

*Issues in Accounting Education*  
Vol. 13, No. 2  
May 1998

# **Developing Multi-Objective Projects in the Accounting Curriculum: Sexual Harassment, Teamwork, Technology and Communication**

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**ABSTRACT:** This paper presents a multi-objective project used by accounting systems instructors at two geographically dispersed universities, involving four areas of skill enhancement: ethical reasoning, teamwork, technology and communication. The students discuss an ethical dilemma concerning sexual harassment, a timely contemporary topic. The AICPA Board of Directors (1996) adopted a sexual harassment policy statement which called for raising members' awareness and prevention of harassment practices. The project described in this paper allows instructors to make links between sexual harassment as an ethical issue in the workplace, compliance requirements and problems associated with laws and regulations, and the development of effective internal controls.

The project uses cooperative learning techniques as a mechanism for structuring the student groups' tasks. Students from two universities work together as a team. The project introduces students to communication and workflow technologies by requiring them to correspond using the Internet, email, and electronic document exchange. Further, the project requires students to produce written outcomes that range from informal introductory comments among team members to a formal team-developed policy. The students are afforded the opportunity to recognize and handle problems in using the technology and the impersonal medium of email communication, as well as experience the process of producing a group-developed written document. This project provides practice in adapting to the difficult and varied communication situations encountered in the workplace. The multi-objective assignment discussed in this paper enhances the educational process by making it more efficient and effective, and it provides a richness not possible with an oral discussion or a simple written response to an ethics case or problem.

## **INTRODUCTION**

**A**CCOUNTING instructors express concern regarding the time available to incorporate classroom exercises that allow students to develop and practice ethical reasoning, teamwork, technology or communication skills. Yet, these are

important areas for student discussion, experience and development.

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The key to successful skill enhancement is through assignments designed to achieve goals in addition to content mastery. This paper reports a multi-objective project involving the four skill-enhancement areas of ethical reasoning, teamwork, technology and communication, developed by two Accounting Systems instructors from two geographically dispersed universities.

The project requires that the students discuss an ethical dilemma from the vignette, "A Very Friendly Fellow," included in Arthur Andersen's (1988) Management Ethics video series. The vignette deals with the ethical issues surrounding sexual harassment and allows instructors to link sexual harassment as an ethical issue in the workplace with compliance requirements or problems associated with laws and regulations, and also with the development of an effective internal control environment. The project uses cooperative learning techniques to structure the student groups' tasks to assure complete group member participation. Students must work together in teams composed not only of students on their own campus, but also with students at another university. The project utilizes electronic document technologies in that student discussions take place via the Internet and email. The project's written outcomes include informal introductory comments among team members, a subgroup report based on a character in the ethics vignette, and a formal team-developed sexual harassment policy. The project has been used in accounting information systems classes for four semesters.

This paper includes background information on knowledge topics necessary to use this assignment, as well

as resources available to instructors. The first section provides basic information, including motivation concerning the sexual harassment issue; second is a discussion of using cooperative learning groups to enhance student team interactions; third is a discussion of technology skills enhanced by the project assignment; and fourth is a discussion of the required written outcomes.

### **SEXUAL HARASSMENT: A TIMELY CONTEMPORARY ISSUE**

Sexual harassment is a relevant contemporary topic that concerns accountants as individuals, employees of businesses and nonprofit entities, and employers. The AICPA Board of Directors (1996, 10) adopted a policy statement "condemning discrimination and sexual and other forms of harassment." The policy statement calls for raising awareness and developing ways to prevent occurrence of discriminatory and harassment practices. As future employees, students must be made aware of behavior standards, the recourse that is available to victims of harassment, and the consequences for perpetrators. All employers should have policies in place to deal effectively with harassment issues.

Arthur Andersen's sexual harassment vignette is set in a corporate environment. The video introduces students to the fact that sexual harassment is not rare in the workplace, nor is it clearly or easily determined. Reports of sexual harassment charges have recently appeared in the business press in such corporations as Mitsubishi and Astra (Elstrom 1996; Maremont and Sasseen 1996; Elstrom and Brull 1996; Maremont 1996).

For many case or problem assignments, accounting instructors ask students to take the point of view of the external auditor, tax accountant or cost accountant. Only a small percentage of schools have an undergraduate internal auditing class. This project introduces the field of internal auditing to students and develops an extension of the internal control process beyond the reliability of financial reporting to compliance with laws and regulations. For example, in a human resources audit, an internal auditor might be required to assess the development and communication of sexual harassment policies and procedures (Dolenko 1990, 33). Instructors ask the students to go a step further in this project and actually write a sexual harassment policy statement.

The assignment requires students to assume the role of internal auditor in developing and evaluating a company's internal control structure, a role that is broader than that of the external auditor. Instructors link the video scenario and the role of the internal auditor by reviewing the definition of internal control from SAS No. 55, *Consideration of the Internal Control Structure in a Financial Statement Audit*.<sup>1</sup>

Internal Control is a process—effected by an entity's board of directors, management, and other personnel—designed to provide reasonable assurance regarding the achievement of objectives in the following categories: a) reliability of financial reporting, b) effectiveness and efficiency of operations, and c) compliance with applicable laws and regulations. (AICPA 1995)

In a financial statement audit, external auditors are most concerned with the first objective of internal control.

The classroom project requires students to assume a broader view of internal control and address the objective for compliance with applicable laws and regulations.

Since students must evaluate the effectiveness of the company's internal control compliance objective, instructors provide information on applicable laws and regulations that cover sexual harassment. Title VII of the Civil Rights Act of 1964 incorporates laws against sexual harassment with violations handled by the Equal Employment Opportunity Commission (EEOC) (42 U.S.C.A. § 2000e.2). Two legal definitions of sexual harassment are:

*Quid pro quo sexual harassment* occurs when employer alters employee's job conditions as a result of employee's refusal to submit to sexual demands, and *hostile environment sexual harassment* occurs when employer's conduct has purpose or effect of unreasonably interfering with individual's work performance or creating intimidating, hostile or offensive environment. (42 U.S.C.A. § 2000e.2 Note 477) (emphasis added)

Students are made aware that sexual harassment violations involve not only the individual perpetrator and victim. Employers also have a responsibility for ensuring that the work environment is not hostile or offensive. Employers can be held liable if they "knew or should have known

<sup>1</sup> The definition of internal control from COSO's (1992) *Internal Control-Integrated Framework* was incorporated into SAS No. 55, *Consideration of the Internal Control Structure in a Financial Statement Audit* (AICPA 1988) through the issuance of SAS No. 78, *Consideration of Internal Control in a Financial Statement Audit: An Amendment to SAS No. 55* (AICPA 1995).

of harassment and failed to take prompt and appropriate action to remedy the situation." (42 U.S.C.A. § 2000e.2 Note 480)

Under the Civil Rights Act, the possible monetary losses for compensatory damages due to sexual harassment can range from \$50,000 to \$300,000, depending on the number of company employees. However if there is a jury trial the court does not have to inform the jury of these limits (U.S.C.A. 42 § 1981a). Besides monetary damage there also can be social damages to the company, such as loss of reputation or negative publicity. These are difficult to measure and remedy.

Several articles in the accounting literature address sexual harassment in the workplace. Instructors can use these as additional resources. Such articles demonstrate to students that accountants are concerned with the issues and laws relating to sexual harassment (Whitehead et al. 1996; Stanko and Werner 1995; Jude and DePree 1994; Englander 1992; Acken et al. 1991; Fiske et al. 1991).

Another topic that instructors may introduce is the effect of the "Federal Sentencing Guidelines" on organizations involved in criminal conduct. The importance of a sexual harassment policy and the extended responsibilities of an internal auditor are demonstrated by the "Guidelines" requirements. They include reduced fines for companies which implement and communicate clear behavior standards for employees and follow stated legal procedures in handling violations. Corporations would be well advised to develop and implement a sexual harassment policy, including procedures for reporting and investigating sexual harassment charges. The "Guidelines"

state that a corporation must assign an individual whose responsibility is to ensure compliance with its policies and procedures. One recommendation is that the compliance individual can be an internal auditor who is certified as a CPA or CIA (Fargason 1993, 33-34). Several articles in the accounting literature can be shared with students when discussing the "Federal Sentencing Guidelines" (O'Toole 1996; Sittenfeld 1996).

Accounting instructors may be reluctant to discuss sexual harassment, yet it is relevant to students as an ethical and professional issue. The Arthur Andersen (1988) sexual harassment scenario, "A Very Friendly Fellow," is produced such that it does not convey an obvious and overt act of sexual harassment. A female witness to the incident does not view the interaction between the other two characters as sexual harassment. In reacting to the video, students are asked not only to discuss the rights of the harassee, but also the harasser, and to consider the responsibilities of the observer. There is ample room for discussion of the ethical dilemmas faced by all the characters, as well as the overriding issue of sexual harassment and hostile work environment. Practitioners have stressed the importance of integrating additional functional areas of knowledge into the accounting curriculum. The sexual harassment case analysis in this project requires students to consider ethical, legal and management issues from a variety of perspectives.

### TEAMWORK

Through cooperative learning techniques instructors purposefully structure group projects to assure that group members function as a

team. One key element of cooperative learning is *group interdependence*: students must work together to complete the task. In this case, instructors divide the students into groups of six, three students from each school. The six students are then assigned to two-member subgroups based on the three characters in the sexual harassment video: Bill (the possible harasser), Shelly (the possible harassee) and Ginny (the observer). To maximize interactions, one student from each university is assigned to each two-person subgroup; for example, a student from the midwestern school is teamed with a student from the eastern school to discuss the ethical dilemma from Bill's point of view. Instructors provide questions to assist students in focusing on the rights, responsibilities and consequences of each individual in a sexual harassment situation. Many of the questions are taken from Arthur Andersen's case materials and center on the "rights" perspective. (See the appendix for student handouts.) Some students react negatively when they are assigned to discuss the situation from Bill's point of view, yet the rights of the possible harasser must also be protected. Students are asked to think beyond a specific individual to consider the effect of sexual harassment on other stakeholders who are affected directly or indirectly by a hostile or offensive work environment.

Due to geographic distances, students in the subgroups interact using the Internet and email to complete the task of writing a subgroup report about the rights, responsibilities and consequences of the situation for their assigned character. The six-person group depends on the subgroups' performance since the sub-

group members must contribute language for the group's sexual harassment policy statement and assure that all points of view are fully considered. In this way, group interdependence is achieved.

Another key element of cooperative learning is *individual accountability*: the instructor must assess an individual student's participation in the project. Instructors incorporate the individual accountability factor into the project by requiring students to submit copies of their communications. This requirement allows instructors to determine the level of individual student participation (individual accountability), as well as the level of interaction among the students (group interdependence).

After the project's initial semester, students suggested that instructors provide deadlines for each step of the project to ensure timely participation by members of the groups. Students receive a schedule indicating the due dates for the various project requirements. (See the appendix.) Since students must submit all copies of their email communications they are aware that dates can be checked by the instructor. The students learn quickly the importance of setting and meeting deadlines in the management of group tasks.

## TECHNOLOGY AND COMMUNICATION

Instructors want students to expand their use of communication technologies by working with the Internet, email, and document exchange. In its annual press release, "CPAs Name Top Ten Technologies for 1997: Cyberspace Security Tops List," the AICPA (1997) lists three of

the technologies that are used in this project: Communication Technologies (3), Internet and Public Online Services (4), and Workflow Technology (8). Communications Technologies include processes such as "local area networks, information gateways, satellites, etc., that package and transmit data, text, voice or video information among users." Internet and Public Online Services are defined as services that are used to "connect thousands of computer networks and provide access to the World Wide Web, electronic communications, and electronic commerce." Workflow Technology is technology that "enables workgroups to manage and exchange electronic documents in a secure, global, and real-time environment" (AICPA 1997, 2). This project provides students with the opportunity to develop and practice these technology skills.

On the first day of class, instructors inform students that each person must obtain an email account, a resource readily available on the university academic computing network. By pairing students from one university with students from the other university to write the subgroup report, the cooperative learning groups' structure forces students to communicate information using email. Students learn how to manage mailboxes, develop team mailing lists, upload and download text to send documents to teammates at the other university, and save drafts to folders for further editing and as document backup. Students use email resources to communicate; at the end of the project they are required to submit copies of all communications, indicating time and date of each transmission.

## WRITTEN COMMUNICATION SKILLS

One of the project's purposes is to have the students practice written communication skills. In *Perspectives on Education: Capabilities for Success in The Accounting Profession* (1989), the Big 8 accounting firms stressed the importance of communication skills. The report stated, "Practitioners must be able to present and defend their views through formal and informal, written and oral, presentation" (*Perspectives* 1989, 6). The current project incorporates both informal and formal written presentations. The initial communications are informal group interactions to achieve email proficiency and establish group rapport. The second sequence of communications requires students to discuss the scenario with a partner from the other school, and then to produce a subgroup report which is a more formal written outcome. The subgroup report is not a final document. It is used by team members to discuss and develop an understanding of the complexity of the sexual harassment issue. It becomes a tool to assist others and contribute to the overall group learning. In the final communications task, the six-person group prepares a formal sexual harassment policy and explains its rationale. A full discussion of the theory supporting the project's communication concepts and practices can be found in Peek et al. (1995).

Students exercise different levels of formality using different strategies. In developing the final policy statement some groups transfer files and edit a common product, while other groups provide review comments to a primary editor. Students engage in peer review and peer editing to

produce a common document acceptable to all members of the group. As students engage in different types of collaboration throughout the project, they become increasingly aware of problems associated with distance communication, as well as the necessity for clear, precise and direct writing to ensure that their ideas are understood by others. Students become frustrated when team members fail to communicate effectively, or when team members do not meet deadlines or respond in a timely manner. These are important problems for students to appreciate and manage before they enter the workforce.

### SUMMARY

Overall, the project introduces students to a number of issues and dimensions critical for professional success. Communication skills development in the context of an impersonal and somewhat restrictive medium encourages students to practice effective writing and allows them to experience both the successes and problems associated with group document development. The use of technology, even simple email, to discuss a complex topic provides a dimension to writing skills development which students typically have not encountered. Recognizing and handling problems associated with using technology and the impersonal medium of email helps students to better adapt to difficult communication situations in the workplace and avoid some of the challenges encoun-

tered in the project. Finally, the introduction of an ethics discussion into the systems course allows an enhanced discussion of control environment concepts and makes the COSO (1992) material much more concrete and applicable. Moreover, a sexual harassment ethics problem supports the profession's desire for more instruction in ethics and an improved understanding by students of appropriate ethical behavior in the workplace. A multi-objective assignment makes the educational process much more efficient, as well as effective, and provides a richness not possible with an oral discussion or a simple written response to an ethics case or problem.

This project focuses on developing student skills in the areas of ethical reasoning, teamwork, communication and technology. It is difficult to measure outcomes from a single project representing one assignment in a curriculum committed to improving students' intellectual, communication and technology skills. However, instructors who have used this project believe it is an effective and informative assignment that they can add to their portfolio of skills development activities for undergraduate classes. A postgraduate survey of students on the usefulness of classroom projects would provide further information. Regarding the benefit of this particular project, such a survey might also be incorporated into alumni surveys to assess learning outcomes.

**APPENDIX**  
**Internet Ethics Project, Spring 1996**

**Ethics Discussions Across the Information Highway**

Professor One: email: xix@xxx.edu

Professor Two: email: xix@xxx.edu

The objective of the Arthur Andersen Business Ethics Program is to foster ethical thinking and discussions by everyone. Cooperative learning techniques create a structured situation where all participants engage in ethical thinking and discussion. The use of the Internet for idea/document exchange simulates a common business environment for both formal and informal communication within an organization.

**Outline and Timetable:**

**February 1**

Introduction to Internet

Formation of Groups

**February 2-10**

Initial contacts with group members via Internet. Document and submit all group contacts by February 10 (noon).

**February 8**

Introduction to task and Arthur Andersen tape.

Showing of videotape (two times).

Administration of Questionnaire A. (All information on this questionnaire is confidential. Identification is necessary to match pre- and post-responses.)

Each group's ultimate task is to develop a two-page policy statement on sexual harassment in the workplace to be used by individuals in your organization.

Groups must be prepared to explain and defend their policy statements.

Two members of each group will become a subgroup and be assigned the task of considering the rights, responsibilities and consequences of each individual in a sexual harassment situation: the harasser, the person harassed, and observers of the harassment. The purpose of this approach is to assure that all facets of the issue are considered and that all persons involved are considered in the development of an effective policy.

In developing the formal document, teams must engage in discussions to share opinions and to phrase alternatives. Subgroups must provide expertise to the overall group based on their detailed analysis of each individual involved; the entire group, however, must develop the policy statement and must agree to its submission for evaluation.

As a basis for discussing the ethical situation and for developing a policy, teams should use the Arthur Andersen Seven Step Moral Reasoning Model. In particular, subgroups should consider the effects of the harassment on different stakeholder groups, including the managers who must put the policy into effect. Teams should consider various alternatives and the effects of these alternatives on affected parties, and any team member should be able to explain the rationale behind all key assertions in the policy statement.

**February 16**

Submit documentation of initial discussions by subgroups by 12:00 noon.



**February 24**

Submit subgroup reports. Each subgroup report must be transmitted to all group members by 12:00 noon.

**February 24–March 3**

Full group interactions. Submit comments concerning subgroup reports to all team members. Suggest possible language for policy statement.

**March 3–8**

Discuss proposed language of statement. Achieve consensus.

**March 9**

Submit final policy statement from each team by 12:00 noon.

*Each person* should submit a copy of *all* communication with team members, including all messages sent and received.

**Sexual Harassment Policy**

As Internal Auditor of Central West Computer Services Company you are asked to be on a team to develop a Sexual Harassment Policy for the Company. (The Internal Auditor usually serves in an advisory capacity, but you are asked to help prepare policy in this situation.) The scenario in the video is an example of a situation a company might encounter. To avoid legal liabilities the Company wants to develop a policy concerning sexual harassment and procedures for reporting and investigating charges of sexual harassment.

As part of the assignment you will work in a six-person team to develop an overall sexual harassment policy for the company, but first you will discuss a piece of the video in a two-person team. In the first part of the assignment, you will be assigned to discuss the situation from the point of view of the characters in the video with a team member from the other school. The characters are Bill, the possible Harasser; Shelly, the possible Harassed; and Ginny, the Observer. In the second part of the assignment you will be required to develop a sexual harassment policy with your large group team members.

**Take the point of view of Bill, the possible Harasser.**

1. Is Bill harassing Shelly or is he just being friendly? Give support for your opinion.
2. Define sexual harassment from Bill's point of view.
3. What are Bill's rights to normal social interactions?
4. What are Bill's rights to protection against charges of sexual harassment?
5. How does Bill's behavior affect the organization?

**Take the point of view of Shelly, the possible Harassed.**

1. Is Bill harassing Shelly or is he just being friendly? Give support for your opinion.
2. Define sexual harassment from Shelly's point of view.
3. What are Shelly's rights to protection from sexual harassment?
4. Does Shelly have a responsibility to confront Bill personally? Why or why not?
5. Should Shelly take formal action against Bill? Why or why not? Should Shelly consider the impact such action would have on Bill's career? Why or why not?
6. How does Shelly's behavior affect the organization?

**Take the point of view of Ginny, the Observer**

1. Is Bill harassing Shelly or is he just being friendly? Give support for your opinion.
2. Define sexual harassment from Ginny's point of view.

3. What is Ginny's responsibility toward Bill, the possible Harasser? Does Ginny have a responsibility to confront Bill personally about the possible problem? Why or why not?
4. What is Ginny's responsibility toward Shelly, the possible Harassed? How should Ginny respond appropriately to Shelly's concerns about Bill?
5. Does Ginny have any responsibility to support Shelly or Bill?
6. Does Ginny have a responsibility as an observer to report possible sexual harassment?
7. Why doesn't Ginny seem to at first view the situation between Shelly and Bill as a problem of sexual harassment?
8. How does Ginny's behavior affect the organization?

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