Chapter 9

Responsible Global Leadership: Ethical Challenges in Management Education

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ABSTRACT

‘Responsible Leadership’ is said to be a gift of ‘Management Education’ as these two complement and supplement each other. However, this ‘gift-giving’ comes in for serious criticism during times of economic crisis, corporate scandals, and ethical violations. The perception that management education ensures responsible global leadership is being questioned. There is a growing demand to re-vitalize management education and make it more meaningful, ethical and beneficial to the global society than just as a status-booster degree with a managerial tool-kit. The B-schools feel the pressure to shift their focus from producing such ‘tool-kit managers’ and redefine themselves as centers for responsible leadership development. The ethical challenge in management education for global leadership and sense making sustainable development is the focus of this study. Relevant literature reviews and survey responses show optimism that the dream of passionate and visibly responsible global leadership can come true with vibrant industry-academia association in ethically healthy climate.

INTRODUCTION

Institutes of management education are often blamed for their inability to produce responsible leaders. Their claim that management education broadens the business outlook and ensures socially responsible global leadership is debated. The ethical dilemmas affecting the emotional and psychological well-being of students lead to unethical perceptions and attitudes among students. Kidwell (2001) observed that students see the line between right and wrong as blurry and expect managers to engage in unethical behaviour. It is difficult to finalise what is ethically right and what is morally wrong. Ethical reasoning is the process of sorting out the principles that help determine what is ethical when faced with ethical dilemmas (Cook & Hunsaker, 2001). That is why ethics is an important component of corporate governance and strategic decisions in global leadership and many perceive ethical leadership as an important

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global strand of sustainable development. The question whether the B schools cross the ethical lines and affect cultural and social values is becoming a serious challenge in grooming socially responsible global leaders. The answer could be revisiting and revitalising the management education system to promote ethical practices within and outside the institutions of management education and to create ethically healthy learning environment that can develop ethical leaders for responsible positions in the global society.

Management education is actually a tool to create awareness and to fill the ethical gap in global leadership and to make it more responsible. The new challenge in management education seems to be to develop responsible global leaders by inculcating global mindset, self-development, multicultural awareness, and ethical behaviour in them. The education should be not only at cognitive levels, but also at the behavioural and affective levels. The management educational institutions should consider promoting an ethical environment with a more ethics-friendly global view. They should include topics of ethics, corporate social responsibility and sustainability in the course curriculum. For organisations to embrace ethically and socially responsible thinking, the provision of social responsibility education needs to be ‘proactive’, with fundamental ethics programmes taught by committed and engaged business schools (Cornelius Wallace, & Tassabehji, 2007). Such expectations from management educational institutions are increasing. The environment in which these institutions operate also adds to this challenge. It involves handling ethical dilemmas and campus culture while coping up with governmental and political powers. Reconciling conflicting objectives of such external groups and the institutional objectives is indeed a major challenge.

In the global society, development and economic prosperity cannot be enjoyed in isolation. Companies cannot be detached from the global society and operate. They have to be good corporate citizens with socially responsible programs. Managers have to be global leaders willing to respond to societal, environmental and ethical concerns. Global leaders take business to sustainable social responsibilities and play the role of change agents within and across organisations. They face the challenge of globalisation, workforce diversity, technological changes at work and ethical behaviour. Such global leaders need to relate in different ways and merge different ethical values into a common vision. For this they need multiple skills and competencies along with business acumen. This is what has necessitated the development of management education, clearly showing the link between the management education of today and the global society of tomorrow. Accordingly, B-Schools need to re-structure their curricula in line with the demands of global leadership and make management learning ‘student-centric’ and ‘context-specific’.

Global leaders and decision makers are often faced with ethical dilemmas of ‘right’ Vs ‘wrong’ in highly complex situations of economic development, social progress and environmental management. Management education should equip the leaders with such internal conflict resolution capabilities so that they can integrate environmental management tools into business plans. This way the concept of global leadership can be built into global business plans and long term strategies. Hence, social development needs socially responsible global leaders and global leaders in turn need quality management education. Innovation and experimentation with creative approaches is expected from business schools. Environmental challenges of the world are to be addressed through strategies like energy conservation, climate adaptation and global poverty eradication. In all these, responsible leaders need to be transparent, accountable and ethical. Management education can come as an answer to this challenge of accountability.

So, the message is loud and clear that management education is the basic training for greater responsibility and for taking up responsible leadership positions in big business houses. This has created