Only 24 hours had passed since they had first received the case. But now they were the experts – or at least had to act like it. Before a panel of three judges, the four MBA students outlined their solution for a small defense firm considering a buy-out.

This team of MBAs was just one of nine, all from different universities, that gathered at the Hankamer School of Business in November 2009 to participate in Baylor University’s third annual National MBA Case Competition in Ethical Leadership.

Case competitions are common in MBA education. They offer students an opportunity to consider realistic business challenges, develop solutions and present those solutions to actual professionals.

Chris Lang, a Baylor MBA student and case competition participant, explained, “These contests force you to think critically, solve problems quickly, work with a diverse mix of people and present your findings convincingly, all of which are skills that businesses look for.”

Case competitions are held all over the world and address every business category – marketing, operations, strategy, etc. “Everything but ethics,” explained Anne Grinols, assistant dean for faculty development and college initiatives.

Although Baylor’s ethics theme for its competition is rare, the need for ethics in business is becoming increasingly evident in the wake of the current economic crisis and numerous corporate ethical breaches.

“Ethics have always been a part of who Baylor is from a mission perspective,” said Gary Carini, associate dean of graduate programs. Ethics are fundamental, always “on the front burner.”

Adding to that base, Carini described how Baylor is trying to “create a values-oriented framework” that incorporates ethics, corporate social responsibility and environmental sustainability. Carini said the objective is not just to develop programs about ethics, but to develop a mindset that students will maintain after graduation, a foundation from which they will lead ethically.

“People do what they’re incentivized to do,” Grinols said. If only making money matters, negative results are inevitable. But when students are trained in ethics and equipped with the courage to do the right thing – even when that requires sacrifices – long-term success is much more likely.

“At Baylor, we want to develop MBAs with a clear sense of their own ethics,” said Mitch Neubert, Chavanne Chair of Christian Ethics in Business.

The key is to prepare students now for the difficult ethical challenges they will face later. “Nobody walks in intending to be unethical,” Carini said.

To ensure students are prepared – able to recognize ethical dilemmas, equipped to develop solutions and instilled with the courage to implement the most ethical choices – the emphasis on ethics education begins early and continues throughout the program. Carini first “plants the seed” when he discusses the honor code with new students at orientation.

Once in the classroom, Baylor takes an interdisciplinary approach to teaching ethics. Patricia Norman, associate professor of Management, said, “We focus on ethics not by having a stand-alone class, but by integrating ethics discussion in all our courses… relevant for the specific topics they [professors] cover in their classes.”

“Ethics needs to be pervasive in everything,” Grinols added.

In addition, faculty members select a news article twice a semester about an ethical business breach. Within one week, all instructors cover that story in their classes from their disciplines’ perspective. Baylor also regularly invites corporate ethics officers to speak to MBA students.
But Neubert believed these lessons in the classroom were not enough. “We felt like our MBAs needed to do more than read about ethics,” he said. The students needed to “wrestle” with ethical challenges, develop practical solutions and then justify their answers to business leaders.

So four years ago, Neubert and Grinols started an annual internal ethics competition open to all business students. The next year they established the National MBA Case Competition in Ethical Leadership.

In the 2009 competition, nine schools – all with ranked MBA programs – battled for the top spot. Thursday morning, Nov. 12, teams received the case. From that point until 8:00 a.m. the next day, the teams read the case, developed their solutions and prepared presentations. On little sleep, they showed up Friday morning and were anonymously and randomly assigned to one of three leagues.

Each team then presented its solution before the league’s panel of three judges, two business professionals and one business faculty member. Anonymity was maintained throughout the competition to ensure the integrity of the judging.

The top team in each league then advanced to the afternoon finals and presented again to a new panel of judges. Though Baylor entered the competition as the defending champion, it was Pepperdine University that emerged victorious and claimed the $5,000 prize.

Baylor’s Chris Lang described the intense atmosphere.

“This competition put pressure on each of the teams to come up with a clear, reasonable and ethical solution to a problem in almost no time,” Lang said. “With that kind of pressure, you are forced to think about what you really believe about ethics and why. Judges know when you’re being genuine, so this competition creates a situation where you have to present what you believe, and explain why it’s right.”

“The impact of a competition like this,” Grinols said, “is apt to be more lasting because it’s experiential. The students don’t just talk about an ethical issue, they grapple with it.”

Neela Gonguntla, another Baylor MBA participant, expressed how the competition affected her.

“It allowed me to put what I have been learning into practice because it presented me with the opportunity to identify ethical problems in a business setting, analyze those issues and then present a recommendation based on that analysis,” Gonguntla said.

Judy Brashear, of the University of Florida’s Poe Center for Business Ethics, has brought teams to Baylor’s competition each year. She believes her students have “benefited from the process” and wrote, “The trip to Texas and the interaction with other business colleges’ groups widen their appreciation of the importance of ethics in business, and the difficulties in considering ethics on a case-by-case basis.”

Baylor MBA student Raef Wyatt feels similarly. A veteran of seven case competitions, he expects this experience, and the general emphasis on ethics at Baylor, to help him after he graduates.

“I really believe employers are looking for people with training in ethics,” Wyatt said. Employers, he explained, can better trust applicants who have an ethical foundation.

Building that foundation is what Baylor’s National MBA Case Competition in Ethical Leadership is all about. Win or lose, the lessons learned are the important thing. As Neubert emphasized, it’s about training “future business leaders to make thoughtful and principled ethical decisions, which in the end will serve all stakeholders better.”

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