# ETHICS CHASBA THE STATE OF THE

September - October 2014

#### **CPT REACHES OUT TO STUDENTS & PROFESSORS**

#### **AAA & Beta Alpha Psi Conferences**

The NASBA Center for the Public Trust (CPT) recently traveled to Atlanta, Georgia to help students and professors learn how the StudentCPT can enhance the culture of ethical leadership on their campuses.

On August 2-6, the CPT participated in the 2014 Annual Meeting for the American Accounting Association (AAA). Over 3,900 people attended the conference where CPT staff shared:

- The benefits of StudentCPT meetings, competitions and community service events;
- How to start StudentCPT chapters; and,
- The value of incorporating the Ethical Leadership Certification Program into college courses.

After explaining the ease of incorporating the certification program into their courses, over 70 professors expressed interest in using the certification program or starting StudentCPT chapters. Several professors already indicated their intent to add the certification program into their spring syllabi.

Founded in 1916, AAA is the largest community of accountants in academia. They play a vital role in shaping the future of accounting through teaching, research and connecting key thought leaders.

Following the AAA meeting, the CPT connected with college students during the Beta Alpha Psi (BAP) Annual Meeting. BAP is an honor organization for financial information students and professionals.



CPT Program Manager, Ryan Hirsch, shares with an attendee.

With more than 1,200 attendees, this conference provided CPT with the opportunity to introduce the Ethical Leadership Certification Program to some of the nation's top students and educators.

"We've found that providing ethics training before graduation is one of the most effective means of advancing ethical leadership in business," said Alfonzo Alexander, CPT President. "Partnering with organizations like AAA and Beta Alpha Psi is an essential part of that work."

CPT staff also explained how StudentCPT chapters can collaborate with BAP chapters to co-host seminars and community service activities.

Based on the enthusiasm of attendees, who learned about the StudentCPT, these conferences proved to be an ideal setting to educate students and professors about the benefits of engaging with StudentCPT programs and events.

## **GOOD NEWS**

Kentucky State University President Takes Voluntary Pay Cut to Give Employees a Raise

Minimum wage has been one of the most discussed political and economic issues this year. While some cities, like San Francisco, have passed their own minimum wage statutes, the federal law still has the country's lowest earners getting \$7.25 per hour—an amount that many say is not enough to maintain even a basic quality of life.

Others have argued that raising the minimum wage would mean that companies have to pay for the difference out of already slim profit margins, causing some to close down. While proponents of both sides have gone back and forth this year, one college president has come up with a remarkable way to cover the difference for his lowest-earning employees: he's going to pay for it himself.

Raymond Burse is the interim president at Kentucky State University. This summer, he announced that he would take a 25% pay cut in his salary in order to bring 24 of the school's employees' wages up to \$10.25 per hour. The cut will represent over a \$90,000 deduction from Burse's salary.

"I figured it was easier for me to forgo that amount, rather than adding an additional continues on page 2

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#### INSIDE

Lead With Integrity	. 2
New Blogs on The CPT.org	. 2
StudentCPT Chapters Growing in Size & Effectiveness	
Invest in the Next Generation of Leaders	

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### Kentucky State University President Takes Voluntary Pay Cut to Give Employees a Raise

burden on the institution," Burse said. "I thought that if I'm going to ask them to really be committed and give this institution their all, I should be doing something in return."



# NEW BLOGS ON THECPT.ORG

CPT Now Providing Weekly Blogs to Help You Lead with Integrity

The CPT operates under the belief that most people want to behave in an ethical manner and do the right things. The challenges exist in the moments when people want to do the right things, but don't always know how to do them. Holding firm to your values usually sounds simple, until you realize that many people have competing values.

What would you do if your boss informed you that the company will be laying off one of your close friends next month? This friend also has a spouse and three children. If your values consist of loyalty, honesty and trustworthiness, how would you respond?

Imagine if your friend heard rumors about the layoffs and asked you if you know who is being let go. Your boss is trusting that you will be loyal and trustworthy as you possess this confidential information. However, your friend is trusting that you will be loyal and honest about job security.

The CPT blog provides articles that will help you and your peers answer these types of questions. Visit *thecpt.org* or follow us on Facebook and Twitter to view this month's blog series entitled, #ValuesMatter. \( \sqrt{} \)



# **LEAD WITH INTEGRITY**

Why Our Work is So Important

ALFONZO D. ALEXANDER
PRESIDENT, NASBA CENTER FOR THE PUBLIC TRUST
NASBA, CHIEF RELATIONSHIP OFFICER

Recently, Business Week posted an article on its website titled: Business Schools Aren't Producing Ethical Graduates. After reading the article, I was saddened and excited at the same time. I am saddened by many of the truths in the article. However, I am excited about the work we do at the NASBA Center for the Public Trust (CPT), and how we are being a difference for many students graduating from business schools across the country.

The article contends that the teaching in the classroom is no match for the pressure young professionals face in the global marketplace. The article focuses much of its attention on international business, which is definitely concerning. However, many ethical challenges also exist within the domestic business environment.

The article does a good job making the case that students need experiential learning to understand and feel the pressure that makes good people make bad decisions. With such experiences, students can develop skills that will help them overcome ethical challenges in their careers.

Through our StudentCPT chapters and other activities, we give students creative ways to experience ethical dilemmas before they enter the workforce.

Our chapter meetings take on three forms:

- 1) Live case studies and debates concerning current ethical issues,
- 2) Interactive discussions with corporate executives who have first-hand experience with fraud or ethical dilemmas, and
- 3) Strategic networking events where students have more focused interactions and learning opportunities with experienced business leaders.

In the live case studies and debates, students are challenged to take on the actual roles of the real-life individuals in the ethical scenarios. This approach is critical to the students' development, because it simulates for them the emotions and justifications made by the parties involved in each case.

When we bring in speakers to have interactive discussions, students get the opportunity to interact with the actual people involved in ethics cases. Learning from others' mistakes and successes, directly, increases their ability to effectively handle issues they will face in their careers.

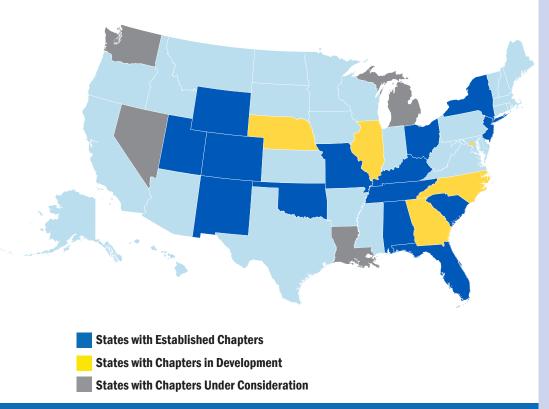
One of the best ways to avoid ethical failings is to have a strong network of advisors and mentors. Through our StudentCPT chapters, we encourage networking events that include business leaders' participation. These events create opportunities for students to establish

## "...Students need experiential learning to understand and feel the pressure that makes good people make bad decisions"

relationships with experienced leaders. These relationships can grow into advising, mentoring and hiring opportunities, which connect students with existing ethical business leaders.

My argument is not whether business schools are doing enough or not. I am not comfortable making a statement that global. However, I am confident the work we do to supplement what the business schools do is very important to future business leaders in America and around the world.

As always, lead with integrity!



#### STUDENT NEWS

#### StudentCPT Chapters Growing in Size and Effectiveness

The StudentCPT has a simple vision. We are aiming to become the largest network of ethical leaders on college campuses. Each day, we are moving closer toward this goal as we partner with colleges and universities to start new StudentCPT chapters. In addition to the 21 established chapters, eight more schools committed to launch student chapters this academic year.

The CPT National Office is also working to enhance the effectiveness of its student chapters. During our recent Student Leadership Conference, we asked students what types of challenges they were facing, to determine how the CPT could help these chapters sustain their success in the future.

The feedback from the conference led to an updated version of our StudentCPT Chapter Manual. This document has been sent to all chapter officers and advisors. It serves as a guide to ensure students and professors are equipped with the resources necessary to operate successful chapters.

The CPT National Office is also boosting its communication efforts in order to stay in touch with students throughout the year. This enables us to monitor chapter best practices and share useful tips with students in other chapters.

We have already visited several StudentCPT chapters this semester, including the University of Utah and Birmingham Southern. We are thrilled with the enthusiasm of our students, and we are excited to work with them as they continue to grow in their roles as student leaders.  $\bowtie$ 

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# **Invest in the Next Generation of Leaders**

# SCHOLARSHIP STUDENT CERTIFICATIONS AT YOUR ALMA MATER

#### Step 1:

Email Lara Loewl at Iloewl@nasba.org to let her know how many students you want to impact.

#### Step 2:

CPT will contact your school to inform them of your donation and register students to become certified in ethical leadership.



That's it! Each certification is \$39.99 and your school is not required to have a StudentCPT chapter to participate. Visit thecpt.org to learn more!

ACCOUNTABILITY 

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