

Business Education at Catholic Universities: Current Status and Future Directions

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Abstract

Is business education at Catholic colleges and universities different than business education at secular institutions? This study assesses the current state of business education at Catholic colleges and universities based on a national survey of business school deans and faculty members and an audit of business unit web sites. Results suggest that business education at Catholic institutions could be more distinctive in reflecting the religious identity of the institution. Curricular recommendations are offered for mission-driven business education with a particular focus on Catholic identity and ethics education.

Introduction

Is business education at Catholic universities and colleges distinctive? Is there a difference between the business education received at a Catholic institution and that received at a secular one? Does such an education reflect the Catholic character of the mission of the larger Catholic institution? Does it produce distinctive student outcomes that relate to attitudes toward the purpose of business and expectations regarding the ethical behavior of graduates?

The purpose of this study was to survey and assess the current state of business education at Catholic universities in the United States

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as it relates to the religious character of the larger institution, and to recommend curricular models for ethics education that promote the mission of the university.

Research suggests that developing and communicating an organization's values, mission, and vision can be important steps in the process of building a successful organization¹ and a "visionary company."² Collins and Porras found that visionary companies—exceptional companies that endure over many decades using timeless management principles and practices—wrote mission and values statements "more frequently than the comparison companies and decades before it became fashionable."³

Mission statements are important to organizations of all types—public, private, not-for-profit, for-profit⁴—including universities.⁵ They should reflect the distinctive and enduring character of the organization and establish a sense of direction.⁶ Mission statements can help focus the organization on what really matters to itself as well as that which is important to its stakeholders.⁷

Most business schools have embraced this focus on mission. Accreditation standards for the Association to Advance Collegiate Schools of Business (AACSB) state that business schools are required to publish "a mission statement or its equivalent that provides direction for making decisions"⁸ and that is "appropriate to higher education for management and consonant with the mission of any institution of which the school is a part."⁹ Furthermore, business schools are expected to develop learning goals and to use a system of assessment, known as "Assurance

¹ R.D. Ireland and M.A. Hitt, "Mission Statements: Importance, Challenge and Recommendations for Development," *Business Horizons* (May-June, 1992), 34-42.

² J.C. Collins and J.L. Porras, "Building Your Company's Vision," *Harvard Business Review* (September-October, 1996): 65-77.

³ *Ibid.*, 65.

⁴ Ireland, 34-42.

⁵ J.H. Davis, et al., "Mission Impossible: Do School Mission Statements Work?" *Journal of Business Ethics* 70, no. 1 (2007): 99-110.

⁶ F. David, *Strategic Management Concepts*, 7th ed., (Upper Saddle River, NJ: Prentice Hall, 1990).

⁷ J.A. Pearce III and F. David, "Corporate Mission Statements and the Bottom Line," *Academy of Management Executive* 1, no. 2 (1987): 109-116.

⁸ AACSB, *Eligibility Procedures and Accreditation Standards for Business Accreditation* (Tampa, FL: AACSB International, 2007), Section 2, Standard 1. <http://www.aacsb.edu/accreditation/standards.asp>.

⁹ AACSB, Section 2, Standard 2 (emphasis added).

of Learning,” that adapts to the school’s mission and cultural circumstances, and that demonstrates achievement of those learning goals.¹⁰

Mission statements at colleges and universities should define the core purpose of the organization and indicate the values and philosophy of the institution.¹¹ Research on the effectiveness of school mission statements has found that the statements have an influence on student outcomes. Davis, et al, found that “schools that explicitly stated ethical content in their mission statements do influence student ethical orientation.”¹²

Research Methods

To understand the current state of business education at Catholic universities, we used a two-pronged research approach. For the first part of the research protocol, we developed and administered a survey sent to the undergraduate dean or head of the business division of 169 Catholic universities and colleges in the United States. This represents the entire population of Catholic colleges and universities in the United States that offer an undergraduate business degree. The survey was designed for the following three purposes: (1) to identify whether the business unit had its own mission statement and, if so, to assess the distinctly Catholic (and/or religious order) character of the mission; (2) to identify the learning goals of the business unit that pertain to ethics education and/or the religious character of the mission; and (3) to determine student outcomes that respondents sought to achieve for both business ethics education and business education related to religious identity.

The second part of the research protocol consisted of a search of the web sites of the population to identify and assess the mission statements of the institutions’ business schools and divisions. These statements supplemented the survey data. Where no mission statement was found, phone calls were made to the college to learn whether a mission statement existed and, if so, to request a copy.

The survey was mailed in March 2008 and resulted in 42 responses, a response rate of 25%. This was bolstered by web site audits of an additional 62 institutions in the sample, resulting in an overall sample of

¹⁰ AACSB, Section 2, Standard 16.

¹¹ J. Sidhu, “Mission Statements: Is It Time to Shelve Them?” *European Management Journal*, 21 no. 4 (2003): 439-446.

¹² Davis, “Mission Impossible,” 99.

Table 1. Mission Statement Analysis¹³

	1	2	3	4	5
	Mission statement	Ethics	Religious Identity	Both	Neither
Website Audit (n=104)	80 of 104 (76.9%)	46 of 80 (57.5%)	37 of 80 (46.3%)	18 of 80 (22.5%)	18 of 80 (22.5%)
Survey results (n=42)	38 of 42 (90.5%)	23 of 38 (60.5%)	24 of 38 (63.2%)	14 of 38 (36.8%)	4 of 38 (10.5%)

104 institutions, which represents 61.5% of the total population. See Appendix A for a list of universities that participated in the survey and Appendix B for a copy of the survey.

Results

Table 1 shows the results of the mission statement analysis of business schools and departments in Catholic universities. Column 1 indicates whether the business school or department (i.e., the business unit) has its own mission statement. Of the 104 schools in our study, 80 have a separate mission statement for their business unit (76.9%), including 90.5% of the institutions that responded to our survey.

Of the schools that do have a separate business unit mission statement, we analyzed whether the mission includes an explicit reference to ethics or to the religious identity of the institution (i.e., Catholic, Jesuit, Benedictine, Dominican, etc). As shown in the table, most schools refer to ethics in their mission statements: 58% of the overall sample and 61% of those who completed the survey. An explicit reference in the mission to the institution's religious identity was found in 46% of the overall sample and in 63% of the returned surveys. Less than 25% of the 104 schools in the study emphasized both ethics and religious identity in their missions while 37% of the survey respondents emphasized both. Eleven percent of the survey respondents and 23% of the overall sample mention neither ethics nor religious identity in their mission.

While we cannot say much about what students actually learn simply by analyzing a school's mission statement, it is surprising that

¹³ In Table 1, Column 1 indicates the number and percentage of schools studied that had a separate mission statement for the business unit. Columns 2 through 5 indicate something about the content of the mission statements for those that had them. Specifically, the columns indicate whether a particular mission statement had an explicit reference to ethics (Column 2), religious identity (Column 3), both ethics and religious identity (Column 4) or neither ethics nor religious identity (Column 5).

Table 2. Outcomes Assessment¹⁴

	Learning Goals	Ethics	Religious Identity
Survey results (n=42)	35 of 42 (83.3%)	29 of 35 (82.98%)	2 of 35 (5.7%)

almost 25% of the overall sample did not include either ethics or religious identity in their missions. And these are business units within a larger university that is defined by its Catholic identity.

As we know from Arthur Anderson, Enron, and others, having a mission statement and living the mission are different. Do business schools walk the mission-driven talk? To assess the nature of the commitment to ethics education and religious identity, we requested the business unit's learning goals based on the assumption that what gets measured is a good indication of what really matters. With respect to ethics education and the religious identity of the institution, respondents were asked to identify the learning goals of their undergraduate business program and the desired student outcomes they seek to achieve. In this way, we were able to get a sense of whether, and how, the aspirations of the mission statement were operationalized in the curriculum.

Table 2 shows the results, indicating that of the schools with undergraduate learning goals, more than 80% of respondents to our survey measured student outcomes with respect to ethics education but only 6% assessed learning with respect to religious identity. Furthermore, when we asked which specific ethical theories and outcomes students were expected to learn, responses were, with a few exceptions, indistinguishable from that which one would expect from an ethics assessment at a secular or state university. Answers ranged from a simple stakeholder analysis to a more substantive reference to utilitarian theory, deontology, virtue theory, and rights. Only a small minority referred to concepts or theories that had a distinctly Catholic content.

Discussion of Results

Most schools of business at Catholic institutions have their own mission statements and refer to ethics and/or religious identity somewhere in their mission. Most schools in our survey also have

¹⁴ 35 of the 42 business schools that completed the survey indicated that the business school has a set of written learning goals for the core business curriculum. Of those 35 schools with learning goals, 29 had specific goals related to business ethics education and 2 had learning goals explicitly related to the religious identity of the institution.

college-wide learning goals related to business ethics. It is unclear, however, whether those ethics learning goals are driven by mission concerns or by accreditation requirements; AACSB, after all, requires that schools address ethics. We believe that compliance with AACSB standards regarding ethics education is important and necessary for Catholic schools of business. Such compliance is not sufficient, however, for a truly distinctive business education that reflects Catholic mission and identity. Ideally, Catholic schools of business will not only provide a solid grounding in ethics education as required by AACSB but, true to their mission, will go beyond this requirement and introduce students to a distinctively Catholic perspective on the ethical challenges facing business executives. Of course, the ethics goals may serve multiple purposes, expressing mission and simultaneously satisfying accrediting expectations.

We also learned that only a small minority of Catholic colleges of business that participated in our survey had learning goals that were expressions of the school's religious identity. Of the schools that reported some learning goals with respect to religious identity, most referred to concepts embedded in the traditions of Catholic ethical or social thought, such as dignity, the common good, and stewardship.

Of particular interest to us was the fact that a majority of respondents who affirmed that they had learning goals in the area of ethics and who also identified the assessment vehicles for those goals had a description of their ethics assessments that could be found at any secular university. The goals and desired outcomes did not typically reflect the Catholic mission of the institution.

The lack of references to ideas from the Catholic ethical tradition may be due, in part, to the general nature of the questions asked. Those questions may not have elicited responses about which specific ethical concepts appear in courses or assessments. Still, it is clear from many of the answers received that much of the teaching and assessment related to the ethics learning goals is neither distinctive nor particularly substantive. The most frequent survey responses indicated that schools expected students to be able to identify and analyze ethical issues. Often, however, there was no indication that students were supplied with any tools that would allow them to execute such an analysis. A number of responses indicated that students were expected to identify the impact of business decisions on various stakeholders. These responses leave a troubling concern that business ethicists often raise about stakeholder theories of corporate responsibility. That is, such theories provide no criteria by which to assess the inevitable conflicts that arise between the interests of different stakeholders. It is little help to advise students

to “consider the impact on all stakeholders” if no tools are given for adjudicating. Stakeholder Theory must be supplemented by principles that allow us to identify which interests of each stakeholder group deserve serious consideration, and also to explain how to evaluate conflicts that arise among those interests.¹⁵

Perhaps more assuring were responses that identified particular moral theories that were taught as tools for analysis. However, the fact that the most frequently referenced theory was utilitarianism causes some concern. While business students familiar with the technique of cost/benefit analysis may grasp this theory more easily, it is subject to serious moral challenges. Moreover, it is far from the advice that would be given from the tradition of Catholic ethical and social thought. Utilitarianism, with its focus on aggregate welfare, has been famously critiqued as having no fundamental concern for the impact of actions on individual persons.¹⁶ Conversely, the Catholic ethical tradition takes the dignity of the individual person as its central hallmark. Survey responses that referenced rights, justice, and virtue theory are more in accord with the Catholic tradition but, based upon survey responses and anecdotal knowledge of business ethics instruction, we are concerned that ethics education at Catholic schools of business is insufficiently advancing the Catholic mission. It is not clear, for instance, that ethics instruction within the business school curriculum provides sufficient time for a nuanced discussion of how rights and virtues might be connected to human dignity. In what follows, we offer some suggestions for increasing both the substance and the mission effectiveness of ethics education in the curriculum of Catholic schools of business.

¹⁵ Cf. A. Marcoux, “Balancing Act,” in *Contemporary Issues in Business Ethics*, 4th ed., J. DesJardins and John McCall, eds. (Belmont, CA: Wadsworth Publishing, 2000), 92-100. We believe similar problems beset another common approach to business ethics—the Triple Bottom Line methodology which asks management to account for not only the financial but also the social and environmental costs and benefits of business activities. We regard this as merely a heuristic and one that is overly simplistic and potentially misleading. The metaphor of the triple bottom line seems to suggest that there is a metric common to the three domains, a highly questionable assumption. We also find that when students confront this heuristic, they often attempt to reduce social and environmental costs to items that are economically measurable. They also often assume that the objective of the methodology is to produce a solution that provides an aggregated optimum across the three dimensions. We suggest here that the imperative to consider social and environmental factors should be tied directly to principles such as those found in Catholic Social Teaching (CST) or modern theories of human rights.

¹⁶ J. Rawls, *A Theory of Justice* (Cambridge, MA: Belknap Press, 1971).

A Role for Catholic Social Thought

The survey responses suggest that business education at Catholic colleges and universities has more than a little room for improvement. And, it is natural that the mission of Catholic business schools be achieved, in part, through instruction in ethics. The elements of the modern Catholic Intellectual Tradition that are most relevant to business ethics are found in the documents of Catholic Social Teaching (CST), beginning with Pope Leo XIII's *Rerum novarum* and continuing through the social encyclicals of Pope John Paul II. We think that business education at Catholic business schools ought to have distinctive student outcomes that are more informed by this tradition of CST than what appears, from the results of our survey, to be the case. It will not do, for instance, for ethics education to be pursued simply along the lines of the common "stakeholder" model, where students are encouraged to identify the impacts of action on various stakeholder groups but are given no clear criteria by which to evaluate those impacts. Ethics education at Catholic business schools should be both more substantive than that and more informed by central ideas of the CST tradition. Two such ideas are essential: (1) respect for the dignity of the human person, and (2) the purpose of business as the production of goods and services that satisfy human need and that promote the common good of each and all.¹⁷

Having the education informed by the tradition, of course, need not mean that ethics instruction in the business school must be through explicit instruction in CST or Catholic doctrine. It does suggest, however, that the root ideas and values found in that rich tradition should find expression in the curriculum, both in dedicated ethics courses and in courses in the functional disciplines.

In urging this model of ethics education for Catholic business schools, we are not suggesting that business schools engage in an indoctrinating enterprise that attempts to assure that all students exit our institutions committed to a prescribed set of beliefs. We believe that there are practical and theoretical reasons against such a practice. Practically, educating only by reference to Catholic teaching is unlikely to have the desired impact among the diverse student populations we find in our schools. Further, in educating only by reference to Catholic doctrine, with the goal of

¹⁷ See the following documents: Pope John Paul II, *Laborem Exercens* (1981) and *Centesimus Annus* (1991) as well as the U.S. Catholic Bishop's Letter *And Justice for All* (1983). These are available in D. O'Brien and T. Shannon, eds., *Catholic Social Thought: The Documentary Heritage* (Maryknoll, NY: Orbis Books, 2005). See also R. Kennedy, *The Good that Business Does* (Grand Rapids, MI: The Acton Institute, 2007).

replicating that doctrine in the minds of students, the character of the university as a place of open dialogue and inquiry would be undermined. As universities, our goal should not be the replication of doctrine but the development of understanding and intellectual capacity. At a university, even if we desire that students assent to particular beliefs, it must be the free assent that is the outcome of fully reasoned analysis.

While we oppose an attempt to assure assent to the ideals of the tradition, we support the use of Church documents as a vehicle for elucidating the critical ideas of personal dignity and the purpose of business. Certainly, the theoretical tradition running through Thomas Aquinas' ethical thought to the current church documents could be one way of capturing those root ideas of the tradition. But as John Paul II reveals through his reliance on Personalist philosophical traditions,¹⁸ there are other, equally useful theoretical vehicles for communicating those ideas. CST is not unique in emphasizing the dignity of the person. There is a strong, secular philosophical tradition that also emphasizes human dignity and links respect for it to human rights. In fact, modern CST has been heavily influenced by that secular philosophical tradition, which in turn was influenced at its origins by the late medieval scholastics.¹⁹ This secular tradition might be an alternative and effective approach for exposing students to core ideas of CST.

At some universities or for some business faculty, classroom appeal to the modern secular tradition may be a more effective pedagogical tool for expressing the two central ideas of CST to an audience of contemporary students. However, the question of which approach has the greatest pedagogical potential—reliance on Church documents or on secular philosophical sources—can only be answered in light of the particular contexts of each individual school. We now turn to classroom strategies for introducing students to the two core CST ideas: the purpose of business and dignity of the person.

*Strategies for Introducing an Alternative View of Business' Purpose:
The Common Good*

In contemporary schools of business, an attempt to introduce the idea that the purpose of business is to produce goods and services that

¹⁸ Pope John Paul II, *Laborem Exercens*. http://www.vatican.va/holy_father/john_paul_ii/encyclicals/documents/hf_jp-ii_enc_14091981_laborem-exercens_en.html.

¹⁹ S. Pope, "Natural Law in Catholic Social Teachings," in *Modern Catholic Social Teaching*, ed. K. Himes (Washington, DC: Georgetown University Press, 2005), 41-71.

satisfy human needs, and that advance the common good of each and all will confront a serious challenge. Obviously, the dominant ideology in business education relies on the assertion that the purpose of business is to make profits, i.e., maximize shareholder value.²⁰

However, there are numerous ways in which this dominant view can effectively be questioned. First, even the most diehard proponents of the view understand that it rests on a belief that the pursuit of profit will, in an often misused phrase of Adam Smith, produce the common good “as by an invisible hand.”²¹ This defense of the profit maximization view, however, concedes *by definition* that the true justificatory purpose of business is the promotion of the common good. So, while it may be socially wise to encourage businesspersons to have a profit motive, that motive is distinct from the purpose of the institution of business, even on the common view’s own grounds. Permissible motives for participants are not the same as the purpose of the institution within which they pursue their goals.

Second, we can question the view which states that the purpose of business is to maximize shareholder value by asking students to consider whether they believe that a single-minded pursuit of share value actually produces the common good. Many students are likely to regard that assertion as empirically false and theoretically unsound. Students implicitly understand that such a pursuit is likely to produce perverse results unless it is constrained by a commitment to the rights of others. This often-implicit understanding can be brought to the forefront by asking students to consider whether an exclusive focus on profit is a realistic view of the psychology of human persons and the sociology of their communities. Students will understand that if employees, for instance, become convinced that management has profit as its only concern, those employees are unlikely to trust management or to commit to the firm. If workers believe that management regards them merely as units of production that are disposable in pursuit of greater profit, those workers will develop an adversarial attitude. That is a recipe for a strife-ridden and unproductive workplace. A healthy workplace requires that employees believe that there is authentic reciprocity and basic concern

²⁰ See for example M. Friedman, “The Social Responsibility of Business Is to Increase its Profits,” *The New York Times Magazine* (1970), reprinted in J. DesJardins and J. McCall, eds., *Contemporary Issues in Business Ethics*, 5th ed., (Belmont, CA: Wadsworth Publishing, 2005). See also M. Jensen and W. Meckling, “A Theory of the Firm,” *Journal of Financial Economics* 3 no. 4.

²¹ A. Smith, *The Wealth of Nations*, ed. R.H. Campbell and A.S. Skinner (Oxford, UK: Oxford University Press, 1976).

for their interests.²² Students can thus understand a business application of the hedonic paradox first identified by the ancient Greek philosophers: a person who is concerned only about his own welfare is a person who will not achieve happiness.

Third, we could introduce students to the CST concepts of stewardship, and of the priority of persons over capital, to explain that the purpose of business must extend beyond making profit to include the promotion of the common good for each and all.²³ This principle of stewardship mandates that we consider the interests of all persons, including those members of generations not yet born. Stewardship required by CST parallels contemporary advice from some environmental ethicists.²⁴ Clearly, the interests of future persons are not fully represented in market bargaining or in the supply/demand calculus that drives purely profit-centered approaches to business. Students can easily understand that the short-term, even quarterly, pursuit of increased share value can have a deleterious effect on environmental quality, since environmental effects are often externalities that are not fully reflected on the business' bottom line. Both CST's emphasis on stewardship of the earth's resources and the modern environmental movement's emphasis on sustainability recognize a need to limit the pursuit of short-term profits in order to leave a livable environment for the earth's future inhabitants.

So, it is possible to introduce the idea that the ultimate purpose of business is the production of goods and services that satisfy human needs. This idea can be introduced by attending to the assumed justification for the alternative, and by emphasizing that pursuit of profit must be constrained by respect for the rights of others. Or, this notion can be introduced directly through an appeal to ideas in CST.

²² See C. Ichniowski, "Human Resource Management and Productive Labor-Management Relations," in *Research Frontiers in Industrial Relations and Human Resources*, ed. D. Lewin, et al., (Madison, WI: Industrial Relations Research Association, 1992). See also, J. Pfeffer, *The Human Equation* (Boston, MA: Harvard Business School Press, 1998) as well as S. Porth and J. McCall, "Contemporary Management Theories and Catholic Social Teaching: Convergence and Divergence," *Review of Business* 22 no. 3 (2001): 8-15.

²³ See Leo XIII, *Rerum Novarum* (1891) in *Catholic Social Thought*, ed. O'Brien and Shannon. See also John Paul II, *Laborem Exercens* and *Centesimus Annus*.

²⁴ See J. DesJardins, *Business Ethics and the Environment* (Upper Saddle River, NJ: Prentice Hall, 2007).

Strategies for Introducing the Dignity of the Person

There are also multiple strategies for introducing students to the idea of human dignity. But, for the appeal to human dignity to have any meaning for students, it must be given some operational content. Students must be given resources that will allow them to understand that respect for human dignity is not a vague ideal but rather one that generates concrete prescriptions.

Both the CST tradition and the secular philosophical tradition originating with Kant can help to provide that operational content. Both emphasize autonomy—the ability to make free and reasoned choices—as a primary basis for the dignity of the human person, and for the special moral status that people possess. In both traditions, human rights function as vehicles for expressing respect for the dignity of persons. Human rights are protections for basic human interests, for those goods that are critical for a decent existence. In elements of both traditions, rights often include basic goods, such as the material conditions for a fully human life.²⁵ For example, the ideals expressed in the United Nations Universal Declaration of Human Rights are parallel to John Paul II's encyclicals which argue for a number of rights including a living wage, leisure and reasonably limited weekly hours of work, and the ability of persons to participate in the economic life of society; such rights can be achieved through employment and through having a voice at one's place of employment.

As a more specific example of providing some operational content to the idea of human dignity, consider strategies for showing students a link between human dignity and a living wage.²⁶ Students can easily see how a living wage—a wage sufficient to provide for reasonable nutrition, shelter, and saving for the future—is a necessary condition for a decent existence and the exercise of distinctive human capacities. As Nobel prize-winning economist Amartya Sen notes, persons who lack

²⁵ See in the CST tradition, John Paul II, *Laborem Exercens* and *Centesimus Annus* as well as the US Catholic Bishops, *And Justice for All*. In the modern secular philosophical tradition on human rights, see J. Nickel, *Making Sense of Human Rights* (Malden, MA: Blackwell Publishing, 2007) and H. Shue, *Basic Rights* (Princeton, NJ: Princeton University Press, 1980).

²⁶ See D. Arnold and N. Bowie, "Sweatshops and Respect for Persons," *Business Ethics Quarterly* 12 no. 2 (2003) and N. Bowie, *Business Ethics: A Kantian Perspective* (Malden, MA: Blackwell Publishing, 1999)

basic necessities also lack the opportunity to act with full autonomy.²⁷ Based on that notion, students can see the connection between human dignity and a living wage, especially if they are shown graphic examples from the developing world where wages are sometimes barely enough for mere subsistence.

There is, however, a theoretical issue that typically arises in discussions of a living wage. Students, especially those familiar with welfare state antipoverty programs, often ask why the burden of providing an income sufficient for a decent human life should be placed solely on business rather than on the public sector. This theoretical issue is one about the locus of duties imposed by the positive rights of others to receive assistance. Addressing this issue provides an opportunity for a fruitful discussion regarding the implications of a concern for human dignity in a business context. Such dialogue might involve either an analysis of secular philosophical concepts of fairness and positive duty, or an analysis of the CST principle of subsidiarity. Depending on the pedagogical approach chosen, either analysis can help detail the practical significance of what it means to respect the human dignity of another person.

Questions of fairness in the allocation of benefits and burdens are determined by the relative contributions made, or the relative risks assumed, by the parties in a cooperative enterprise. Students can be asked to consider whether market wages are in all cases fair compensation for the effort employees make and the risks they assume on the job. We can ask them to discuss whether there are sometimes background conditions, such as high levels of poverty and unemployment, which make wage bargaining between employers and employees unfair.

We can also appeal to John Rawls' "original position" heuristic for imagining what fairness requires.²⁸ Rawls asks us to consider what we would decide about a distribution if we were to make the choice from behind a "veil of ignorance." This restriction would make it impossible to determine the later impact of the choice on us. In this, Rawls asks us to understand fairness as requiring choices to be made without reference to morally irrelevant features of ourselves such as race, gender, circumstances of birth, or native abilities. He suggests that a fair allocation would not severely disadvantage persons based on personal characteristics or circumstances that are beyond their control.²⁹ If students

²⁷ A. Sen, *Development as Freedom* (New York, NY: Alfred A. Knopf, 1999).

²⁸ J. Rawls, *A Theory of Justice*.

²⁹ *Ibid.*

can accept this account of fairness and can imagine themselves in Rawls' "original position," would they be willing to accept a wage distribution determined purely by market forces, with the attendant possibility of destitution, or would they demand a system that guaranteed all persons a wage sufficient to live a decent human life? Through a directed discussion such as this, students can assess the fairness of wages in a variety of economic and employment conditions.

We can also ask students to consider the conditions under which persons owe a positive duty of assistance to others. Generally, analyses of positive duties find that they exist when four individually necessary and jointly sufficient conditions are present. These are: (1) another has a serious need, (2) you have an ability to assist, (3) there is an absence of comparable risk to yourself, and (4) it is unlikely that assistance will come from another source.³⁰ In the case of a living wage, specific examples of workers in developing world contexts may sometimes illustrate that all four conditions are satisfied by an employer or multinational contractor. Abject destitution establishes need, employers and contractors may have some ability to pass costs on to consumers without great economic risk to their business, and assistance is unlikely to be provided by bankrupt or corrupt local governments. Students can pursue substantive analysis by applying these four conditions to a range of cases from developing to developed economies in order to decide whether there are cases where provision of a living wage is legitimately seen as the duty of employers.

Finally, students can be introduced to the CST principle of subsidiarity as a way of assessing the locus of responsibility for providing a living wage. The principle of subsidiarity suggests that decisions should be located at the lowest institutional level practically possible. CST has used this principle to argue against a statist approach to all economic issues.³¹ Business interests often approve of the principle because they regard it as an argument against excessive state regulation. However, the principle does not suggest that authority for decisions merely be devolved to lower level institutions. It also provides guidance on the content of decisions. So, while the principle of subsidiarity cautions against excessive state control, it also understands that the decisions made at lower levels must conform to the substantive requirements of respect for human dignity. That is, the principle does not give brute,

³⁰J.S. Simon, C.W. Powers and J.P. Gunneman, *The Ethical Investor* (New Haven, CT: Yale University Press, 1972).

³¹ See John Paul II, *Centesimus annus* and the US Catholic Bishops, *And Justice for All*.

carte blanche authority to lower level institutions but rather charges those institutions with determining the most effective way to act in accordance with the fundamental criterion of human dignity. As such, the principle of subsidiarity could be used to open discussion about whether the payment of a living wage by employers is the best way, in a given context, to provide the necessary income for satisfying those human needs that are constitutive of a dignified human existence. Again, in some contexts, it might be reasonable to shift responsibility for the provision of at least some of that income to higher-level state institutions. In other contexts, it might be more reasonable to place the responsibility on a particular business enterprise.

It is possible to introduce the concept of human dignity to class discussions of business practices and to give that concept some operational content. This can be accomplished through appeal to secular philosophical sources or to sources in the CST tradition. However we decide to introduce ideas about human dignity and the broader purpose of business, Catholic colleges of business ought to provide students with some awareness of these two core ideas of the CST tradition. Without that provision, it is difficult to see how the business education we provide is either distinctive or mission advancing.

Implementing the Strategy: Faculty Hiring and Development

It is clearly possible to introduce business students to business relevant tenets of the CST tradition. However, such a mission-driven educational strategy places a significant burden on faculty, and it raises critical questions about hiring and training. In closing, we offer a few brief comments on how faculty hiring and development may be achieved with the institution's mission in mind.

It is clear that faculty familiarity with ideas from moral and political theory, or from CST, is necessary to achieve the student exposure we recommend. Students, ideally, should have both a class where the central focus is on ethics, as well as repeated exposure to substantive ethical discussion in classes in the functional business disciplines. This means that a sizeable proportion of the faculty needs to be both competent and comfortable addressing ethical questions.

We could try to achieve that level of faculty participation through hiring practices and through faculty development opportunities subsidized by the university. A hiring practice that gave preference to Catholics would not, by itself, guarantee the faculty competence we recommend.

Moreover, the current market for business faculty is limited and successful faculty searches must be open to all qualified candidates. For these reasons, we do not endorse such a hiring practice. A better strategy would be explicitly to emphasize mission in hiring by looking for faculty who understand the mission and values of the university, and are committed to teaching students to consider ethical questions in their business lives. This means that in departmental deliberations and interviews, and in administrative interviews of faculty candidates, we openly discuss the need for faculty to adopt a mission-centered approach to their teaching.

Having a cadre of faculty who are sympathetic to the project of a distinctive, ethically-focused business education is not the only necessary condition for successfully implementing the strategy we recommend. Such faculty also needs to be provided with opportunities for substantive development in the area of ethics. Universities must understand that a successful mission-centered approach to business education will require considerable resources in the form of subsidized training opportunities. The University of Dayton, for example, reports an innovative program where faculty are given an opportunity to attend a year-long, once a week, interdisciplinary seminar aimed at developing a capacity for discussing the Catholic tradition in their classes.³² Saint Joseph's University offers business faculty a stipend for attending an intensive, six-week, summer seminar that culminates in their creating ethics segments for their functional classes. Structured collaboration and discussion among faculty in business and faculty in arts and sciences, particularly in philosophy and theology, are other effective vehicles for developing more substantive ethics instruction in business courses. Programs such as these are necessary to take the willing and sympathetic and turn them into classroom instructors who are competent to discuss ethical issues in a rigorous manner, and in light of the ideals of CST. Typically, these programs will require some significant funding for participant stipends if the programs are to draw faculty away from the inevitable focus on disciplinary research productivity. If Catholic colleges and universities are concerned about assuring a mission-centered business education for their students, they must be willing to provide faculty development opportunities designed to

³² R. Fitz, "Developing Capacity for Integrating Business Education with the Catholic Social Tradition," <http://www.stthomas.edu/cathstudies/cst/conferences/becu/conferencepapers.html>.

create rigorous ethical course components grounded in ideals from the CST tradition.

Conclusion

In general, our research suggests that business education at Catholic colleges and universities is not sufficiently distinctive. The good news is that most business schools at Catholic institutions include an emphasis on business ethics education. But, this does not make us distinct: any decent business education must emphasize ethics. Indeed, this is a requirement of AACSB. Catholic institutions must go beyond this minimum requirement to deliver ethics education that is more substantive and informed by central ideals of the Catholic tradition. We have made some recommendations which (if implemented) will help business education at Catholic colleges and universities to achieve this goal and embrace the mission more fully.

The ultimate purpose of business education at Catholic colleges and universities should not be merely to produce technically competent businesspersons. These programs must also produce students who understand the moral vision that has informed the Catholic institutions from which they graduate. Students should be able to articulate some operational content for a commitment to the dignity of persons; they should understand the notion that the purpose of business is ultimately the production of goods and services that promote human wellbeing. To achieve these objectives, faculty must be sympathetic to these ideals and capable of substantively discussing them in the classroom. Catholic colleges and universities, if they wish their missions to be embodied in the business education they provide, must be willing to offer the training needed so that faculty in functional disciplines are confident and competent addressing mission related questions.

Appendix A: Participants in Survey

Barry University
Belmont Abbey
Benedictine College
Boston College
Caldwell College
Canisius College
College of Notre Dame, MD
College of Saint Catharine
Dominican University
Fairfield University
Fontbonne University
Fordham University
Georgetown University
Gonzaga University
LaSalle University
Le Moyne College
Loyola College, MD
Manhattan College
Marquette University
Mount Saint Mary College
Notre Dame College, OH
Regis College, Denver, CO
Regis College, MA
Rockhurst University
Sacred Heart University
Saint Joseph's University
Saint Louis University
Saint Peter's College
Salve Regina University
Santa Clara University
Seattle University
Stonehill College
University of Detroit Mercy
University of Notre Dame
University of Portland
University of Saint Francis
University of San Francisco
University of Scranton
University of St. Thomas
Villanova University
Walsh University
Xavier University

Appendix B: Survey

The purpose of this survey is to gain insight into the mission statements of business schools and departments and to determine how those statements are operationalized. Thank you for participating in this research project.

The following questions pertain to your undergraduate business program.

1. Do you have a mission statement for your business school or business department/unit?

_____ Yes _____ No

If yes, please send us a copy of your mission statement using the return envelope provided.

2. Do you have written learning goals for your undergraduate business program?

_____ Yes _____ No

If yes, please send us a copy of your learning goals in the return envelope provided.

3. Business Ethics Education

a. Do you assess student learning with respect to business ethics education?

_____ Yes _____ No (Skip to # 4)

b. If yes, what do you assess? That is, what student outcome(s) pertaining to ethics education do you seek to achieve? Please identify the student outcome(s) in the space below or in a separate attachment.

c. What theories of ethics, if any, do you expect your students to learn?

4. Religious Identity of Your Institution

a. Is your university or college a Catholic institution?

_____ Yes _____ No (Skip to # 5)

If yes, what religious order, if any, is it affiliated with? (e.g., Jesuit, Vincentian, Holy Cross, Augustinian, etc.)

b. Do you assess student learning with respect to your institution's religious identity?

_____ Yes _____ No (Skip to # 5)

c. If yes, what do you assess? That is, what student outcome(s) pertaining to the religious identity of your institution do you seek to achieve? Please identify the student outcome(s) in the space below or in a separate attachment.

5. What is the name of your university/institution? _____

Would you like to receive a copy of our research results? If so, please indicate your name and address below.