

Lesson Title: Ethics Lesson for Accounting Students
Audience: Grade 11 Accounting Students
Course Code: BAF3MI (Ontario)
Lesson Duration: 1 hour online

Overview

Students will access the course blog at <http://blogs.ubc.ca/etec530schell/> to learn why ethics are important for accountants, how ethical decisions are made by applying a model, and completing research on high-profile accounting issues/frauds to understand how they happened and the implication(s) of the situation on stakeholders.

Expectations from Ontario Curriculum Documentation

Overall Expectation – Ethics, Impact of Technology and Careers Strand

- Assess the role of ethics in, and the impact of current issues on, the practice of accounting

Specific Expectations - Ethics and Current Issues

- Describe the role of ethics in accounting
- Identify and describe current issues and developments that have an impact on accounting and the accounting profession (e.g., fraud scandals, the globalization of business transactions)

Learning Goals

Students will explain the importance of ethics in accounting, apply the ethical decision-making model to analyze an ethical dilemma and identify major accounting scandals and their implications.

Lesson Outline

Part I: What is Business Ethics and Why Is It Important to Accountants?

(based on the Prediction-Observation-Explanation (POE) model – White & Gunstone (1992))

- Students will be asked to define their current understanding of business ethics and why they think it's important to the accounting profession
- Students will observe two online video clips explaining ethics and business ethics, and the importance of ethics to the accounting profession
- Students will be asked to post a reflection about why they think it's important for accountants to behave in an ethical manner and what could happen if they don't. In their reflection, students will also be required to compare how their original understanding of the importance of ethics changed after viewing the video clips.
- Students are to comment on the post of at least one classmate.

Part II: Ethical Decision-Making Model

(based on the Constructivist Instructional Model (CIM) – Driver & Oldham (1986) as cited in Sunal (n.d))

1. Orientation
 - Students are introduced to an ethical decision-making model which can be used to evaluate all decisions, not just those related to business.

Ethical Decision-Making Model

1. Identify the ethical dilemma
2. List the facts and identify stakeholders
3. Identify potential courses of action
4. Evaluate options
5. Select an option
6. Reflection

(Based on the model developed by the Ethics Resource Center)

2. Elicitation
 - Students are asked to think of a decision they had to make (e.g. where to go for lunch, whether to go out with friends or complete their homework, etc.) and what factors they considered in making a decision.
3. Restructuring
 - Students will discuss the factors identified in the elicitation phase with the entire class by posting into a discussion forum
 - Through class discussion, students will determine if any of these factors would be different if they were to make a business decision instead of a personal one.
 - The class will be presented with a business dilemma and the decision will be evaluated using the ethical decision-making model.
4. Application
 - Assign two case studies for students to work on in small groups
 - Each group will analyze its assigned cases using the ethical decision-making model
 - Each group will present the analysis of its assigned cases in a forum
 - Other groups must provide feedback on the information presented
5. Review
 - Students will write a reflection about what they learned about stakeholders and their interest in decision-making, as well as their new learnings about how ethical decisions are made

Part III: Researching Accounting Scandals

(based on the Conceptual Change Model (CCM) by Özdemir & Clark (2007))

- Students are asked to reflect on the following questions:
 - If we're all ethical people and we know the difference between right and wrong, why does fraud occur in the business world? What motivates people to commit it?
- Students are provided with high-profile accounting scandals to research
 - Bernie Madoff's pyramid scheme
 - Enron accounting fraud
 - World Com accounting fraud
 - Tyco – inflation of income
 - AIG – improper accounting practices
 - Waste Management – false earnings
- Students are placed into groups and assigned a scandal to research
- Students will gather information on the following for their assigned scandal:
 - The facts of the situation

- The company involved
- The stakeholders impacted
- A summary of the problem/ethical dilemma
- The amount of money involved
- The resolution of the issue, e.g. is the company still in business? Did anyone go to jail?
- Each group will discuss their scandal in a discussion forum where they will become subject-matter experts
- Each expert will then return to their original groups from Part II and present a summary of the information gathered
- Each group will develop a list of three common stakeholders impacted by an ethical dilemma and the main reason/motivation for accounting problems (as identified in their group) and class discussion will take place to see if there are any factors common to all groups.

References

- Ethics Resource Center. (2012). *The plus decision-making model*. Retrieved from <http://www.ethics.org/resource/plus-decision-making-model>
- In Time. (2008). *Chapter 1: Cooperative learning overview*. Retrieved from http://www.intime.uni.edu/coop_learning/ch1/types.htm
- Ontario Ministry of Education. (2006). The Ontario curriculum grades 11 and 12: Business studies (revised). Retrieved from <http://www.edu.gov.on.ca/eng/curriculum/secondary/business1112currb.pdf>
- Özdemir, G. & Clark D. B. (2006). An overview of conceptual change theories. *Eurasia Journal of Mathematics, Science & Technology Education*, 2007, 3(4), 351-361
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- Sunal, D. W (n.d.). The Learning Cycle: A Comparison of Models of Strategies for Conceptual Reconstruction: A Review of the Literature. Retrieved from <http://astlc.ua.edu/ScienceInElem&MiddleSchool/565LearningCycle-ComparingModels.htm>
- White, R. & Gunstone, R. F. (1992). *Probing Understanding*. London: The Falmer Press, chapter 2 & 3.