

Ethical Misconduct in the Business School: A Case of Plagiarism that Turned Bitter

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ABSTRACT. As a result of the public demand for higher ethical standards, business schools are increasingly taking ethical matters seriously. But their effort has concentrated on teaching business ethics and on students' ethical behavior. Business faculty, in contrast, has attracted much less attention. This paper explores the context and the implications of an alleged case of plagiarism in a master's dissertation submitted to a university lacking both an ethical code of conduct and a formalized procedure to deal with academic misconduct. The events evolved into a bitter political process in which the more ethically aware members of faculty challenged efforts to cover-up. Here the focus is on the motives and behavior of faculty members involved in this case rather than the alleged plagiarist's. The role played by the main actors involved in the process is examined using the theory of moral development and the organizational politics perspective. The paper discusses the mechanisms available to raise ethical awareness and prevent academic misconduct, and the limitations of self-regulation and self-monitoring that prevails in the university system. It also examines the impact of ethics instruction and faculty ethical standards on students' behavior and concludes that ethics instruction can

only be effective when the principles taught are in line with daily actions of their instructors.

KEY WORDS: academic misconduct, business education, business faculty, codes of ethical conduct, moral development, plagiarism, politics, self-regulation, whistleblowing

Ethical standards in the business school system

Widely publicized cases of alleged misconduct and the daily report of legal and moral breaches of ethical conduct have focused public attention on the ethical behavior of business organizations and management professionals. As a result of the public demand for higher ethical standards, business schools were urged to include some business ethics instruction in the graduate and undergraduate business curricula, which most of them did in one way or another (Pizzolatto and Beville, 1996).

Despite the bad press business people often get, most studies did find that business students tend to be even less ethically sensitive than management practitioners (Collins, 2000), and that little change occurs in ethical perspectives, as students become managers (Salter et al., 2001). Perhaps unfairly to most of them, business schools have often been blamed for being more concerned about teaching students how to be successful at the cost of ethical complacency (Stevens et al., 1993), a situation Schwartz et al. (1991) describe as "the failure of business school education to reduce the incongruity between doing what is right and doing what it takes to get ahead" (p. 466).

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The apparent moral weakness of students in the business school system is a recurrent theme in the literature. Different studies have reported that business schools seem to attract candidates for whom “winning is everything” and for whom ethical issues are subordinated to the demands of academic achievement (Lane et al., 1988). When properly trained, students appear to be able to identify correctly the ethicality of a business situation but they seem to prefer a practical approach to an ethical approach if forced to choose between the two (White and Dooley, 1993).

In a meta-analysis of empirical literature, Borkowski and Ugras (1998) concluded that groups of business and non-business students do not differ significantly in terms of ethical attitudes, but a considerable number of studies have reported significant differences in ethical awareness and behavior between business students and students from other fields. McCabe et al. (1994) for instance, looking at what they consider a simple measure of basic honesty, the test cheating dilemma, found that business students were far more receptive to the unethical choice than law students, concluding that “students planning careers in business consistently distinguished themselves as the most frequent cheaters” (p. 700). In the college environment, cheating in exams is somewhat endemic (Crown and Spiller, 1998) and cheating was found to have predictive power over ethical attitudes in general (Coleman and Mahaffey, 2000). For instance, there is empirical evidence available showing that cheating is strongly correlated with plagiarism (Caruana et al., 2000), thus supporting the view that the implications of cheating go well beyond biased assessment. Since “those who admit to dishonest academic acts when at university go on to engage in work-related dishonest activities”, according to the findings of Sims, referred to by Caruana et al. (2000, p. 23) more attention should be paid to what goes on in business schools, in terms of the ethical behavior.

In contrast with the considerable number of studies conducted among business students, business faculty has attracted much less attention. Business faculty has been found to be more ethically oriented than students (Stevens et al.,

1993) but with ethical standards falling behind the practitioners’ ethical standards (Conaway and Fernandez, 2000). When it comes to students’ perceptions of faculty behavior the picture looks rather bleak. In a survey conducted by David et al. (1990) they found that over one-quarter of their sampled business graduates failed to agree that their professors behaved ethically. In this context, questions are sometimes raised as to whether business schools have devoted enough efforts to set and maintain high ethical standards within their ranks.

But ethics education is not confined to formal teaching as occurring in coursework. Informal teaching does also take place in other types of interaction between faculty and students. This is particularly relevant for post-graduate students who work closely with their supervisors, learn from them moral and scientific practices and tend to see them as role models.

Plagiarism in academia

It is fair to say that in spite of the negative publicity brought up by some particular cases, there is little hard evidence that deliberate deception occurs on any significant scale, though some degree of underreporting might be suggested. The perception that research fraud is a relatively rare event is still widespread in the scientific community (Ryan, 1998). And yet, some cases of academic misbehavior have come out recently showing some signs of ethical erosion in this community. But these might not be isolated cases. According to a recent survey (List et al., 2001), a “nontrivial number” of academic economists admitted to have falsified research data, contributing to challenge the traditional Mertonian view of the scientist as a professional asserting moral superiority (Woolf, 1991; Grayson, 1995; Ryan, 1998).

Science largely stands on the assumption that community members behave ethically and on the trust relationship scientists build with their peers (Weinstein, 1979). “Reliance on their honesty and professional capabilities may well seem the only practical way in which science can proceed”, admits Grayson (1995, p. 4). Citing

Kohn, she adds: “unlike other professions where honesty is merely regarded as highly desirable, the whole edifice of science is built upon honesty” (p. 19). In other words, science is ethically vulnerable and, therefore, misconduct is a more serious matter to the scientific community than to most other professions. In fact, it is the reputation of science as a whole that is at stake when individual misconduct is exposed which helps to understand why the scientific community is so embarrassed when that happens and shows particular difficulties in dealing with cases of deception and fraud.

Research misconduct may have different degrees of seriousness but no matter how the scale is defined falsification, fabrication and plagiarism will always be at the top end. Although “the boundaries of plagiarism are far from settled” (Davis, 1999, p. 106) there is no doubt it constitutes a gross violation of academic standards and a serious offence. “It is the mixture of law or rule-breaking and social misrepresentation and deception that gives plagiarism its bitter taste”, claims Hannabuss (2001, p. 312) adding that plagiarism “are breaches not just of rules (. . .) but also of the norms, values, expectations, assumptions, and moral beliefs of whole communities. This is why such communities react in the complex ways they do” (p. 312).

Attempts to measure the relative frequency of plagiarism are relatively rare in the literature. Cases of plagiarism were reported by Woolf (1991), Moran (1998), Davis (1999, pp. 91–107), and Frey et al. (1999) but no one really knows whether the reported cases are rare events of just the tip of the iceberg. But when it comes to perceptions, surveys point towards figures of alleged plagiarism ranging from 4.1% to more than 40% in one study (Greenberg and Goldberg, 1994; Grayson, 1995; Ryan, 1998). In a later update of her literature review, Grayson (1997) refers to studies pointing to about 50% of students admitting plagiarism. And most authors agree that in the new web environment, the prevalence of plagiarism is likely to increase (Snapper, 1999; Austin and Brown, 1999; Phillips and Horton, 2000). When it comes to faculty, Dotterweich and Garrison (1997) found in a survey of business academics that unethical prac-

tices, including plagiarism occur frequently among researchers.

But no matter how “obvious” it might be, allegations of plagiarism seem to face particular difficulties of standing in court (Parrish, 1997). If nothing else, because evidence is not always factual and intention to deceive is very hard to prove, explains Hannabuss (2001), adding that “the very topic of plagiarism has a sensationalism of its own, enough to make a clear undistorted view of what is actually happening hard to obtain” (p. 313). In this context, research institutions fall easily to the temptation to sweep the cases under the rug and appear even reluctant to admit the problem exists. Universities might not have done enough to provide guidelines to ensure responsible authorship practices and to setting rules for adequate supervision of students, concludes Ryan (1998).

“Many undergraduate scientists may have only the haziest idea of what plagiarism means after years of school education in which the paraphrasing of work from secondary sources is not only acceptable but actively encouraged, while the techniques of proper referencing are virtually ignored. Without explicit instruction on the issues at an early stage in their university education, it is little wonder that some scientists find it difficult to accept that plagiarism is a cardinal sin” (Grayson, 1995, p. 5).

The following section explores the context and the implications of an alleged case of plagiarism in a master’s dissertation submitted to a European university. This case illustrates the failure of the educational system in dealing with cases of alleged misconduct. The case does not examine the motives and circumstances surrounding the alleged plagiarist’s behavior. Instead, it seeks to analyze and understand the behavior of faculty members who were either directly involved in examining that dissertation, or that somehow played a role on the aftermath of those events. The data was collected from both primary (description of events by key players and informants) and secondary sources (documents included in the formal inquiry and other relevant material), and also from the author’s recollection of events as a faculty member. For obvious

reasons, actors' names and affiliations are not disclosed.

A case of plagiarism that turned bitter

Business schools across Europe are taking their international strategy seriously. In some cases, they have set up programs in various locations abroad where students can get their degrees from the European university without ever visiting it. Professors from the home university run their courses overseas getting in return a substantial increase in their salaries while away. In the case reported here, the university is proud of its international co-operation policy, which includes the exchange of teachers and students as well as programs run overseas. In one of the international relations programs, master's students are taught in their home country, but have to come to Europe for their final examination. The action starts when an overseas student comes to the university for that important academic event.

Following the usual procedure, the external examiner got a copy of the dissertation a few weeks in advance. He found it generally weak but he was prepared to give the student a chance to argue his case. When he first read it, he was puzzled by the fact that the wording in some of the chapters sounded somewhat familiar, but he could not figure out exactly how and why he had such an impression and decided to forget about it. On the day of the examination, he arrived early and took the opportunity to visit other colleagues to greet them or to discuss issues of common interest. One of the visits was made to the supervisor of the dissertation about to be examined. They have known each other for many years and always kept a friendly relationship. The external sat in the supervisor's office chatting and making time for the session. While browsing the shelves looking for the latest publications in the field, he came across another dissertation he had examined a couple of years before. He browsed it for a while and he could not believe it. He was stunned! At first sight, the whole chapter of literature review and theoretical framework looked virtually identical to the one in the dissertation he was just about to start

examining in a few minutes. His first impression was that at least twenty pages were plagiarized. Further than that, no citation or attribution was made to the dissertation he had examined a few years earlier.

He was shocked and amazed with what appeared to be a gross case of plagiarism. The supervisor seemed just as surprised (he had supervised both dissertations) but it was getting late and they had no time to check it in detail. They walked together to the room where the examination would take place. Without really knowing what to do with it, the external decided, nevertheless, to take that other dissertation with him. It was the first time in his career he was facing such an embarrassing situation and could not figure out exactly what to do. Should he tell the other members of the examining committee and ask them for advice before the session started? Should he refuse to examine this dissertation? Should he go on with the examination and confront the student with the facts?

When these two actors reached the examination room (they were slightly late) the student and the other examiners were already there, waiting for the session to start. Before he had the chance to calm down and figure out what to say, the chairman declared the session open. The chairman of the examining committee is normally a senior member of faculty. In this case, he was also the overseas program director.

According to local procedures, the external is the first to intervene. He started by making some general comments, pointed out the weaknesses of the document and raised a few questions. Apparently the student struggled to give a satisfactory answer to most questions. The external finished his intervention raising the "difficult" question: "could you confirm that all you have included in your dissertation was actually written by yourself?" The student replied "yes". He then opened both dissertations and asked the student: "in that case, how do you explain that what you have in your dissertation from page *a* to page *b* appears to be exactly the same I found in this other dissertation from page *c* to *d*?" There is no definite account of what was said afterwards but all sources agree that the student did not reply and eventually the chairman declared the end of

the session and asked the student to leave the room to allow the committee to reach its verdict.

Some discussion went on for a while between the five professors on the committee, though it could not be established exactly what was said. When it came to make the decision, the chairman asked the members to indicate their vote. The external examiner voted "to fail" arguing that the dissertation was too weak and should fail regardless of any other issues. The supervisor also supported the failure. Both agreed to subscribe a joint statement declaring that "the student should fail because the dissertation has some serious flaws and does not reach acceptable academic standards". The word "plagiarism" was not mentioned in their formal declaration. Two other internal members of the committee who were also professors in the overseas program voted "to pass" despite the weaknesses pointed out by the external and the events that followed his intervention. Normally, the chairman does not vote unless there is a draw in which case he/she has to make the final decision. After some reflection he decided to vote "for the student". It was a close vote. But the committee had decided by majority vote to accept the dissertation. And the student was awarded the degree.

The external examiner was not pleased with the outcome. He could not understand why the other internal members had approved the dissertation after the evidence of plagiarism was produced. He was obviously very disturbed by the event. Walking out of the building he came across another colleague from a different area that was also a professor in the School. The external could not resist describing him what he had just been through.

This other professor could not believe what he had just heard. He walked upstairs to his office facing an ethical dilemma. On the one hand, he had not been directly involved in that examination process and had all the good reasons to stay out of it. On the other hand, how could he know about what appeared to be a case of serious deception and not report it? He was also very disturbed. He stayed until late in his office trying to make up his mind. Late that evening, he decided to write a confidential letter to the Dean of the School describing what he had heard from

the external examiner and asking the Dean to investigate these allegations and act accordingly.

The Dean compared the two dissertations. There was no doubt in his mind that the case could be described as "plagiarism". Lacking an ethical committee or institutional administrator to handle cases of misconduct and without a code of ethics, the Dean decided to take the issue to a plenary session of the faculty that would convene in a couple of weeks. In the meantime, the letter was "leaked" presumably by one of the secretaries, to the internals and rumors spread in the School that something "dirty" was going on.

Summer holidays were about to start. The internals who got a copy of the "leaked" letter had presumably hoped that things would calm down and people would forget the whole issue after the recess. But they knew someone had asked the Dean to open an inquiry and were being briefed and kept up-to-date about the Dean's intentions to take the issue further by the person who had leaked the document. Realizing the case was unlikely to die out soon and starting to feel somewhat threatened by the prospect of a public scandal, one of internals decided to apply his best political imagination and do something in anticipation. Before anyone could dream of accusing him of participation in the cover up of a serious misconduct he decided to try the surprise effect portraying himself as a victim of a conspiracy to damage his reputation. He wrote to the President of the University (Rector, as it is known there) claiming that there was a conspiracy against him going on and asking for disciplinary measures to be taken against the professor who had initiated it by blowing the whistle. He further threatened to take criminal action accusing that colleague of defamation on the grounds that the letter sent to the Dean had questioned his good name and honor.

After the summer, the case was discussed in a plenary session of the faculty. In the meeting, three different lines of argument emerged from the discussion: one that could be labeled "ethics must prevail no matter what"; another that could be described as "we have learned the lesson, now it is time for appeasement", and a third one that used a more complex mixture of denial, legalism and intimidation.

One sector of the faculty claimed the whole story was a scandal that would inevitably damage the School's reputation. While admitting that, in practice, it would be difficult to prosecute an overseas student, they argued that the university should do its best to revoke the degree. By doing that, the university would send a clear message to everyone: the long arm of ethical principles will prevail in the end. Those who argued this case also blamed the examiners who approved the dissertation for not taking the appropriate action, considering they also misbehaved and should be held accountable. This sector included mainly a group of young researchers with more international publications and others who thought they could not miss the opportunity to teach those "villains" a lesson.

The second group played the appeasement card. They accepted that some form of deception had taken place but no further action should be taken in order to preserve each and everyone's good name. "In the end, everyone will have something to lose if we persist in digging up this case", was an argument used. The rationale was simple: everyone has something to be blamed for, so it is in everyone's interest to learn the lesson and keep quiet. To prevent a similar event occurring in the future everyone must "promise it will not happen again". They rejected the accusation of trying to cover up the whole story arguing that "we have all learned the lesson, now let's move on to other more important issues".

The third group included mainly "dead wood" and the most senior faculty. The chairman of the examining committee and the two internals who approved the dissertation was also in this group. The tactics adopted was quite elaborate. They were playing three different cards simultaneously: denial, legalism, and intimidation.

The first card was intended to diffuse the situation claiming that what was being called a scandal was no more than an almost insignificant mistake or sloppy error that could have happened to anyone else. The internals also tried to justify their behavior, claiming that they acted in good faith and the word "plagiarism" had never been mentioned during the examination. As evidence, they presented the fact that no independent witness had come out stating otherwise. One

professor in particular, although not directly involved in the examination process took a particularly active role in the debate trying to water down the allegations and scale down the case describing it as "a small storm in a teapot". Her line of argument evolved from the deception denial to the idea that plagiarism is trivial and not something one should spend too much time on. Her motivations were difficult to grasp but the fact that she is married to one of the internals involved may help understanding her behavior.

The second card was the legalistic one. It was argued that plagiarism is hard to define, and no one can easily determine its boundaries and distinguish plagiarism from "mistaken referencing". As the argument follows, only in the court of law could be established that plagiarism had actually taken place, and besides, nothing can be done unless the offended (the plagiarized author) takes legal action against the overseas student.

The third card made use of warnings and threats of retaliation with a view to intimidate the supporters of the idea of taking the issue further. It was argued that going ahead with the case would only damage personal relations among the faculty and some people "would certainly regret one day to have blown the whistle or to have supported digging up this case". To the members of the first group who were actively campaigning for justice to be made, they left some vague and other not-so-vague threats, such as "remember that one day I may seat in your promotion committee", implying that they might face extra difficulties in getting a promotion if they persisted on carrying on with this case.

After a couple of hours of a heated and bitter debate, it was decided to take the case to the University level. The University was asked to set up an *ad-hoc* committee of professors from outside the School to investigate the details of this case and advice on how to proceed. The integration of academics from other institutions was discussed but discarded on the grounds that the institution should clean its own mess. Above all, many people feared the consequences of the case spilling over to the media and to the public.

The University took some time to set up this *ad-hoc* committee. It was obvious that the insti-

tution was pretty embarrassed with the whole story and did not really know how to handle it. Apparently, they were not in a hurry to reach the conclusions. Perhaps they hoped it would die out after some time. But the issue was kept on the agenda by a collective document signed by most research and teaching assistants in the School asking the institution to do something about this case.

The committee eventually produced a report that reflected the perceived institutional willingness to avoid further wrangling and limit the damage already done to the University. It became clear that the *ad-hoc* committee was under strong pressure from very senior people in the University to produce an innocuous document, though there is no hard evidence of that. As expected in those circumstances, the committee members took a defensive stand and a legalistic approach, blaming the people that they considered could have prevented the case from reaching such dangerous proportions. Briefly, the supervisor and the external examiner were blamed for letting the case reach that stage. The assumption was that the supervisor should have either detected the problem at an earlier stage, or advised the student to withdraw his submission before the final examination. The external was blamed for accepting to go ahead with the viva after realizing something was seriously wrong with the dissertation. They were also blamed for failing to state in their joint vote declaration that plagiarism had been detected instead of disguising it under the vague expression "unacceptable academic standards". The School was also blamed for being careless in selecting the examiners. This statement is open to interpretation but it appears that the report refers to the fact the examining committee was usually usually large and included members who had no competencies in the field. The fact that they were instrumental in getting the dissertation approved might have led the *ad-hoc* committee to that conclusion. The member of faculty who saw her dissertation plagiarized was blamed for not taking the appropriate legal action when she could have done so. Not a word was mentioned about the student who committed the alleged offence. And not a word was mentioned about the behavior of the examiners

who voted "to pass" and awarded the degree. Apart from the three internals who were obviously very pleased with the report produced and felt vindicated, no one else was happy with the outcome.

A few months after the report of the *ad-hoc* committee and about a year after the initial events that triggered the case, the issue went back to the plenary session of the faculty. A decision had to be made between formally closing the case, or take further action. In contrast with the discussion held the year before, there was a clear lack of enthusiasm to debate such a delicate issue. Everyone seemed tired of this case, though it was obvious that no one was prepared to give up his/her point of view and interpretation of events. Some signaling was detected from all sides that they were prepared to fight back if other parties decided to open hostilities. The debate was brief and evolved to the need to have mechanisms to prevent similar cases happening in the future.

The definition of a code of ethical conduct was the preferred solution and most members agreed to present that suggestion to the University. No one demonstrated how a code could have prevented this case, and no one dare to start the debate about what should be included in the code and who should get involved in its definition. But somehow everyone seemed satisfied with the outcome. Some sectors were happy because they thought it was the best strategy to keep the ethical debate on the agenda, other sectors because it looked the best way in postpone the implication of this case indefinitely. The latter proved to be the clever lot. A few years have passed since the last meeting and nothing has been heard again about either the definition of procedures to deal with cases of ethical misconduct, or the elaboration of a code of conduct.

Certainly not unrelated to the debate this case has triggered ethics courses or ethics topics in other undergraduate business courses were eventually included in the new syllabus. Apart from this development, the dust has settled down and ethics is no longer an issue. But internal politics has reached a considerable level of bitterness since then. Long-term political damage is the most obvious outcome of this case. Two internals have

already left the School. For those who stayed, life has not been the same again.

Discussion and implications

The conventional view of deception as a rare occurrence was certainly shared by almost everyone in the School before the events described above had taken place. Ethical concerns were very seldom raised before this case and plagiarism was a “non-issue”. For some time after the events, the discussion of ethical matters became a regular theme in meetings and coffee breaks. It gradually died out but its implications are far from negligible.

This case raises a number of questions about the role played by the actors involved, the institutional mechanisms available to deal with allegations of misconduct, and the implications for both the institution and the individuals involved.

Moral development and academic politics

Overpragmatism, expediency, relativism and the virtue of self-interest, in other words the principles of Machiavellian ethics as defined by Cyriac and Dharmaraj (1994) were clearly shared by some of the actors involved in this case. Grover and Hui (1994) concluded experimentally “people will behave, even lie, to benefit themselves” (p. 301). In the case reported here, can self-interest explain the behavior of the members of the examining committee? The fact that a considerable salary supplement could be earned while teaching overseas was certainly an important incentive to preserve the program and avoid scandals at any cost. Still, it is difficult to understand why actors engaged in ethically questionable behavior. It remains unclear what the motivation was of those people to turn a blind eye to the allegations of plagiarism and take all the risks involved in a cover-up-like operation. Was the prospect of spending a few weeks teaching somewhere in the southern hemisphere so attractive up to risk putting their reputation in jeopardy? Or, were they simply confident the

story would die out soon and their behavior would never be sanctioned?

In terms of Kohlberg’s theory of cognitive moral development, most actors appear to have stuck to the early stages, certainly at the pre-conventional level (Fraedrich et al., 1994). For the duration of the case but particularly during the discussion in the plenary session of the faculty, it became clear that the moral reasoning of some of the actors involved seemed to follow the pattern described for stage one (heteronomous morality): Avoiding breaking the rules that are backed by punishment (“if there is no punishment, there is no problem”), and accepting that it is the superior power of authority to determine what is right (“only the court of law can establish whether plagiarism has occurred” and “the *ad-hoc* committee will determine who was right/wrong”). Others might have progressed to stage two (instrumental purpose exchange), particularly those for whom following the rules is paramount only when it is in their own self-interest. The effect of moral reasoning on ethical behavior has been questioned in the literature (Marnburg, 2001), but in the current case study, moral development theory appears to shed some light on the understanding of the means and purposes of the actors involved.

The case is perhaps best viewed as the interaction and political struggle, between subcultures reflecting different stages of moral development. In the hottest period of this case, the climate in the School became highly political with actors actively involved trying to make their point using all political weapons available. The case soon became the center of a bitter quarrel with all the typical ingredients and tactics of an ugly political process in which old ties – family ties, political ties, and academic ties – played a considerable role. Old conflicts and personality clashes emerged but it was obvious from the beginning that the real issues were well beyond personal matters. It was a matter of differences in values, beliefs and morals.

Expressions extensively used by “win-at-all-cost” people in the faculty meetings when plagiarism was being discussed (e.g., “everyone does it”) and other expressions that were not used but it can easily be inferred, did cross some

people's minds (e.g., "there's no way anyone will ever find out") depict what Reidenbach and Robin (1991) call the amoral organization, an organization where "concern for ethics, if it exists at all, is usually on an after-the-fact basis when the organization has been caught in some wrongdoing" (p. 275), adding that "at this point the concern for ethics, if at all evidenced, becomes more of a cynical justification or a post hoc rationalization of behavior strictly for damage control purposes. (. . .) Obedience is valued and rewarded" (p. 275).

The legalistic approach adopted by the University during the whole process also deserves some reflection. The major principle of the legalistic stage of moral development is described by Reidenbach and Robin (1991) as "adhering to the legality of an action rather than the morality of an action" or, in other words, "law equates with justice and there is no difference between what is legal and what is right and just" (p. 276). Management practices in this institution seem to follow the general rule "if it's legal, it's ok and if we're not sure, have the lawyers check it out", (p. 277) used to characterize stage two of moral development.

In cultures of this kind, codes of conduct, when they exist, necessarily reflect this legalistic approach. Questions can therefore be raised about the effectiveness and even the need of a code: "we already know we have to comply with the law, don't need a code to tell us that", was pointed out during the debate about the adoption of a code of conduct. The lack of a code of responsible conduct and guidelines for good research practice, as well as the absence of an ethics committee was at the center of the vigorous debate of ethical matters that followed the events described in this case. Should the University have a code of ethical conduct or any other formalized procedure to deal with cases like this? What would be the role of an ethics committee and who should be a member? Could an ethics code have prevented such an occurrence? This issue deserves some discussion.

Codes of ethical conduct and the role of whistleblowers

The adoption of codes of ethics is based on the assumption that these mechanisms of self-regulation of ethical standards can be effective in controlling behavior. A recent survey has confirmed that a considerable proportion of businesses have now either a code of ethics in place or one in progress (Conaway and Fernandez, 2000). A review of the literature conducted by Loe et al. (2000) concluded that codes of ethics appear to influence ethical decision-making and assist in raising the general level of ethical awareness in organizations, though a number of studies have shown that ethical awareness is not necessarily translated into ethical behavior (e.g., White and Dooley, 1993). Codes are successfully implemented only when they become part of the organizational culture and employees intuitively know what to do and act accordingly (Stevens, 1999) though more often than not, codes are used as part of the symbolic side of ethics activity (Weaver et al., 1999), a kind of PR-venture (Kaptein and Wempe, 1998). The question is, therefore, not whether a code of ethics should be established in the organization but to what extent its principles are incorporated into daily actions. It is the development of a culture incorporating ethical values that is conducive to ethical behavior.

Translating this debate to the university context, it is assumed that a code of ethical conduct would provide the university members the guidelines to maintain a higher standard of conduct than that called for by the national law. But in institutions where codes have been established, their impact on actual behavior of students, faculty and administrators is somewhat unclear. A number of studies have shown that ethical awareness and knowledge of the code has no significant impact on ethical behavior of students (White and Dooley, 1993). But the literature also shows a significant reduction in cheating for students with honor codes (Crown and Spiller, 1998). And a worded statement about plagiarism appears to be an effective way to change student's perceptions of the issue and is likely to have positive effects on their future

behavior, according to Brown and Howell (2001). Will it work in different cultural contexts and how and by whom should that statement be established?

Despite the apparent support of university leaders to the establishment of ethical codes of conduct (Rezaee et al., 2001), few schools of business have developed formal codes of ethics applicable to constituencies other than their students (Kleiner and Maury, 1997). It could be argued that schools rely on the effectiveness of codes developed by associations and academies of scholars, to which individual faculty members tend to be affiliated. Rezaee et al. (2001) give another explanation: Universities appear to favor the legalistic approach, replacing honor codes with administrative disciplinary systems.

In the context described in this case, the effectiveness of a code of ethical conduct remains an open question. Ethically oriented people would make little changes in their behavior just because there is a code of ethics. Individuals with a high level of moral reasoning will see their actions legitimized. But for those who have their own agenda and couldn't care less about ethics, would the code work as a deterrent? Adams et al. (2001) point out that the mere presence of a code ethics may send messages that influence behavior, signaling that unethical practices would not be tolerated. But in an organizational context like the one described in this case, would that message be taken seriously? In a culture that apparently does not include ethics among its core values, would a code make any difference? Issues such as the relationship between organizational values, ethical awareness and the role and effectiveness of codes of ethical conduct in the academic context deserve further research.

While casting doubts on the effectiveness of a code of ethical conduct in this context it is nevertheless acknowledged that a code may be helpful in preventing situations of conflict of interest among faculty such as members of examining panels. Their nomination to that panel did not take into account a possible conflict of interest, and that was an obvious mistake recognized by the *ad-hoc* committee, though carefully worded as "members not having the adequate competencies". The case demonstrates that

conflict of interest is a sensitive issue in university settings and one that requires further consideration. In the U.K. context, for instance, institutions are required by legislation to keep publicly available registers of interests (Vinten, 1999) but these procedures have not been adopted in most other places.

Calls have been made for an affirmative duty on the part of the scientists to report instances of misconduct (Frankel, 1998). Almost every code of professional ethics includes a provision imposing a responsibility on members of the profession to report violators (e.g., AOM, 1995) but this provision is very seldom used. Yet, whistleblowers play a critical role in keeping ethical standards by making those tempted to cut ethical corners think twice.

But blowing the whistle is no easy task (Davis, 1999, pp. 100–104). In fact, "in a world in which whistleblowing is often regarded as more reprehensible than the conduct it addresses, it takes considerable courage for an insider to take action" (Grayson, 1995, p. 23). Attempts to silence, discredit, isolate and even intimidate whistleblowers and whoever else that may support them, are not uncommon in science and academia (Moran, 1998, pp. 105–109). The hierarchical structure and the culture of patronage that prevails in the university system makes it almost impossible for a junior academic to challenge the behavior of senior colleagues. Reports were made in the literature of whistleblowers experiencing harm and ruin to their careers, threats, and retaliatory investigation (Devine, 1998). "In the absence of certainty about accusations and misdeeds, it is difficult to tell who is victimized in these disputes – the suspected perpetrators or the one who calls attention to the behavior", admit Chubin and Hackett (1990, p. 134). The result is that more often than not, "those who witness deception will prefer to turn a blind eye in the interests of a quiet life" (Grayson, 1995, p. 23). Even under the protection of legal instruments, whistleblowers tend to face a hostile environment, many have their careers at risk, and others even feel ostracized in their communities (Braxton and Bayer, 1996). In the academic environment, the best protection for a whistleblower is anonymity,

argue Hansen and Hansen (1989). They refer to plagiarism as one of the fraudulent acts that do not require the identity of the complainant to be known. An institutional administrator can receive the complaint and handle the case following clearly established guidelines.

In the case reported here, the individual who raised his concerns in a letter to the Dean is not a typical whistleblower. He did not make an accusation nor had he first hand knowledge of misconduct. But as a member of faculty he felt his reputation was also at stake if the rumors proved right and, therefore, decided to ask the School to investigate the allegations. He was immediately threatened he would be sued for defamation by one of the internals. Lacking a basic code of conduct or any other procedure to deal with academic misconduct one would not expect to find particular concerns with the protection of whistleblowers against retaliation in the institution where the events took place. But what would be an adequate protection for whistleblowers in such an organization?

Public scrutiny and the limits of university self-correcting mechanisms

The case reported here highlights the limits of informal and *ad-hoc* procedures in dealing with cases of misconduct, the lack of accountability, and the limits of self-correcting mechanisms in academia. In this case, the institution got neither a mechanism for identifying misconduct nor a procedure for investigating allegations of such behavior.

As mentioned earlier, science is built upon the assumption of honesty of its members. Allegations of dishonest behavior are perceived as a threat to the foundations of the scientific community, leading its members to close ranks against whoever raised the issue or blew the whistle, and the organization to sweep the cases under the rug. According to the mainstream view, dishonest behavior is not supposed to happen in organizations, let alone in science. When it does happen, "deliberate deception is entirely attributable to individual personality defects" Grayson (1995, p. 2). And if it is not

supposed to happen, why establish procedures to deal with it?

In the case reported here, the informal rule appeared to be: "better keep things quiet and out of public eyes" saving the university the embarrassment of having to try to revoke an awarded degree and challenge some senior faculty. "Unable or unwilling to notice that science operates imperfectly" (Chubin and Hackett, 1990, p. 87), academics perceive allegations of misconduct as having the potential to seriously damage the image of science and the reputation of the particular organization where they take place. That leads members of the academic community to close ranks in order to protect themselves from the intrusion of the outside world, and build a stonewall around the organization being challenged. In this case, constant appeals were made for the case to be handled internally and as discreetly as possible, hidden under the cloak of academic autonomy and self-regulation. Such traditional bureaucratic stonewalling reminds the old "code of silence" of secretive organizations. Secrecy is indeed "engrained and imbedded in some parts of academia", to use Moran's words (1998, p. 23), and helps creating the right environment for "toleration of falsification" and cover up operations to flourish (Moran, 1998). He explains:

"Cover up is prompted, at least in part, by an attempt to hide the fact that serious falsifications have been taking place. On the one hand, by covering up – rather than punishing or correcting – the falsifications, it would seem that falsification is being tolerated. On the other hand, cover up is sometimes – if not often – resorted to in an attempt to give the impression that falsification is not tolerated and has not taken place. However, by hiding and silencing evidence of deliberate falsification, the institution involved ends up perpetuating the falsifications for some time, and, thus, tolerates them" (Moran, 1998, p. 73).

Even those involved in cases of alleged misconduct acknowledge that ultimately it is the self-regulation of science that is at the stake (Baltimore, 1989) when these cases take place. Like in other professions, self-regulation tends to be taken by collective self-interest and pack

loyalty (McCutchen, 1991) a self-preserving mechanism against accountability and external monitoring. The question is therefore: Should other stakeholders be involved in the misconduct inquires?

Faculty as role models or, can ethical behavior be learned (and taught)?

Eventually ethics courses or ethics topics in other undergraduate business courses were accepted in the new syllabus. It is still early days to assess whether the commitment to teaching business ethics is contributing to raise ethical standards in this business school community. In the literature, several studies have examined the impact of management education and ethics instruction in particular, on students' ethical awareness, attitudes and values, and moral development. Luthar et al. (1997), for instance, found that being exposed to ethical education has an important influence on attitudes towards ethics, and the earlier the ethical education starts, the more impact it may have. Davis and Welton (1991) found a tendency over time for students to positively change their attitudes about ethical issues, but this result was obtained regardless of the attendance of formal ethics training. In a more recent study, Peppas and Diskin (2001) found no difference in ethical values between students who had taken an ethics course and those who had not. And at least one case was found, in which a decline in ethics orientation has taken place after taking a course in business ethics, as reported by DuPont and Craig (1996).

The evidence is, therefore, mixed. However, some ethics maturation appears to take place, as the students' exposure to college environment grows though not necessarily due to ethics education. At least part of the maturation process can be attributed to the cognitive moral development that comes with age. According to some studies, the alumni appeared to be slightly more ethical than the students but, in any case, not as ethical as the managers (DuPont and Craig, 1996). It may well be the case that exposure to the business environment has a more positive

impact on ethical attitudes and behavior than ethics instruction.

On the other hand, the impact of ethics instruction on students will be undermined if the principles taught are negatively reinforced by daily actions of their instructors. Sauser (1990) argues that business faculty "can have a profound effect on the development of a sense of business ethics" (p. 33) among students, and adds: "ethics is a matter of values – and values are often more evident in what we *do* than in what we *say*" (p. 33). In the survey conducted by David et al. (1990), faculty behavior was rated as the most effective activity for imparting ethical values to students. In sum, the classroom environment may have a decisive effect on the ethical behavior of students (Crown and Spiller, 1997; Pulvers and Diekhoff, 1999) and therefore, faculty should establish ethical guidelines for their own professional practices.

While working closely with faculty, postgraduate students are socialized into the norms of science and learn to distinguish acceptable from unacceptable behavior. Therefore, the importance of faculty acting as role models and promoters of ethical behavior should not be underestimated. Any misconduct on the part of faculty will be interpreted as legitimizing similar behavior on students. If senior members of faculty appear to informally support and reward irresponsible behavior, there is little incentive for juniors to adopt a moral stand.

By playing down the importance of plagiarism and contributing to cover it up when the issue was disclosed, the actors involved in this case sent the wrong message to the student and the academic communities. 'If that particular student was able to do it and get ahead with it, why can't we do the same?' was a question often heard in the School premises. Similar argument has been used to explain student cheating: "they feel compelled to cheat because they feel their peers are cheating" (Crown and Spiller, 1998, p. 695) and faculty misconduct: "Academic economists rationalize their own misbehavior by believing that others are doing it, making it socially acceptable" (List et al., 2001, p. 168).

Further research is needed on the relationship between postgraduate students' ethical awareness

and behavior and their supervisors' and program directors' ethical standards. The appalling example provided by some members of faculty in the case reported here can hardly be seen as contributing to the promotion of an environment of academic integrity. Stevens et al. (1993) had already recommended "to improve the ethical sensitivity of students (. . .) then perhaps ethics education should begin with the faculty and not the students" (p. 168). This case lends full support to such policy. How can ethics instruction be taken seriously when expediency and self-interest appear to overrule ethical considerations among faculty?

A couple of years after these events have taken place, it is fair to say that this case helped to increase ethical awareness among faculty that will hopefully reduce the incidence of academic misconduct in the future. But its implications should not be overlooked. An examination of the longer-term impact of this case is required in order to find out how faculty, those directly involved and others not directly so, feel about the whole story and assess the effectiveness of the self-correcting mechanisms. The main question remains unanswered: *can a teaching organization learn with its own mistakes?*

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