

*The main purpose of our research was to gain a clearer picture of how respondents assess and solve an ethical-economic dilemma, this being measured in regard to certain elements of EDM. In order to gain valid and reliable data we decided to first perform a pilot study, in which the designed research methodology (e.g. content of the given ethical-economic dilemma, the way the variables were coded, etc.) would be investigated. After evaluation of the pilot study results, the coding scheme for variables included in the research had to be précised and refined. The partial results of our pilot study were published in our previous article (Remišová *et al.* 2014). After integrating minor changes to the questionnaire body, we proceeded with the research. In order to achieve the research purpose stated above, we had to follow these consecutive methodological steps:*

1. Respondents were given an ethical-economic dilemma by Anna Remišová (2011) in a written form. It was presented to respondents as a short case study that introduced a situation, in which respondents represented owners of a company dealing with waste disposal. The company cared about its environmental reputation, and therefore, it invested in a device for intercepting emissions from burning waste. The company was in the stage of growth but big investments had exhausted it, and so it was essentially looking for lucrative orders. One of the managers came with a proposal he had received from an unknown foreign food company to dispose spoiled goods. Burning such goods produced emissions and the foreign company would have to pay a high fine for disposing such waste in its home country. The cost for disposing the goods in the food company's home country was stated to be 20-times higher than in country, in which our company operated, as the environmental legislation in our country was more benevolent. As owners of the waste disposing company the participants were informed their newly bought device could not intercept those emissions. They also knew there was no monitoring device for emissions in the region where their company operated. The company was to receive 600.000 € for the waste disposal, which would solve its current economic problems as well as strengthen its market position. The manager, who received this offer, was asking what to say to the food company.
2. After reading the dilemma the participants were asked to think about it and then fill in a questionnaire that was at the end of the dilemma. It consisted of six open-ended questions tied to the wording of the dilemma. Questions comprised issues of how would respondents decide in such a situation, what would be the economic point of view, what would be the ethical dimension of this dilemma, what would be the consequences of the selected solution, whether respondents would be willing to bear responsibility for their decision, and finally, whether they thought it was ethically correct that economically more developed countries disposed waste in the weaker ones. The closing demographic question page asked about respondents' gender, age, work experience and whether they had taken any courses in ethics prior to the testing.

3. After receiving the filled in questionnaires, all responses were transcribed into one document ordering them according to the six consecutive open-ended questions. Next a pre-developed coding scheme, that was refined after the pilot study, was applied in order to catch the most important elements of each answer. Hence, answers on six open-ended questions were differentiated into 17 quantitatively coded variables. Moreover, 16 demographic variables were involved in the analysis, too. The data had been transcribed into an Excel file, which was subsequently scored in the Version 21 of SPSS program. For the sake of the research goals we assessed the data by the means of various methods of descriptive statistics, like frequencies and cross-tabulations. Further we used the Chi-square test for independence, calculated Cramer's V, and Contingency coefficient for calculating the strength of the association between measured variables.

Our two main research questions were:

I. *How did our respondents solve the respective ethical-economic dilemma?* Because the issue of EDM is multifaceted, we had to fine down this complex question into the particular processes of EDM. More specifically, we investigated here three processes of EDM (Rest *et al.* 1986):

- What was respondent's dominant decision (intended action)?
- What was the nature of moral awareness of respondents?
- What was the nature of respondent's moral judgment? Where they able to determine, which course of action is morally correct?

II. *Is there any statistically significant relationship between previous education in ethics and the way respondents solved the moral dilemma?* More specifically, is there any relationship between education in ethics and:

- decision, in the sense of giving priority to ethically right decision over ethically incorrect decision;
- moral awareness, which was inspected on the basis of:
 - a) the awareness of ethical stakes inherent in the given moral dilemma,
 - b) sensitivity to various stakeholders, to which the dilemma was supposed to relate,
 - c) consequences of intended action awareness, and
 - d) long-term/short-term consequences of intended action awareness;
- moral judgment that was in our research represented by the attitude of respondents toward whether to exploit (economically) weaker countries is ethically correct or incorrect;
- respondent's willingness to bear responsibility for their intended action; and
- the scope of economic rationality that was perceived by respondents in relation to the selected solution of the dilemma.

The next section of this paper will refer to the above stated research questions.

5. Results

Sample. Our sample consisted of both undergraduate and graduate students studying at the *Faculty of Management, Comenius University in Bratislava*, Slovakia. No grade was assigned for the task of filling in the questionnaire and students were told to express their opinion freely and anonymously.

After assembling the data, questionnaires filled in incompletely were excluded from the assessment, leaving 189 respondents in the final sample. As for the character of our sample, 67% of the sample consisted of women, 93% was populated by people being up to 26 years old, while 74% of them didn't have a full-time work experience, however up to 67% of the sample did have work-related experiences on a managerial position. The majority of the sample population worked on a part-time platform: HRM positions (48%), admin-related positions (30%), finance/accounting positions (23%), followed by sales (20%), marketing (19%), and production (5%) positions. As for having education in ethics, 45% reported having attended a course related to ethics. As for the overall sample, 23% of them took a course in Business ethics, 10% in Ethics, 7% in Managerial ethics, 3% in CSR, and approximately 2% of them took differently specialized courses in ethics.

On the solution of ethical-economic dilemma. Table 1 illustrates the overall research outcomes regarding the basic variables measured within the EDM process. We assessed 17 sub-elements of EDM. As for the *intended action* to take, according to the results majority of our respondents (64%) would accept the offer to burn the toxic waste in order to solve current economic problems of their company. *Moral awareness* was differentiated according to various stakeholders and other aspects that respondents would take into account, according to being able to identify that the respective dilemma includes the contrast between ethical and economic rationality, further according to being able to specify ethical stakes, and awareness of consequences of intended actions together with recognizing their long-term and short-term dimension.

Results show that more than 87% of respondents were aware of ethical stakes that were inherent in the dilemma. This means that respondents were able to identify ethical side of chosen solution (the course of action) they wanted to undertake. Further results show that 58% of respondents took stakeholder "environment" into account, 25% considered region/people, 7% of respondents indicated economic weaker countries as important, only 4% considered future generations, and only 5% of the sample took into consideration employees of the company. Almost 43% of respondents considered the aspect of company image as being important to think about, 19% recognized owner and his conscience, and 7% of respondents indicated violation of laws as being important to take into the decision-making. Moreover, 25% of the sample was able to identify that there might be contrast between ethical and economic rationality in the respective dilemma.

Table 1. EDM related process research outcomes (Source: created by the authors)

EDM-related processes	EDM elements	Variables	N	Education in ethics Yes/No	
Intended action	Decision	Accepted unethical offer	121	49.6%	50.4%
		Not accepted unethical offer	46	37.0%	63.0%
Moral awareness	Stakeholder environment	Not involved in reasoning	80	42.5%	57.5%
		Involved in reasoning	109	46.8%	53.2%
	Stakeholder region/people	Not involved in reasoning	141	39.0%	61.0%
		Involved in reasoning	48	62.5%	37.5%
	Stakeholder future generations	Not involved in reasoning	181	43.6%	56.4%
		Involved in reasoning	8	75.0%	25.0%
	Stakeholder economic weaker countries	Not involved in reasoning	176	44.3%	55.7%
		Involved in reasoning	13	53.8%	46.2%
	Stakeholder employees of the company	Not involved in reasoning	178	44.4%	55.6%
		Involved in reasoning	10	50.0%	50.0%
	Aspect of company image	Not involved in reasoning	107	43.0%	57.0%
		Involved in reasoning	82	47.6%	52.4%
	Aspect of owner/conscience	Not involved in reasoning	154	41.6%	58.4%
		Involved in reasoning	35	60.0%	40.0%
	Aspect of violation of laws	Not involved in reasoning	175	45.7%	54.3%
		Involved in reasoning	14	35.7%	64.3%
	Ethical rationality in contrast with economic rationality	Not involved in reasoning	142	41.5%	58.5%
		Involved in reasoning	47	55.3%	44.7%
	Awareness of ethical stakes	Ethical stakes specified	165	47.3%	52.7%
		Ethical stakes not specified	24	29.2%	70.8%
	Awareness of ethical stakes specified	Various stakeholders are at stake	78	48.7%	51.3%
		Personal values/conscience are at stake	87	46.0%	54.0%
		Law violation is at stake	12	33.3%	66.7%
	Awareness of consequences	Aware	100	40.0%	60.0%
Not aware		89	50.6%	49.4%	
Awareness of long/short term consequences	Long-term	33	51.5%	48.5%	
	Short-term	67	34.3%	65.7%	
Moral judgment	Moral judgment on acceptance of exploitation of the weaker countries	It is correct	19	42.1%	57.9%
		It is incorrect	170	45.3%	54.7%
Responsibility	To bear responsibility for intended action	Is willing	160	43.8%	56.3%
		Is not willing	29	51.7%	48.3%
Economic rationality	Scope of economic rationality	Pure economic calculus	141	45.4%	54.6%
		Involving stakeholders into account	48	43.8%	56.3%

Ethical stakes that were identified by respondents were mostly tied to the values and conscience of the owner of the waste disposing company (46%), to the various stakeholders (41%), and to possible violation of laws (6%). Up to 6% of the sample was not able to recognize neither any ethical stakes nor any stakeholders. Only 18% were aware of long-term consequences of their action, and 47% of the sample population was not at all aware of any consequences of their intended action. Up to 35% were aware only of short-term consequences tied to their course of action in solution of the dilemma.

Moral judgment proved to be the easiest to recognize by our respondents. More than 89% of the sample population was able to determine, which course of moral action would be ethically correct. Up to 85% of respondents would be willing to *bear responsibility* for their action. Further, when asked, what is the economic viewpoint of the problem depicted in the dilemma, circa 75% of respondents relied solely on economic calculations of income and expenses, which means that only 25% of the sample was able to involve also some stakeholders and their stakes into the economic perspective.

On the relationship between education in ethics and the way respondents assess the moral dilemma. The 17 elements of EDM were tested also from the perspective of their relation to ethical education of respondents. When testing the relations between those who had and didn't have ethical education, no significant relations were proved but two. These two statistically significant relations were confirmed (see Table 2 and Table 3).

Table 2. Relation between previous ethical education and involvement of stakeholder region/people into consideration when solving the dilemma (Source: created by the authors)

Stakeholder region/people	Education in ethics		
	Yes	No	
Not involved in reasoning	55	86	
Involved in reasoning	30	18	
Pearson Chi-Square	.005*	Contingency Coefficient	.201**

*Asymp. sig. (2-sided). ** Approx. sig.

Table 3. Relation between previous ethical education and involvement of owner/his conscience into consideration when solving the dilemma (Source: created by the authors)

Aspect of owner/conscience	Education in ethics		
	Yes	No	
Not involved in reasoning	64	90	
Involved in reasoning	21	14	
Pearson Chi-Square	.048*	Contingency Coefficient	.143**

*Asymp. sig. (2-sided). ** Approx. sig.

Our results as depicted in Table 2 and 3 indicate that in our sample of Slovak managerial students the strongest, although still rather moderate to weak relationship between ethical educational background and various parts of EDM lie in involvement of the stakeholder region/people and the aspect of the owner's conscience into account in the process of dilemma solution. No other statistically significant relations between measured variables of EDM and ethical educational background were identified. In order to gain a clearer picture of the relevance and implications of research results, the discussion part of this paper will interpret our results in a broader context of business and business ethics education realities.

6. Discussion

The results of our survey indicate that having education in ethics did not have any significant relation to respondents' intended course of action, moral awareness, or moral judgment. However, a relationship was proved between ethical educational background and involvement of the stakeholder region/people and owner's conscience into account in the process of dilemma solution. Students with education in ethics were more likely to consider negative impact of waste disposal on people living in the close area – ranging from long-term and short-term health risks, to decrease in living comfort and drop in real-estate value due to pollution. They also more often reasoned that accepting the unethical offer might be in conflict with the owner's conscience, or might be in utter contradiction with the core values and beliefs upon which the company was built (i.e. they referred to company's conscience).

Interesting results occur when comparing willingness to bear responsibility for a chosen solution and the awareness of consequences. Up to 85% of respondents would be willing to bear responsibility for their action, but only 18% were aware of long-term consequences, 35% were aware only of short-term consequences and 47% were not at all aware of any consequences of their intended action. These results may indicate either that a shallow or no knowledge of consequences and their complexity might lead to greater willingness to accept responsibility for a decision, or that respondents do not fully understand what "accepting responsibility" means. Respondents might think they would be willing to accept responsibility for their decision (even if it means accepting the unethical offer), because they are not able to portray the consequences adequately, or they cannot portray responsibility for such a decision in terms of triple relationship of responsibility, i.e. *who* is responsible for *what* towards *whom* (Remišová 2004). In both cases, what teachers can do is to emphasise ethics of responsibility as one of the basic frameworks for EDM, discuss the complexity of every-day business decisions with accent on their consequences towards different stakeholders, and by using experiential learning methods to help students find the answers themselves.

Another interpretation of the results may be that respondents deliberately picked the risk of accepting the unethical offer as they believed the economical rationality had

to go first (i.e. to maximize profit, support the company financially in order to sustain or stay competitive, etc.). When asked, what the economic viewpoint of the problem depicted in the dilemma is, 75% of respondents relied solely on economic calculations of income and expenses, which means that only 25% of the sample was able to involve also some stakeholders and their stakes into the economic perspective. We suggest that students either did not see the different impact of consequences for different stakeholders or did frame the dilemma as a managerial problem without any ethical component and thus solved it based on the economic rationality only. If we work on the assumption that respondents believed economic rationality should have preference in the dilemma, than an important shift should be made in their entire business education – to let them understand that doing business cannot be limited to economic rationality only. We strongly agree with Sims that in order to be successful, implementation of business ethics in the curriculum requires involvement and commitment of the entire business faculty to an overall set of ethical principles to be expressed to students (Sims 2002), otherwise ethical values and principles trained in business ethics courses may collide with economic principles favoured in other business subjects.

Our results to certain extent correspond with Marnburg's (2003) suggestion that business ethics course might increase awareness of moral issues. We neither prove nor disapprove Ritter's assumption, that "while efforts to integrate ethics into curriculum may increase the possibility that individuals with a prior ethical schema will activate it in business situations, there may be little or no effect on individuals who have not yet created an ethical schema" (Ritter 2006). We are of the opinion that business ethics should be mandatory part of business and economic education, regardless of what the students' level of individual ethical thinking is, prior to the university studies (Remišová *et al.* 2014). In accordance with Oddo, we believe that "if students get into the "habit" of applying EDM strategies in a school setting, they will be more likely to use them in business situations" (Oddo 1997).

It is important to note that in the educational process, ethical-economic dilemmas are usually used to provoke and stimulate discussion. Each student is asked to participate in the discussion, give reasons for his solution and confront it with the solutions of others. This way, students learn to identify ethical aspects of economic problems, and to reflect their own decisions. Self-reflexion and self-evaluation are essential in the process of becoming responsible managers.

7. Conclusions

One of the things students are familiarized with in business ethics courses, are tools for institutionalizing business ethics in organizational environment. Unfortunately, teachers usually do not have such tools to institutionalize ethics in business education. Thus, they can only influence a limited number of students, who have decided to enroll in business ethics course, which is often elective only. This article should serve as one of

the impulses for starting a discussion about integrating business ethics instruction into curriculum in all European business schools. We believe that business ethics should be treated at least as other business disciplines to prepare all students for the complex reality they will face in their future careers. Courses in business and managerial ethics should not be withdrawn from business education. Moreover, it is not enough to integrate them into business curriculum as elective courses only. As managerial ethics is a professional ethics, all managers should be prepared to handle business situations in favor of ethical rationality.

These premises were reflected also in our research approach and design. We are aware of certain limitations of our approach to the research methodology, this influencing the character of research results. First, the variables included in our research might not wholly cover the entire EDM process. Although the literature dealing with the EDM process and EDM models is of a quite large scope, further theoretical clarification of particular elements of EDM has to proceed in order to overcome certain vagueness and inconsistencies in the current theory.

Cross-field cooperation between managerial decision-making and various applied ethical disciplines, especially Business ethics and Managerial ethics should be supported in order to build models easily utilizable in managerial decision-making. Hence managerial-oriented empirical studies with leadership decision-making studies as the key element of the former should be carried on to have enough comparable sets of data for meta-analyses. Moreover, because of the qualitative nature of our approach and consequent quantification of the qualitative data in the process of respondents answer coding, there is, despite of previous pilot study, still a risk of incorrect coding. The content of our research instrument is rather single-sided, offering us to gain at first hand only qualitative data. Therefore we are aware of the need to widen the scope of respondents, especially from managerial praxis, in order to confirm or reject some of our results in a larger managerial personnel-oriented study.

Another limitation of our study lies in certain negligence of situational variables and their impact on the EDM, this being a result of focusing solely on the ethical educational background and its effect on the EDM of the student population. This issue might be also one of the further challenges in the EDM studies; to investigate the interconnections and correlations between leadership and culture contingencies and the EDM process. Further, for the utilization of theoretical models of EDM into managerial praxis, it would be helpful to investigate the impact of moral intention, awareness, and judgment on the actual behaviour in longitudinal studies. We are aware that these challenges were not met in our article, but despite this fact we still believe that our study delivered new insights into the complex realm of EDM and might be useful for practitioners in ethical education.

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