

## Using GVV Methodologies in Accounting Ethics Engages Students in Higher-Order Thinking

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*The application of using GVV methodologies in an ethics class shows how higher-order thinking is nurtured to create a solid culture for ethical operations in organizations especially in the post-Enron era. Educators of ethics have learned invaluable lessons that impact the global society. GVV methodologies allow students to practice ways of handling fraud-prone situations, which are encountered in the real world. The experiential benefits gained can be utilized in training courses as managers go about creating cultural environments in the work place. The GVV application is masterful in helping managers as well as accounting educators to develop cultures that are fraud free in the work world.*

In the teaching of AC435 Ethics for Accountants, an undergraduate elective accounting ethics course at Park University - an approved CPA-preparation course for CPA candidates in the State of Texas, powerful and impactful methods of instruction are paramount because this class prepares students for the real world. Methods include adaptive technology for learning, discovery learning in making professionals more aware of situations they will encounter in their work places, discussion teaching with social interaction which includes active learning techniques exemplifying the courage to speak out about practices and Giving Voice to Values (GVV) character building, which incorporate proactive approaches to learning that develop value-based behaviors. The purpose of this paper is to describe the instructional methods for teaching accounting ethics to young people in the post-Enron era. Regulatory agencies continue to call for ethics instruction because the subject is encountered as students enter their work places. This class for CPA-preparers is all the more important because students experience wrongdoing on the job, and they need skills to proactively normalize values conflicts in their work places. Students need useful tools that help them navigate the work world. The assignment of writing lessons learned papers encompasses a multitude of benefits to students and to the advancement of an ethical climate in organizations revealing profound mastery of ethical theory and principles in today's workplaces. Most specifically, the requirement to include GVV lessons has proved especially rewarding and denotes action-oriented instruction with powerful skills that engage students in the post-Enron era. The paper will identify useful tools and opportunities to better engage students to think as CPA- and/or CMA-professionals. The paper also provides important insights to managers because managers are responsible for the entire organization – its culture, controls, successes and failures. It is incumbent for management to heed the relevance of lessons learned as they go about creating cultures to eradicate fraud in work places.

## BACKGROUND

In a typical accounting ethics class taught in 8-week accelerated formats, students have to master a multitude of ethical lessons quickly. The class is taught with curriculum that covers an accounting ethics textbook Ethical Obligations for Decision Making in Accounting, 4<sup>th</sup> edition by Steven Mintz and Roselyn Morris (2017). The fourth edition text adds instruction on Giving Voice to Values (GVV) methodology that is a welcome addition to accounting ethics courses. Topics are focused specifically for accountants as they make decisions; however, many topics transcend to other walks of life. Topics include Josephson's Pillars of Character, modern moral philosophies, AICPA Code of Conduct, IMA Statement of Ethical Professional Practice (SEPP), cognitive processes, GVV methodology, corporate governance, judgment framework, fraud awareness, auditor functions, regulatory obligations, and professional obligations of auditors pre- and post-Enron, etc. In this class, students use digital LearnSmart technology to read the chapters, complete quizzes and tests for retrieval practice (Shellenbarger, 2017), and then enter into the Canvas Learning Management System (LMS) to discuss cases and submit lessons learned papers. Holistically, the course uses adaptive technology, discussion teaching in LMS discussions both individually and within groups, and experiential learning especially in the writing of lessons learned papers by nontraditional CPA-preparing students.

### Lessons Learned Assignment

The assignment criteria as communicated to students follows:

In weekly papers, students should write 2-pages (minimum) in which they:

- Describe ethical theories and principles (egotism, utilitarianism, justice theory, virtue ethics, deontology, etc.) that are evident or that become more evident after reflection.
- Answer the following questions in your papers:
  - How did you exemplify a Giving Voice to Values (GVV) lesson for the week?
  - What soft skills did you use to accomplish the task?
  - How did you display courage?
  - What takeaways did you acquire to show your ethics?

Papers should be written clearly, succinctly, professionally, and powerfully to convey an ethical message for each week.

Needless to say, students have a broad directive for the assignment; but the results in two recent classes were profound and extremely gratifying revealing numerous insights to fulfill the assignment. The broadness enables discovery learning and analytical critical thinking skills needed according to Sharifi (2009). The same broadness of the assignment enables reflection of blind spots in students' thinking and experiences (Bazerman, 2011). Most papers in these two classes were 4 – 5 pages in length indicating students typically do more than required. Most definitely, this assignment actively engages students in higher-order thinking for accounting and business offices.

### GVV Requirement

The infusion of a GVV requirement in the writing of lessons learned papers takes a huge step forward to proactive instruction for CPA-preparing students. The assignments require that adult learners compose documents that describe lessons learned in the respective weeks with use of GVV methods. The specificity of requiring this technique in the composition of documents that articulate lessons learned has added great results from students. The rigor of the lessons learned assignment is that students choose the path they wish to take for the assignment. Lessons learned can include summarization of chapter content, lessons learned during the discussions, which are usually robust and lively in both the online and blended sections of this class, or they can be more reflective lessons from the workplace, their youth or upbringing, or even from parenting children. One valuable lesson learned from a student was to recognize

need for input from other employees – as in a team or group environment – that 30+-something student seemed to really appreciate the insights of others for the first time in his life. Reasoning enters into this process as students select their own personal lessons learned. How students select their lessons is indicative of the reasoning/cognitive process of selecting the topics learned. Again, the lessons learned are personal and represent critical thinking by students. GVV provides for active engagement by students when they recount incidents or other events of the week. In reflecting on such as incidents, students discover improved ways of dealing with the incidents so past incidents become practice grounds for the future. Practicing gives opportunity for students to be more confident of actions, which is the profound benefit of GVV curricula. Freeman claims that active learning increases student performance in STEM subjects and has application to AC435 with GVV activities and assignments (Freeman et al, 2017).

### **Student Surveys in 2018**

In three accounting ethics classes in Summer 2018, 36 students taking AC435 in Summer 2018 as CPA-preparation were surveyed regarding their assessment of GVV methodologies. Only one student knew what GVV was prior to the class; that sole student had learned about GVV in his undergraduate Auditing class that he completed in Nepal. He also used GVV in graduate Advanced Auditing taken at Western Illinois University. The remaining 35 students had no knowledge of GVV prior to the Summer 2018 courses. Overall, the students seemed to value GVV activity in their classes. Of the 36 students, 34 (94.44%) found GVV helpful for both professional and personal lives. Nine of the students specifically called for more instructional methods or more activity on GVV methods. All students indicated they plan to use GVV in their professional and personal lives; only one student indicated they would not utilize GVV in their personal life.

### **Action-oriented Curriculum**

To add a more action-infused realistic approach to blended or face-to-face classes, case studies may be role-played as they are discussed each week (discussion thread or video conferencing for online class; face-to-face in the blended class). During odd-numbered weeks, students discuss a case study in individual discussion forums. During even-numbered weeks, students participate in groups to discuss the case studies. Each week's case studies bring situations and dilemmas alive for students. Cases include Giles and Regas, Phar-Mor, Union Carbide in Bhopal, India, Commercialism vs. Professionalism, Loyalty and Fraud Reporting, SEC vs. Halliburton, Dell Computer (Mintz, 2017), and Le-Nature Beverage Company (Knapp, 2015) for a culminating Team Project. As stated previously, weekly discussions occur in both online and blended classes. The researcher Goodpaster said that dialogue is a necessary ingredient that can resolve fraud (Goodpaster, 1991) and he continues with calling for how ethics should be institutionalized for the global economy (Ibid., 2007). Discussion in online classes occurs within groups or teams synonymous with the work world. These classes strive to achieve dialogue with online discussion forums for bi-weekly virtual team cases, which can be challenging for students. Adult learners have to navigate the virtual hierarchy by communicating with their team colleagues – who may be located across the world. Feedback from adult learners first indicated students thought this impossible, but they gained valuable lessons from this experience in recent classes, recommended by Sharifi (2009). When teaching ethics with discussion teaching techniques, the instructor teaches with open ears and builds an atmosphere in which subtle thoughts are heard and handled with care (Christensen, 1991). The atmosphere produces profound lessons in ethics that are extremely gratifying. Lessons learned papers produce situations where students listen even in their virtual settings. This is the kind of power in learning produced from lessons learned papers.

### **Reasons and Rationalizations**

Reasoning skills are so very important for all students and certainly for CPA-preparers. Reasoning is the act of thinking in a logical, sensible way. The broad nature of writing lessons learned papers permits students to reflect on their own lives and real-world work environments, permitting experiential and discovery learning as future actions are developed and rationalized – i.e., practiced. This process

represents analytical critical thinking, one of the three skills proposed by Sharifi for accounting study (Sharifi, 2009). GVV allows critical thinking that is situational and future oriented. GVV provides a framework to deal with opposing points of view (Mintz, 2017). GVV skills confront barriers in the workplace that often appear that can confound the best attempts to perform one's sense of doing one's job. Students who are typically working CPA-preparers apply the details of their work assignments to the assignment – albeit, reasoning and thinking situations through before they occur. The practice that comes from situations in which stress is present provides lessons in resilience (Jay, 2017). Drafting a script in which students showed courage is a great step to learning how to overcome difficult situations. With practice, students get stronger so they are more likely to display courage when presented with a similar situation. How students learn to think is grounded in Bloom's taxonomy, which was created in 1956 by Dr. Benjamin Bloom to promote higher forms of thinking (Bloom, 2017). Bloom's Taxonomy was revised in the mid-nineties making changes to create cognitive processes to drive more active forms of thinking. The literature has a plethora of approaches to bring about improved ways of thinking. This assignment in this accounting ethics class provides students with a heavy dose of Bloom's active ways of thinking.

### **Critical Thinking**

The elements of critical thinking develop academic service learning (ASL) competency skills that utilize discovery learning from real-world contexts (Sharifi, 2009). When adult students do this composition, they normally adapt lessons learned to their workplaces. The instructor encourages this behavior because putting oneself as the protagonist in cases makes a 'real front-row' seat or perspective. Students who are employed in public accounting firms often write about balancing acts involving scheduling and handling client requests. They detail facts from clients with imminent deadlines received while the accountant needs to communicate a proper course of action or realize the impact of audit committees in organizations and their reason for existence in the post-Enron era. The reporting by adult learners who are working in accounting offices represents a rich experiential activity in this CPA-preparatory class. Traditional students might write how they politely request housemates to keep quiet hours in a dorm. Such situations involve use of judgment to communicate in a mature diplomatic, and professional manner. The situations call for situational thinking and the use of good judgment – called critical thinking. The GVV requirement gives way to deeper thinking and learning that becomes more situational (Hersey, 2008). Situational leadership is based on an interplay among the guidance given to players in situations, the amount of socioemotional support the leader provides, and the readiness of the team to manage the situation or relationships. When thinking about how other parties will respond to GVV situations, accounting students reason the situation through – forecasting probable actions. This experience in reasoning forces students to judge and/or predict how others will react, thereby allowing students to think deeply. GVV methodology requires that ways be developed to confront barriers encountered when value conflicts exist in the workplace. GVV provides a framework to deal with opposing points of view; the approach enables actions that reason conflicts through. Lessons learned papers force students to reflect on activities for the week and how situations are applied to their workplace or personal lives in both online and blended classes. Reflection occurs as students critically analyze happenings in their work. They then commit to communicating about the event, which is how college teaches about critical thinking skills (Bruni, 2013, Roth, 2017). Learning occurs across generations among adult learners and is especially relevant to millennial students making these courses meet expectations in the post-Enron era.

### **Student Engagement**

A series of reflective-natured papers produced powerful lessons that were forward-looking, personal, very situational, and proactive. GVV methodologies are especially valuable because such methods involve analyzing the situation to mitigate or counter actions by the other colleagues or parties to the dilemmas (Gentile, 2010). GVV recommends that students formulate scripts as to what they will do/say in ensuing situations. GVV equips students with a course of action that is often repeated because



actions/behaviors often recur. Students are then ready to handle the situations; they gain confidence to affect their personal responses and/or actions. Practice in class situations develops their ethical muscles – a huge confidence booster for accounting students as they prepare for the workplace. Lessons learned are particularly valuable to CPA-preparing students. However, lessons are relevant to non-CPA-seekers as well. All students benefit from life lessons, which is what the class applies to learning for the workplace. One non-CPA-seeking student became a master at GVV lessons ranging from parenting lessons to dealing with a foreign call taker for returned merchandise. Other students wrote about incidents that had occurred in their work lives, such as when one student was given major responsibilities at a company that lacked staff for proper separation of duties or when they saw need for more skeptical mindsets on the part of auditors or other investigators.

### **Communications in Virtual World**

Lessons learned papers document the challenging communications that are inherent in the virtual world. Sharifi in his article recommended three skills that need improvement in accounting curricula - written communications, oral communications, and analytical critical thinking skills (2009). As we know, accountants in the real world prepare a myriad of reports financial reports, memos, strategic plans, and proposals. Communications are different in the virtual world because technology drives the virtual environment. In the writing portion of this assignment, students need to manage communication skills to ensure effective and efficient communications in the virtual world. In writing lessons learned papers for class, the requirements call for papers that document ethical messages clearly, succinctly, professionally, and powerfully. This necessitates good writing and communication skills that may be in a different setting/environment for students – that is, not in a traditional classroom setting with students sitting next to each other. Papers should include the necessary specificity that communicates appropriately. Communications in this context for this subject need to be very clear and powerfully written. The AICPA addresses this context on their website when they state “accounting professionals need strong communication skills” (AICPA, 2017).

### **Student Quotes of the Week**

Lessons learned papers become fun contests among students. As topics or application of the subject matter “hits home” with students, they reflect on the lessons in these weekly papers. It is intriguing to hear students comment on what to include in the coming week’s papers. Papers can even become cumulative as students gain ethical knowledge and muscle to enter the workplace. The ultimate goal is that students develop confidence when situations occur, and this is the most gratifying part of the lessons learned paper assignment. Several note-worthy comments that were elicited from students follow. These comments had been displayed as Quotes of the Week in the online/or other class for well written papers.

- One student applied chapter material to his work life by describing a situation he encountered early in his accounting career when he discovered fraud. This student described his steadfast approach to the situation and how it showed he could be trusted by his employer.
- Another student explained GVV superbly by saying the approach makes an ethical person think about how others might react or argue. This realization flows to the development of scripts as recommended by the GVV process.
- Another student commented that every company should have aspirational statements that encourage values in company strategy.
- Another student wrote how independence is defined as a “state of mind” in the performance of attest services, tasks that CPA’s perform.
- Another student called for more skepticism when performing audits.
- Another student stated very wise words by saying that “the buck stops with management” for the resolution of fraud.

- One student after reading a publication about Enron described how fraud creates potentially toxic desires in people and how he acquired a stronger ethical foundation so as not to fall victim like Enron employees had.

From professional experience, accountants encounter many different scenarios and dilemmas that were documented in the weekly lessons learned papers. Especially important were personal experiences that document the nature of fraud discovery because a calm, deliberate controlled conversation needs to occur for successful investigatory steps. One incident encountered while performing an internal audit at an organization was to merely walk into a room-sized vault where several boxes of pre-signed checks totaling \$1,800,000 were discovered. Another instance of fraud discovery by a student revealed how he remained steadfast in his approach to allegations and inquiries during his job; his employer commented that his courageous actions were greatly appreciated. The forward-looking approach provided by GVV requires that students prepare scripts for such situations. GVV equips accounting students with invaluable skills to handle future situations they may encounter.

## CONCLUSION

The importance of AC435 Ethics for Accountants was masterfully stated when students stated “the buck stops with management.” That testimonial from students resonated from Goodpaster who stated “business leaders are the principal architects of corporate conscience. Management personnel are the ones most responsible for delivering the moral agenda of the corporation.” (Goodpaster, 2007). In fact, management is responsible for systems of internal control, financial statements, and its culture in organizations. Management is the architect of corporate conscience when students said “the buck stops with management. Further, these lessons learned were powerful and make an impressive career trajectory for students in accounting ethics courses not to mention to management in the post-Enron era (Roth, 2017). The techniques in the course give students practice in mitigating or eradicating fraud or other contributing actions and behaviors so students can act on their GVV scripts with newfound confidence, which is a huge benefit of the assignment and class itself. The assignment is adaptive to students’ situations making it experiential; it allows them to gain confidence and practice their approach in the classroom setting, thereby developing ethical muscles and ASL competencies. The class culminates with students becoming tougher as they develop the mental toughness skills needed to handle challenging situations (Siebold, 2005). When students are put into uncomfortable situations, students learn how to perform comfortably in their workplaces – the most profound benefit of using GVV action-oriented curricula in accounting ethics classes. Ethics for Accountants with GVV methodology is a course that teaches the three skills as identified by Sharifi (2009). The first skill called for include verbal communications, which were in the discussion forums and group activities for case studies; the second skill was written communication skills – which was fulfilled in the writing of lessons learned papers; and the third skill is analytical critical thinking skills, which was the GVV dimension that occurs throughout the course. The use of GVV allows the deeper level of thinking and reflection that is needed to transcend to higher levels of thinking that is needed in the work world. AC435 Ethics for Accountants with GVV is the course that Sharifi and Freeman called for in business and accounting curricula.

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