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9B19C006

ACCOUNTING EXAM IRREGULARITIES IN AN MBA PROGRAM (b)

David Hannah, Sarah Lord Ferguson, and Michael Parent wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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After much discussion and a considerable airing of opposing views, Elle Zhou and Ian Jensen decided to contact Nicholas Ramsay, the academic chair of the full-time MBA program at the Arnold School of Business (Arnold).

Ramsay had joined Horizon University (HU) 10 years earlier, in 2004. Seven years later, he was promoted from assistant professor to associate professor, just before accepting the role of academic chair. Ramsay had joined a relatively new program, only in its third year. The MBA marketplace had become highly competitive, with potential students having literally hundreds of MBA programs to choose from.

When Ramsay became academic chair, he and the MBA committee focused on two main areas for improvement. The first area of concern was the admissions process. The committee was eager to attract strong students with interesting work experience and strong academic qualifications. The second area of focus was the pedagogy of the program. The university’s culture of academic freedom meant that instructors were largely left to decide how to teach their courses. It was also important for instructors to link each course with the other courses in the program and with the working world at large. To help make the courses relevant to the working environment, many MBA instructors employed experiential and case-based education in their classrooms.

Although there was still a great deal of work to be done, Ramsay was pleased with the state of the program. In exit surveys, graduating students were reporting solid levels of satisfaction with the program, with 93 per cent of students confirming that they would recommend the program to their friends. Although he had only anecdotal evidence of faculty and corporate satisfaction, his colleagues reported that they were very happy with the calibre and performance of the students. The placement office noted that Arnold was building a reputation for graduating students who were able to think “out of the box,” which was particularly good news to Ramsay, who felt that an MBA program’s reputation was critical to its success.

Ramsay made a point of meeting regularly with the GBSA leadership. However, he was unsure what the subject of this particular meeting might be. Hearing a knock on his office door, Ramsay invited in Zhou, the GBSA vice-president academic, and Jensen, the GBSA president. After some brief polite conversation, Zhou revealed that she had a serious issue to discuss about the managerial accounting course.

Zhou outlined the problem for the discussion as follows:

Last Friday was our mid-term exam for the managerial accounting course. John [Hyannis, the instructor] used a published case for that exam. He told us the exam was open-book, because in our jobs we would be allowed to use whatever resources we had in order to make good decisions, and he wanted to replicate that. He also told us specifically that we could use the Internet to help write our answers.

Jensen and Zhou further detailed what they had heard: that some students had used the Internet to look up a solution to the exam.

Zhou continued her outline of the issue:

The students are up in arms. And, they don’t agree on what to do. Many of them feel they are losing out because their classmates have cheated, and they want the cheaters caught and punished. Others don’t believe anyone cheated, and that this is just a story that has been fabricated to get the exam thrown out.

Ramsay thanked them for coming to him. After they left the office, he immediately contacted the MBA program assistant. He asked her to investigate whether there were, in fact, correct answers to the case online. She soon replied that correct answers to the case were indeed accessible online and provided him with a copy of the case solution she had found.

Ramsay also contacted the course’s instructor and the business school’s information technology (IT) expert, requesting a meeting with each of them. Ramsay explained the situation to the IT expert, who had replied first, and asked him for his assessment. The IT expert provided his view:

Well, some of these students may have logged in to the Internet using their university IDs [identification credentials]. In that case, we might be able to track when they logged in and what they viewed when they were on the Internet. Let me talk to the folks in our computing services department and get back to you.

As Ramsay waited to hear back from the course instructor, he decided that he should also make the associate dean of the graduate business school aware of the situation. When Ramsay explained that he was investigating whether students had actually accessed the answers to the case, the associate dean cringed:

Here’s the problem. Even if you can show that students went on the Internet and went to a page where the answers were displayed, you can’t actually prove that they used the information on that page in their answers. If you are going to treat this as a case of academic dishonesty, you have to be able to prove that. So you cannot use that information to punish the students who did use the Internet.

“What should I do?” Ramsay asked.

“Well, one possibility is to reduce the percentage that the mid-term contributed to their overall grade,” the associate dean said. “What percentage of the grade was the mid-term worth?”

“Twenty per cent.”

“Then reduce it to 10 per cent. This will still allow the good students to know their work influenced their grade in a positive way, but it will minimize the effect of the cheating students.”

“But won’t it also anger the students who did do well and didn’t cheat?”

The associate dean smiled ruefully. “It might. There’s no perfect solution to this situation.”

The next person Ramsay spoke with was Hyannis, the course instructor. Hyannis was surprised and angry that students might do this, which he considered a form of cheating. He felt responsible for allowing students to have access to the Internet, but also assumed the students would choose not to cheat, even if they had the opportunity.

“What makes me more angry than anything, Nicholas, is that no one came up to me during the exam to tell me the answers were available online. I can’t believe no one was honest enough to do that.”

“I agree, John,” Ramsay said. “And I feel like this is my fault more than yours. I should have worked with you more closely when you were designing the course.”

Hyannis also said that since he lacked experience in these matters, he would defer to Ramsay’s decision, but he did not want to create a new exam on short notice to replace the mid-term.

When he returned to his office, Ramsay contacted IT for an update. The IT expert reported more information:

Well, Nicholas, I’ve spoken to the staff at IT, and they are almost positive that there is no way of tracking which websites the students visited. They would find out which students were on the Internet, but that’s it. Also, and you may have thought of this already, even if you could identify which students looked at which pages during the time of the exam using their university ID, you have no way of knowing who looked up these pages on their cellphones, or who texted or messaged their friends with the answers. You could end up punishing only some of the students who cheated.

Ramsay returned to his office and considered what he had learned.

First, there was no evidence that any particular individual had cheated. All he had were rumours, innuendo, and disgruntled students. Under these circumstances, he believed that any punishment he levied against any individuals would almost certainly be overturned upon appeal. He had to make clear that academic dishonesty was not acceptable in the program, but punishing individual students was not an acceptable option.

This left him with deciding whether to reduce the percentage that the mid-term contributed to the final exam, as suggested by the associate dean. As the associate dean had indicated, however, taking this step would probably appease some students but anger others.

He also had to decide how he would inform students of his decision. It was important, he felt, to involve Hyannis in that process, to show the students that the two of them were in agreement. Also, he wanted to be honest and transparent about his decision and about the rationale for making the decision. He knew that his decision would not please everyone in this situation, but he wanted to ensure that he explained why he was making it.

Ramsay was also aware of Jensen and Zhou’s concerns. With the affected class just a month into their MBA program, Jensen and Zhou worried that this incident would cause some division among the classmates, potentially creating enmity and threatening an otherwise positive and supportive class environment.

Ramsay sat back and considered his next move.