

# Ethical Beliefs in the Catholic Business School: The Impact of Catholic Social Teaching on Classroom Reality\*

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Despite a values emphasis said to distinguish Catholic business schools from secular institutions, a focus on moral development through principles of Catholic social teaching (CST) resembles the prominent role that ethics education plays at business schools accredited by AACSB International. This study measured faculty knowledge and use of CST in undergraduate business classes at Catholic and non-Catholic AACSB institutions and among Catholic and non-Catholic faculty. The results reveal both professional bureaucracy and cultural influences on ethical perspectives: Both Catholic and non-Catholic faculty at AACSB schools have similar views regarding the ethics of professional interactions with students, but faculty with a connection to Roman Catholicism are more likely to be familiar with and to use recent business-related interpretations of CST. Nonetheless, a majority of faculty at Catholic institutions are unfamiliar with CST. We conclude that if Catholic institutions wish to provide an ethics-based business education, familiarity with and use of CST appear to be unnecessary at AACSB-accredited schools. If, however, CST principles are to be important spiritual elements for students who are receiving a Catholic education, then Catholic institutions must increase awareness and perceived relevance of CST among Catholic and non-Catholic faculty.

## Introduction

A key factor that establishes business as a vocation is the moral development of the practitioner. Therefore, a crucial element of the management-education mission within many business schools is to inculcate in each student an understanding of the importance of ethics and values in decision-making.

Indeed, the standards of the major business school accrediting body, AACSB International, address the importance of educating business students on ethics, values, and corporate social responsibility. The latest AACSB accreditation standards, effective in 2005, “reaffirm the importance of ethics education for business graduates and emphasize its position among curricular requirements.” Ethics is given a more prominent place in the new standards so as to underscore its importance to a well-rounded business education (AACSB 2005c).

Ethics and the social responsibilities of business are also of prime interest in business schools located within institutions that are affiliated with the Roman Catholic Church. Catholic universities can differentiate themselves from other schools by establishing a values-based, interdisciplinary ethical framework to enable their students to better analyze and challenge the world in which they live (O’Connell 1998). Many business colleges at Catholic schools focus strongly on ethics and values in their mission statements and curriculum (AACSB 2005b).

One potential ethical framework to use in business education, particularly at Catholic institutions, is based on the values suggested by Catholic social teaching (CST), also termed Catholic social thought. Catholic social thought has been defined as “the application of Christian ethics to contemporary social issues” (Clark 2001, 6). This framework is based on gospel ideals as well as on a genuine understanding of human nature, society, and the purpose of business (Clark 2004). *Values-centered education* and *ethics-based programs* are phrases often used to describe pedagogical approaches that encourage students to reflect upon the spiritual and moral purposes of their work choices and that provide them with a well-rounded perspective on their societal roles.

To determine the effectiveness of this process, it is important to consider the views of business school faculty who are charged with assisting students along a moral and spiritual path. Despite the importance of faculty in influencing the perceptions that students have of business, there has been little systematic research into the ethical beliefs of professors, particularly within Catholic business schools. This study attempts to remedy that shortcoming by providing insights into the ethical views of Catholic business school faculty on issues related to teaching undergraduate students.

We compare responses to ethical statements relating to faculty interactions with undergraduate business students from Catholic business school faculty with faculty at other institutions such as state-sponsored universities. In addition, we compare the ethical views of Catholic and non-Catholic business professors. We gauge the familiarity of business faculty with CST and the degree

to which faculty who are familiar with CST use it in their classes. Finally, we examine how relevant these faculties believe that recent interpretations of CST principles are to undergraduate business education. This study addresses a gap in the academic ethics research by considering the ethical perspectives of Catholic professors and professors who teach at Catholic business schools in a systematic way and by gauging their familiarity with and relevance of the principles of CST.

## Catholic Social Teaching and Business Education

Incorporating Catholic social teaching into classroom discussions in certain courses, seminars, and workshops at Catholic universities is said to be one way that concern for the Catholic identity of the institution can be implemented in the spirit of *Ex Corde Ecclesiae*, Pope John Paul II's 1990 apostolic constitution on the identity and mission of Catholic higher education (Lavelle 2000). Aside from reflecting church regulations, the discussion of business ethics and the importance of considering business decision-making from a moral perspective are crucial means for broadening a student's consideration of his or her chosen career path. Such an emphasis establishes the imperative that business be viewed as something more than a career choice guided by narrow self-interest.

Catholic social teaching—as expressed in the writings mainly of Popes John Paul II, Pius XI, Pius XII, and Leo XIII, and applied to business organizations—regards businesses as venues in which people can develop and realize an element of their potential growth. Such development can occur in an atmosphere that provides employees and employers with a chance to address the needs of other employees, to use their investigative skills and knowledge, and to feel a sense of empowerment (Calvez and Naughton 2002, 12). Entrepreneurs and employers are called on by church leaders to establish such workplaces and not be driven only by pursuit of profits at the expense of people. A guiding principle of social teaching as stated by John Paul II is that “all work is ultimately *for* the person; the person is not *for* work” (Kennedy 2002, 55).

This general principle translates into the following specific ways that some recent scholars and educators have interpreted and applied CST to the operation of business organizations. These applications are summarized from a variety of sources (i.e., Porth and McCall 2001; Fleckenstein 2002; Clark 2002, 2004):

- Workers should be paid a livable and fair wage that allows them to support their families above the poverty line.
- Workers should be provided with a reasonable level of job security and, at the least, be informed when layoffs and plant closings are being considered.
- Workers should be treated as partners in the production process and be allowed to share in the profits of the business.
- Workers should be allowed to have greater involvement and participation in the decision-making process of the business, including the right to form unions and engage in collective bargaining.
- Employers should have a greater regard for the effects of their actions on the surrounding community (e.g., external stakeholders) in making business decisions.
- Employers should have a great regard for the employees' overall welfare in operating the business.

These interpretations have been applied in the business classroom in a variety of ways. For example, the standards of good faith and fair dealing in contract law can be taught within a framework that stresses an understanding of the aforementioned principles and applications of CST (Pierucci 1997). The study of labor relations, including the issue of management's decision to replace striking workers, might be discussed in light of the CST tradition that workers should have the right to organize to improve wages and working conditions (Fleckenstein 2002). Clark (2004) posits that the use of CST to frame business ethics and related courses gives students a much more realistic view of people and their motivations than those models originating in the study of economics. Although the application of CST principles can provide a moral perspective in teaching economics and other courses, they are not incorporated into the business curriculum, even in the study of ethics, to the level they might be (Gaspar 1997).

## **Business Ethics Perspectives and Fit with Catholic Social Teaching**

In its dominance of everyday life in most of Europe during the Middle Ages, the medieval Catholic Church decreed against trade, materialism, and profits and advanced the idea that business was a necessary evil (Wren 2005) despite finer distinctions toward economic matters expressed by Catholic theologians

such as Albertus Magnus and Thomas Aquinas (cf., Langholm 1979; Velasquez and Brady 1997; Walton 1966). The Church authorities' view, however, that the "self-interest of trade diverted people's thoughts from God to gain, from obedience to initiative, and from humility to activity" became diluted as religious attachments shifted during the sixteenth-century Reformation and prosperity spread to many quarters of Europe through commerce and economic development (Wren 2005, 25).

The modern application of Catholic social teaching to Western businesses and corporations began with an 1891 encyclical letter—*Rerum Novarum*—from Pope Leo XIII and continued in 1931 by Pope Pius XI's *Quadragesimo Anno*. Pius XI stressed that an understanding of business "must be informed by an understanding of the social nature of property, the virtue of justice, the dignity of work, the principles of subsidiarity and solidarity, the common good, and above all by the social and spiritual understanding of the human person ..." (Calvez and Naughton 2002, 4).

Concerns expressed by Pius XI developed into a series of papal messages regarding ethics and business, and the discussion of socially responsible and ethical business activity began at a variety of Catholic schools and other religious institutions. This discussion considered the importance of such issues as workers' rights, just wages, and the consideration of the individual as a spiritual—rather than just a social—entity.

Pope Pius XII continued this line of thought by examining the relationship between the employer's example and the employees' spiritual development. He noted that when employers put employees above themselves, the workers know the employer is not profiting at their expense. Therefore, they earn not only a livelihood but also the opportunity to perfect their own capabilities. He advised bankers and other businessmen to directly involve employees through ownership, thus giving them greater responsibility and leading them to become more fully men. Pius XII was the first pope to discuss the positive qualities of entrepreneurs in particular, including courage, tenacity, optimism, and alertness, and he noted that their efforts allowed needs to be met; new methods for meeting the needs of others to be discovered; and aroused the hidden energies of workers, therefore contributing to the common good (Percy 2004).

Pope John Paul II brought the discussion forward in his 1991 encyclical that voiced acceptance of the market economy but only within a framework that protects the rights of all people, particularly the poor and less fortunate (Curran 2002). As CST developed and was applied to business, its principles were advocated and related to a variety of business settings and disciplines from marketing and the moral responsibilities of marketers (Laczniak 1999) to

the economics of wealth distribution in the global economy (Christensen 2002) to CST's relationship to contemporary theories in the management field (Porth and McCall 2001).

Through the twentieth century, as Catholic social teaching's link to business expanded, the study of ethics and corporate social responsibility as a discipline began and flourished in colleges of business. Much of the current work in the business ethics field is grounded in philosophical principles and writings that date back several hundred years and beyond—even to the writings of Aristotle. These ethical perspectives range from utilitarianism and egoism to deontology, relativism, virtue ethics, and justice (see Table 1 for broad definitions). Whereas CST has some affinity with deontological and virtue-ethics perspectives, its focus on fairness in the economic realm for all people (e.g., National Conference of Catholic Bishops 1986) gives it a particular connection to ethical perspectives based on justice.

**Table 1**  
**Ethical Perspectives**

<i>Perspective</i>	<i>Description</i>
Utilitarianism	A just decision results in the greatest good for the greatest number of people.
Egoism	An acceptable action maximizes a person's self-interest as that person defines it.
Deontology	Morality either permits or forbids actions, and rightness is only indirectly related to consequences.
Relativism	The ethics of actions are based upon individual and group experiences and are decided on subjectively.
Virtue Ethics	Morality in a given situation stems from what a mature person with a good moral character would see as an appropriate action.
Justice	Ethics depends on the fairness of distributions, procedures, and interactions among individuals.

## Hypothesis Development

In undertaking a study on ethics in Catholic and secular business schools, we focused on U.S. institutions with accreditation from AACSB International, the premier business-school accrediting body. Sampling at AACSB schools ensured that we compared faculty from institutions with a focus on business and a high level of quality in business instruction that has been affirmed by

external stakeholders. Consideration of Catholic and non-Catholic AACSB business schools allowed us to place this study in the theoretical contexts of professional bureaucracy and organizational culture.

### **Professional Bureaucracy**

Universities are often viewed as professional bureaucracies in which highly trained faculty tend to control the major processes and base this control on possessing high levels of skill and expertise along with entrenched beliefs and values that result from training and indoctrination into their profession (Mintzberg and Quinn 1996; Zell 2003). One method in which such values and procedures are accepted by, and eventually ingrained, in faculty members is the accreditation process, which is conducted by outside agencies that ensure that professional standards and values are established and maintained.

The AACSB Web site describes accreditation as “a process of voluntary, nongovernmental review of educational institutions and programs...” AACSB International accreditation represents the highest standard of achievement for business schools worldwide. Institutions that earn accreditation confirm their commitment to quality and continuous improvement through a rigorous and comprehensive peer review. AACSB International accreditation is the hallmark of excellence in management education (AACSB 2005a).

One prime element of AACSB accreditation is its focus on ethics instruction. AACSB operates an Ethics Education Resource Center that provides information on ethical issues and ethical practices undertaken by its members, including examples of cases, syllabi, and reading lists relevant to the topic. AACSB curriculum standards do not mandate a specific course in ethics but require that accredited schools provide learning experiences in ethical understanding and reasoning abilities as well as ethical and legal responsibilities in organizations and society.

An organization’s emphasis on ethics education is important in shaping beliefs, values, and practices of faculty at member schools. However, “schools should assume great flexibility in fashioning curricula to meet their missions and to fit with the specific circumstances of particular programs,” the AACSB Web site notes in explaining why no ethics course is mandated. “Schools are expected to determine how ethics and topics occur in the learning experiences of students, but accreditation does not mandate any particular set of courses, nor is a prescribed pattern or order intended” (AACSB 2005d).

## Organizational Culture

Organizational culture consists of the shared values that members of an organization adopt, internalize, and find to be important in their ability to cope with internal and external challenges faced by the organization and its members (Schein 1992). These key values generally evolve from those established by the founder or founders of an organization.

The importance of ethics, social responsibility, and values at Catholic business schools accredited by AACSB reveals an example of organizational cultural influence. We examined the mission and/or vision statements of thirty-six AACSB-accredited Catholic business schools by following links provided at the AACSB Web site. In twenty-three of those mission statements, the terms *ethics*, *moral values*, *ethical values*, *ethics-based*, and/or *ethical responsibilities* were used. In addition, *social responsibility*, *socially responsible*, and/or *socially conscious* were mentioned in fifteen mission statements. Six of the mission statements mentioned *social justice* or *justice*. Another four mission statements used the terms *values-centered* or *values-based* in relation to the curriculum. Educating the whole person was mentioned in six mission statements. Only five of the thirty-six mission/vision statements from Catholic schools did not mention any of the following words or phrases: *ethics*, *social responsibility*, *justice*, *values*, or *educating the whole person*.

Of the thirty-six mission statements, seventeen of them alluded to spiritual paths within the Roman Catholic faith, such as Jesuit, Jesuit tradition, Ignatian tradition, or Jesuit values. Two referred to LaSallian values, one mentioned Franciscan values, one mentioned Marianist tradition, another alluded to Dominican tradition, and one mentioned Mercy tradition. These references represented the Catholic orders that founded and are affiliated with the schools reviewed. Such orders offer adherents a guide to a more personal relationship with the divine—a spiritual (internal) focus on obtaining enlightenment within the external context of the established Catholic religious system. Ten of the thirty-six mission statements used the word *Catholic* (AACSB 2005b).

## Study Hypotheses

Due to the emphasis on ethics in the AACSB-accreditation process, in the new standards promulgated in 2005, and in current practice at AACSB schools, we would argue that an ethics focus would be a prime concern of any AACSB faculty member, whether employed at a Catholic or a secular institution. This institutionalization of ethics through curriculum development, professionalization, and expectations that faculty operate with integrity in interacting with



students and colleagues, would lead us to hypothesize that faculty members would have similar views toward ethical standards in professor-student relationships whether they worked at a Catholic school or a secular institution.

### ***Hypothesis 1A***

The ethical views of business faculty at AACSB Catholic schools regarding professor-student interactions are no different from the ethical views of business faculty at non-Catholic AACSB schools.

Similarly, although ethics may be informed by religious or spiritual beliefs, the institutionalized focus on ethics education at AACSB-accredited schools would also lead us to predict that faculty members would have similar views on ethical issues regarding faculty-student interactions regardless of their personal faith.

### ***Hypothesis 1B***

The ethical views of Catholic business faculty at AACSB schools regarding professor-student interactions are no different from the ethical views of non-Catholic business faculty at AACSB schools.

Our review of Catholic school mission statements indicated that in many cases there was mention of a founding order; the Catholic nature of the school; links to social responsibility, moral values, and justice; and a goal of educating the whole person. These areas of emphasis intertwine with the principles of CST and indicate that such principles would be a strong cultural influence on faculty who teach at Catholic schools or who have a background in Roman Catholicism. Thus, we would expect that both of these types of faculty would be more likely than their counterparts to be familiar with CST principles.

### ***Hypothesis 2A***

Faculty who teach at Catholic business schools are more likely to be familiar with Catholic social teaching principles than faculty who teach at non-Catholic institutions.

### ***Hypothesis 2B***

Faculty who identify themselves as Catholic are more likely to be familiar with Catholic social teaching principles than non-Catholic faculty.

AACSB-accredited schools have ingrained ethics into the professional identity of faculty members and have stressed various ethical stances in the teaching of ethics, such as those discussed in the previous section: deontology, virtue ethics, and justice. These frameworks can provide an effective means of

teaching ethics to the business student and can encourage all business faculties to consider ethics and moral values while teaching in their particular area of expertise. Likewise, for those familiar with Catholic social teaching, its framework may provide a similarly effective means. Thus, a familiarity with CST as a potential context in which to consider ethical business conduct would lead us to predict that faculty who know about CST would be likely to use it as an appropriate approach to teaching business ethics in their courses.

### *Hypothesis 3A*

The more familiar AACSB faculty are with Catholic social teaching in general the more likely they are to use CST principles in teaching undergraduate business classes.

Although we expect familiarity with CST to be related to its use in the classroom, not all who are familiar with CST would necessarily consider it to be appropriate as an ethical framework. For example, certain interpretations of CST (such as payment of a just wage) are more contentious as general business ethics precepts than others (such as greater employee involvement in decision-making). Therefore, those more likely to accept the authority of Catholic teaching in general may be more likely to view CST as a useful tool in teaching undergraduates. We would anticipate that faculty at Catholic schools may use CST more than those at non-Catholic schools, both because Catholic schools may foster discussion of CST and because faculty may feel more free to use a system rooted in Catholic doctrine. We would likewise expect Catholics to be more likely than non-Catholics to use CST in teaching undergraduates.

### *Hypothesis 3B*

Of faculty who are familiar with CST, those at Catholic AACSB schools use CST principles more in teaching undergraduate business classes than do those at non-Catholic AACSB schools.

### *Hypothesis 3C*

Of faculty who are familiar with CST, Catholic faculty use CST principles more in teaching undergraduate business classes than non-Catholics.

There is a strong connection between individual applications of CST and other ethical frameworks such as justice and virtue ethics. Some of the principles of CST fit squarely within those frameworks and thus should have a great deal of importance in teaching ethics whether or not they are not grouped within a framework of CST. However, as noted earlier, not all specific principles, or recent applications, of CST are readily accepted by those who are

familiar with its general framework. Those who do believe that the specific interpretations of CST are relevant to teaching undergraduates would be more likely to use CST in class than those who do not believe that these specific elements are relevant.

#### *Hypothesis 4*

Those faculty who think specific elements of CST are relevant to teaching undergraduate business classes use CST in teaching.

## **Methodology**

### **Participants**

Participants were part of a study of the ethical views of faculty members at AACSB-accredited schools (Robie and Kidwell 2003). A survey instrument was adapted from two ethics surveys conducted in diverse settings (Birch, et al. 1999; Tabachnick, et al. 1991). Respondents were asked their views regarding the ethics of various behaviors related to teaching and interacting with undergraduate students. In addition, respondents were asked about their familiarity with Catholic social teaching. Those familiar with CST were asked about their use of CST in business classes and relevance of CST principles to undergraduate business education.

The sample consisted of eighty-nine AACSB-accredited schools with undergraduate programs. At least one school in each of the fifty U.S. states was sampled, and a balance of schools with large (over twenty thousand undergraduate enrollment) and small (under five thousand undergraduate student enrollment) was sought.

At the faculty level, we used the following strategy. All faculty at a very small business school (e.g., fifteen faculty members) would be surveyed, whereas a maximum of seventy-five of a possible one hundred and twenty-five faculty members, for example, would be randomly sampled at a large business school. A total of five thousand survey links were e-mailed, but 20 percent of these were not useable either because links were e-mailed to schools with only graduate programs ( $n =$  about 600) or because e-mailed survey links were mistakenly sent to nonteaching faculty, retired faculty, staff, or otherwise ineligible individuals ( $n @$  400). Therefore, the eligible number of survey links e-mailed was four thousand. The first wave of responses had a 10 percent response rate. A follow-up e-mailed reminder one week later added another 10 percent, providing a final response rate of about 20 percent ( $N = 830$ ).

## Measures

The first part of the survey listed fifty-five behavioral statements, and respondents were asked to evaluate their ethical acceptability. Forty of the statements were adapted from lists of more than one hundred (combined) statements from previous studies of ethical perceptions, those of academic psychologists (Tabachnick, et al. 1991) and the University of Montana faculty (Birch, et al. 1999). All of these items were either most appropriate for an undergraduate business-school context or when necessary were modified to that context. In addition, we wrote fifteen behavioral statements that specifically focused on a business-school context. The response scale on the behavioral statements was 1 = definitely unethical; 2 = probably unethical; 3 = not sure; 4 = probably ethical; 5 = definitely ethical. The fifty-five statements can be found in Robie and Kidwell (2003) or obtained from the authors of this article.

In addition, one item asked respondents whether they were familiar with the principles of Catholic social teaching as they apply to business. A four-point scale (1 = not at all familiar; 2 = slightly familiar; 3 = moderately familiar; 4 = very familiar) was used. Three items tapped the use and desirability of using principles of CST in undergraduate business classes. These items were measured on a four-point scale (1 = not at all; 2 = very little; 3 = somewhat; 4 = very much). Seven items were drawn from the literature to gauge the relevance of specific interpretations and applications of Catholic social teaching to undergraduate business courses. The five-point response scale on these statements was 1 = not at all important; 2 = somewhat unimportant; 3 = not sure; 4 = somewhat important; 5 = extremely important. The CST items may be found in Table 2.

**Table 2**

### **Items Gauging Use and Relevance of Catholic Social Teaching**

#### *Relevance/Importance of CST*

How important are the following elements of Catholic Social Teaching in terms of their potential relevance to teaching undergraduate business courses?

- payment of a just wage to employees
- providing employees with reasonable job security
- treating employees as equal partners in the productive process
- allowing employees to share in the profits of the business
- greater involvement and participation of employees in business decision-making
- greater regard for the surrounding community (e.g., external stakeholders) in business decision-making
- greater regard for the employee's overall welfare in making business decisions.

Demographic information on respondents' age, job status, race, sex, discipline, religious preference, and whether they were employed at a Catholic or non-Catholic institution was also obtained in the survey.

## **Procedure**

Participants were sent an e-mail requesting participation in a study that contained a Worldwide Web link to our on-line survey, which could be filled out in a point-and-click fashion. (A follow-up e-mail seeking additional responses was sent one week later.)

Respondents were informed that they would be given feedback on the results after the study's completion. We programmed our survey software so all items in the survey had to be answered for participants to be able to submit surveys successfully. If participants did not answer one or more questions when submitting the survey, they would receive a prompt directing them to respond to the unanswered question(s) before attempting to submit again. This strategy enabled us to avoid missing data.

## **Analysis**

Independent-samples t-tests compared ethical perceptions of faculty members at Catholic versus non-Catholic AACSB-accredited schools. Chi square tests and t-tests were also used to compare the perceptions of Catholic versus non-Catholic faculty members. Among those familiar with Catholic social teaching, univariate analysis of variance (ANOVA) was used to analyze whether the degree of familiarity with CST was related to its use in the classroom. Finally, regression analysis was used to examine the relative importance of faith, school type, and CST elements in the use of CST in the classroom.

## **Results**

### **Respondent Demographics**

Selected demographic characteristics of all faculty respondents, faculty respondents from Catholic business schools, and faculty respondents who indicated their religious preference as Roman Catholic are shown in Table 3. Comparisons across the three sets of respondents indicate similarities on most of the demographic dimensions.

**Table 3**  
**Demographic Characteristics of Respondents**

	All Respondents (n = 830)	Catholic School Faculty (n = 167)	Catholic Religious Preference (n = 166)
<i>Sex</i>			
Male	71.3%	67.7%	72.9%
Female	28.7%	32.3%	27.1%
<i>Race</i>			
White	87.3%	89.2%	88.0%
African-American	2.7%	1.2%	2.4%
Asian	5.4%	6.0%	3.0%
Hispanic/Other	4.6%	1.2%	6.6%
<i>Academic Rank</i>			
Assistant	37.5%	37.1%	39.2%
Associate	29.9%	31.1%	29.5%
Full Professor	32.7%	31.7%	31.3%
Tenured	59.8%	61.1%	59.6%

The largest academic specialty of all participants was accounting (17.0%), followed by marketing (14.5%), finance (12.4%), economics (11.0%), organizational behavior/human resource management (9.5%), information systems (7.5%), strategy (5.2%), supply chain/operations management (4.5%), business law (3.4%), international business (3.4%), decision sciences (2.2%), entrepreneurship (2.0%), business communications (1.8%), business statistics (1.8%), and other (3.8%). These results were similar to Catholic faculty, with the exceptions that Catholics were more frequently accountants (22.3%) and less frequently in marketing (12%) and economics (6.6%). The general numbers were also similar to faculty at Catholic business schools. Interestingly, 3 percent of respondents from Catholic schools and 3 percent of Catholic faculty identified ethics as their academic specialty, whereas the percentage of the total sample was only 1.2 percent.

When asked their religious preferences, 35.3 percent of respondents at Catholic schools reported Roman Catholic, 25.7 percent responded Protestant, 10.8 percent Jewish, and 28.2 percent said chose another designation. In the overall sample, 20 percent said they were Roman Catholic, 38.1 percent Protestant, 4.7 percent Jewish, and 37.2 percent identified another religion or none.

## Hypothesis Tests

The ethical views of business faculty were measured for fifty-five potential faculty behaviors on a five-point Likert scale (1 = definitely unethical to 5 = definitely ethical). Hypothesis 1A was tested by performing independent-samples t-tests comparing the ethical beliefs of faculty at Catholic and non-Catholic AACSB accredited schools. Of the fifty-five behaviors listed, significant differences between faculties at the two different types of schools were only found in six items. These six are listed in Table 4. Although roughly one-quarter of the behaviors could be linked fairly easily to elements of CST, only two of the questions with differences (preferential treatment of athletes and giving credit in lieu of wages) were among those with significant differences, and faculty at non-Catholic schools rated both as less ethical than those at Catholic schools. In an additional factor analysis, the fifty-five behaviors loaded onto eighteen factors. There is no particular factor represented by the six items with differences between the groups, and none of the scales developed from the factor analysis resulted in differences between the groups.

**Table 4**  
**Ethical Perceptions of Faculty at Catholic and Non-Catholic Schools**

<i>Question</i>	<i>t-score</i>	<i>p-value</i>	<i>Catholic mean</i>	<i>Non-Catholic mean</i>
Failing to present views different from your own in your undergraduate teaching	1.905	.057	2.78	2.59
Lowering course demands for undergraduate student athletes	2.815	.005	1.46	1.3
Returning graded papers from undergraduate courses without comment	2.309	.021	3.34	3.12
Allowing undergraduate students to withdraw from a class when they are technically not eligible to do so	2.219	.027	2.92	2.72
Giving academic credit instead of salary for undergraduate student assistants	2.206	.028	3.04	2.81
Repeated use of an outdated textbook for use in teaching an undergraduate course	-2.056	.040	2.17	2.36

A similar analysis was made to compare Catholic to non-Catholic faculty. For the purpose of this analysis, all non-Catholic respondents were aggregated into one group. Only three of the behaviors had significant differences. These behaviors were returning graded papers without comment, going to bars with

students, and asking students for small favors. In each of these three cases, the non-Catholic faculty rated the behaviors as more unethical than did Catholic faculty. A cross-tabs analysis was also completed, keeping all religious groups disaggregated. Chi square tests were significant for seven of the fifty-five behaviors, but no clear patterns emerged. For these seven questions, pair-wise comparisons between Catholics and each non-Catholic group were conducted, but the only consistent result was that Catholics rated the behaviors as more unethical, except for the previously mentioned three behaviors, than did atheists and agnostics.

Although there were differences between faculty at Catholic versus non-Catholic schools on a few questions, as well as between Catholic and non-Catholic faculty, the main result was the lack of differences on most questions. Thus, hypotheses 1A and 1B are supported.

Hypothesis 2A suggested that faculty at Catholic schools would be more familiar with CST principles than faculty who teach at non-Catholic schools. Respondents indicated their familiarity with CST on a four-point scale. An independent-samples t-test was performed, and the difference between groups was highly significant ( $t = 7.71, p < .001$ ). Forty-seven percent of faculty at Catholic schools indicated some degree of familiarity with CST, whereas only 10 percent of faculty at non-Catholic schools were at least slightly familiar. Variability within the groups was notably higher among those at Catholic schools. The significant difference between groups supports hypothesis 2A.

We next hypothesized that Catholic faculty would be more familiar with CST than would non-Catholics. Again, t-tests were used to compare groups, and highly significant differences were found ( $t = 7.624, p < .001$ ). Of Catholic faculty, 45 percent were at least somewhat familiar with CST, whereas only 11 percent of the non-Catholic faculty were. These results support hypothesis 2B.

Hypothesis 3A predicted that the more familiar faculties are with CST, the more likely they would be to use it in teaching undergraduate business courses. To test this hypothesis, we analyzed only the cases where respondents said they were familiar with CST. Three questions asked about its use in teaching ethics to business students: whether the respondent used CST principles in teaching business classes, whether the respondent believed colleagues used them, and whether they believed they *should* be used in teaching. These questions were asked on a four-point scale (from 1 = not at all to 4 = very much), and a univariate ANOVA was performed. When asked whether they used CST principles, the relationship between the level of familiarity with CST and usage was highly significant, as shown in Table 5. However, there was no relationship between the respondents' familiarity and whether colleagues were using



CST. This likely reflects the fact that respondents know that many of their colleagues are unfamiliar with CST. The final question was whether they thought that CST principles *should* be used in teaching. Although those more familiar with CST used it more in teaching, there was no indication that they thought its principles should necessarily be used. Taken together, results from these three questions indicate that those familiar with CST use it in teaching; thus supporting hypothesis 3A, though there is no expectation that others will or should use it.

**Table 5**  
**Use of Catholic Social Teaching in Business Classes\***

*Analysis of Variance*

<i>Use of CST</i>	<i>F</i>	<i>p-value</i>
How much do you use CST?	7.665	.001
How much do your colleagues use CST?	1.871	.158
How much should CST be used?	2.295	.105

\*Analysis includes only those familiar with CST.

Among those familiar with CST, we tested the differences in usage of CST in the classroom between faculty at Catholic and non-Catholic schools as well between Catholic and non-Catholic faculty. Faculty who were familiar with CST at Catholic schools used CST more frequently than those at non-Catholic schools ( $t = 1.974$ ,  $p = .05$ ). These results support hypothesis 3B. However, among those familiar with it, there was no significant difference between Catholics and non-Catholics in their use of CST in the classroom ( $t = 0.56$ ,  $p = .577$ ). Therefore hypothesis 3C was not supported.

Finally, based on recent interpretations of CST principles, we selected seven specific applications of CST to business, as listed in Table 2, and asked how relevant they were in teaching undergraduate business courses. A five-point scale was used, with 1 = not at all important and 5 = extremely important. Again, the data set was reduced to those familiar with CST, and a univariate ANOVA was performed to test the relationship between the level of familiarity with CST and the perceived relevance of each of the seven CST elements. Of the seven, only one question resulted in significant differences related to relevance: allowing employees to share in the profits of the business (see Table 6). Thus, greater familiarity in general did not relate to greater perceived relevance of these specific applications.

**Table 6**  
**Importance of Elements of Catholic Social Teaching in Business**  
**Classes Analysis of Variance: Familiarity Versus Relevance**

<i>CST Element</i>	<i>F</i>	<i>p-value</i>
Payment of a just wage	.939	.393
Providing reasonable job security	2.538	.083
Treating employees as equal partners in the productive process	1.360	.260
Allowing employees to share in the profits	3.122	.047*
Greater involvement and participation of employees in decision-making	.189	.828
Greater regard for the surrounding community	.647	.525
Greater regard for employees' overall welfare	1.274	.283

\*Significant at  $p < .05$

Hypothesis 4 suggested that those who find the specific applications of CST relevant to undergraduate teaching would be more likely to use CST in the classroom. We first tested this hypothesis with correlation analysis. Each of the seven elements listed in Table 2 was significantly correlated to use of CST in the classroom, with Pearson's Correlation Coefficients ranging from .210 to .482, and all but one were significant at the  $p < .01$  level. In a separate analysis, all of the CST elements were reduced to a single factor. The Pearson's Correlation Coefficient for this approach was .471, with a  $p$ -value of .000 and strongly supports hypothesis 4.

Finally, we explored the relationship of all of the variables tested in their impact on the use of CST. We ran a regression analysis to test the use of CST in the classroom as a function of relevance of its principles, type of school, and personal faith of the faculty member. For relevance of CST principles, we again used the reduced scale. The results are listed in Table 7. The regression model had an  $R^2$  of .245 and was highly significant ( $F = 14.577$ ,  $p = .000$ ). As shown in the table, the most significant determinant was whether faculty members viewed CST elements as relevant to teaching. The type of school in which the faculty member taught was also significant. However, the individual faith of the faculty member was not significant. These results again support hypotheses 3B and 4 but not hypothesis 3C.

**Table 7**  
**Regression Analysis**

<i>Model</i>	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	<i>t</i>	<i>p</i>
	<i>B</i>	<i>Standard Error</i>	<i>Beta</i>		
Constant	.598	.399		1.499	.136
CST Elements	.535	.086	.467	6.217	.000
School Type	-.283	.140	-.152	-2.028	.045
Personal Faith	.034	.140	.018	.243	.808

\*Dependent variable = Use of CST in teaching.

## Discussion

Our results indicated that moral views regarding student-professor relationships vary little when AACSB faculty at non-Catholic universities are compared with faculty at Catholic schools. There is also little difference in what is considered ethical versus unethical behavior when Catholic faculty are compared to non-Catholic faculty at AACSB schools. This finding supports the idea that the influences of professional bureaucracy across institutions have stronger effects on faculty ethical attitudes than do cultural values that develop over time within institutions.

Regarding the principles of Catholic social teaching, the findings seem to indicate that recent interpretations of CST principles can provide a significant framework for teaching business ethics, but they are not well known outside the cultural confines of Catholic institutions and the Catholic faith. In addition, even at Catholic schools, more faculty than not were unfamiliar with CST. At AACSB schools—Catholic or non-Catholic—it seems unnecessary to be familiar with and use CST to provide an ethics-based business education. However, future research should more precisely determine what ethics approaches are employed by faculty, the degree to which these methods are descriptive or normative, and how they relate to CST perspectives.

If the use of CST principles is viewed as key to providing a Catholic-based business education, the findings indicate that Catholic institutions need to do more to familiarize their faculty members with CST and its major elements in ways that will connect with those who are teaching business students at high-quality institutions. Our results showed that the greater the level of familiarity that faculty members had with CST, the more likely they were to use it in their undergraduate classes.

Familiarity is not the only issue. The results indicated that the more relevant faculty thought CST elements were to business courses, the more likely they were to use them in teaching. This supports Gaspar's (1997, 31) assertion that for CST to be used more frequently and effectively as a means of communicating ethical principles to students "the teachings of the church must be conveyed in up-to-date ways.... Moreover the hierarchy should avail itself of the best modern understanding of how business and commerce work." For example, constant calls by church leaders to increase the federal minimum wage as a reflection of CST do not necessarily translate into economic conditions that will help workers in their ability to find meaningful employment.

The idea that CST must be updated so as to reach both faculty and students more effectively may illustrate a potential disconnect between religion and spirituality in relation to Catholic social teaching. The question remains as to whether the teachings, which originate in the external perspective of organized religion, can and should be presented in ways that encourage business faculty and students to adopt them as elements of their own internal spiritual quest, or path, to achieve enlightenment and relationship with God as they take their places as business owners or members of organizations.

In addition, the finding that faculty at Catholic schools who were more familiar with CST were more likely to use it but that all Catholics were not more likely than non-Catholics to use it may indicate a greater cultural (institutional) impact than a personal faith impact on faculty members' approach to teaching business ethics to undergraduates. It may also reflect the need to refine communication of the principles to suit a global economy or to translate religious principles into spiritual ones that can be internalized.

Conversely, it might reflect one of several limitations of this study. Respondents self-identified their religious preference, but our data do not show the strength of the affiliation. The divisions in the Roman Catholic Church in America today indicate that not all of those who call themselves Catholic would be inclined to follow all teachings of the church. Future work might focus to a greater extent on the intensity with which those who identify with a religion actually practice it; in other words, a greater focus on what spiritual elements may be at work rather than solely religious ones. In addition, it is far from clear that the recent applications and interpretations of CST principles to business, which were used in this study, for example, treating employees as equal partners and sharing profits with employees, are universally accepted as the only interpretations.

We also looked only at Catholic institutions that are AACSB accredited, not Catholic universities in general. As noted, we did this to sample schools that

had a quality standard and to test the relative influences of professional bureaucracy and culture. Future studies should consider all Catholic business schools as well as business schools at universities that are based in other faiths, whether AACSB accredited or not. Varied perspectives on religion and spirituality often provide similar end results despite different paths to a common goal.

Additional research might also more rigorously address the ways in which CST is being used to teach ethics in Catholic business schools. Anecdotal evidence cited earlier (e.g., Pierucci 1997; Fleckenstein 2002; Clark 2004) indicates that CST is employed in various courses, but the methodology of implementation (lecture versus practice) and the measurement of student reactions and learning outcomes would be important goals of future research in this area. Again this may help to discern any connection between the principles and how they are taught to the development of an individual's spirituality.

The teaching of business ethics is a crucial element of any school that attempts to provide its graduates with a moral compass with which to plot a course through the often-rocky shores of organizational decision-making. The wider the exposure that students have to alternative views and approaches the stronger decision-makers they become so long as their undergraduate education provides them with a solid foundation.

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