Reclaiming Agency in Introductory Business Education:

A Process-Oriented Framework for AI Governance, Risk, and Inclusive Pedagogy

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Abstract

Introduction to Business is often a student's first encounter with how organizations plan, take risks, communicate, and answer for their decisions. Generative artificial intelligence (AI) is changing how students research and write, and how colleges increasingly recognize neurodiverse ways of learning. Together these make the first business course a natural place to reconsider what introductory business education can be. This paper describes a redesign of BUS 101 at Barton College's School of Business & Innovation, being delivered in Fall 2026 across three sections taught by three instructors. The redesign treats the course itself as a working business environment. Syllabus policies become exercises in applied risk ethics: a "24-Hour High-Risk Window" and a one-time "Stuff Happens Pass" modeled on a contingency reserve. Academic integrity rests on process rather than detection, through visible revision histories and a Socratic oral defense. Presentations carry 40% of the grade, personal finance is taught as a form of self-governance and a gateway to business finance, and qualitative video reflections complement numerical ratings. Shared cross-section sessions with industry speakers provide continuity while preserving each

instructor's approach. Drawing on process philosophy, the ethics of responsibility, and experiential learning theory, we set out the design's rationale, its implementation to date, and a research agenda whose results will be reported in a follow-up study.

Keywords: Introductory Business Education, Generative AI, Oral Assessment, Enterprise Risk Management, Neurodiversity, Process Philosophy, Experiential Learning

Introduction: The First Course as a Doorway

Introductory courses are the gateway to a professional discipline. In them, students first learn not only what a field knows but how it thinks. For business, that way of thinking includes judgment under uncertainty, accountability for decisions, and the ability to explain and defend a course of action to others.

Introductory business education has long relied on broad textbook coverage and objective testing, which served many cohorts well. The aim of this redesign is not to discard that inheritance but to build on it for a new generation of learners. Two developments make this moment especially fruitful. First, generative AI tools can now produce fluent text on demand. That invites educators to ask what an assignment is really for, and to place more weight on the reasoning that produces an answer. Second, a growing body of work recognizes that students learn in diverse ways. Many neurodivergent students do their best thinking in collaborative, creative, and non-linear settings (Clouder et al., 2020).

The redesign also leaves deliberate room for the unexpected. A tightly specified assignment measures only what its designer anticipated; an open-ended project lets students reach outcomes the instructor did not foresee. In business, as in learning, the most valuable results often grow out of a process that was allowed to develop rather than one scripted in advance.

Evidence that students learn more when they actively solve problems than when they listen passively is now substantial (Freeman et al., 2014). This paper takes that finding into the first business course. We describe how Barton College's BUS 101 was redesigned so that the course itself behaves like a business: its policies model risk management, its integrity practices verify process rather than police output, and its assessments emphasize communication and reflection. The paper makes three contributions: a documented design that peer institutions can adapt, an account of its implementation to date, and a research agenda for evaluating it.

Conceptual Framework: Process, Responsibility, and Dialogue

Three philosophical commitments shape the redesign.

Process over product. Process philosophy, in the tradition of Whitehead, understands reality as a set of processes rather than static things (Seibt, 2022). A pedagogy built on that view values the path a student takes to an answer, and not only the answer itself. In many disciplines, and especially in STEM, assessment can focus on whether the final answer is correct rather than on how it was reached. A process orientation asks instead how a student framed the problem, which options they weighed, and why they chose as they did. These are the habits that transfer to unfamiliar business problems. It also fits the experiential learning cycle of concrete experience, reflection, conceptualization, and experimentation (Kolb, 2015).

Responsibility under uncertainty. Course policies carry ethical assumptions about student agency and responsibility. Modern enterprise risk management treats uncertainty as something to anticipate and govern in advance rather than to punish after the fact (Committee of Sponsoring Organizations of the Treadway Commission [COSO], 2017). A syllabus can teach this ethic of foresight directly. When its rules behave like the risk rules of an organization, students practice responsibility rather than merely being subject to it.

Dialogue as the test of understanding. In the Socratic tradition, understanding is shown by the ability to give an account of one's reasoning and defend it under questioning. Oral assessment carries that tradition into the modern classroom (Fenton, 2025). It also offers a principled response to generative AI. A text can be generated, but the reasoning behind it must be owned.

A fourth thread runs through all three: learning flows in both directions. Students are partners in shaping the course, and their reflections are treated as evidence for its ongoing design (Boud & Molloy, 2013).

Course Context

BUS 101A, Business and Society (hereafter BUS 101), is the entry course for the School of Business & Innovation at Barton College, a liberal arts college in Wilson, North Carolina. In Fall 2026 the redesigned course is running in three sections, each taught by a different instructor, enrolling approximately 70 students in total. All sections share a common textbook (Kelly & Williams, 2022), core assignments, and the policies described below (Barton College, 2026).

The design deliberately balances continuity with individuality. Shared materials and common use cases mean that instructors do not have to start from scratch, and students in every section meet the same expectations. Each instructor still keeps the freedom to teach in their own way. The three sections are also brought together at intervals during the semester for joint sessions with industry speakers.

The redesign was developed collaboratively by the authors: business faculty, the course instructors, and a student researcher who contributed the perspective of a recent first-year student during the summer of 2026.

Design Features

The Syllabus as Applied Risk Ethics

BUS 101 turns its administrative rules into applied concepts from operational risk management (Barton College, 2026):

Table 1. *Course Policies as Operational Risk Concepts*

Course policy	Operational equivalent	Learning objective
24-Hour High-Risk Window	Operational risk exposure	Treating technological dependency as a risk that calls for proactive planning
Stuff Happens Pass (48 hours, once)	Contingency reserve / risk hedging	Allocating a scarce, non-renewable resource strategically under uncertainty
Personal finance mind-map	Self-governance	Grounding macroeconomic and corporate principles in personal financial stewardship

The final 24 hours before a deadline are designated a student-managed high-risk window. During that window, connectivity failures, power outages, and other technical problems are the student's risk to manage, just as delivery risk belongs to the team that schedules a launch at the last minute. Each student also receives a single 48-hour "Stuff Happens Pass" that can be used without penalty or explanation. Like a corporate contingency reserve, it rewards judgment about when to spend a resource that cannot be replenished. Together, these policies replace moral language about lateness with the vocabulary of planning, exposure, and reserves.

Process-Based AI Integrity and the Socratic Oral Defense

When an assignment can be completed entirely by a text-generation tool without meaningful human thought, the issue lies in the design of the assessment more than in the character of the student (Bearman et al., 2020). Detection software offers a weak foundation for academic integrity: independent testing has found AI-text detectors neither accurate nor reliable (Weber-

Wulff et al., 2023). BUS 101 therefore verifies the learning process rather than inspecting the product:

1. **AI as an inquiry tool.** Students may use AI to clarify complex concepts during early research, much as they would use an advanced search engine. They may not use it to generate final deliverables.
2. **Process transparency.** Written work is composed in shared Google Docs whose version history the instructor can review, making the development of a piece of writing visible.
3. **Socratic oral defense.** Any submission may be followed by an unannounced oral review in which the student explains and defends their reasoning without technological assistance. If a student cannot articulate the reasoning behind their work, it does not yet reflect their own learning, and the work is reassessed (Barton College, 2026).
4. **Adaptive modality.** Instructors may move an assessment from online to in-person delivery if over-reliance on AI becomes apparent.

Because oral defense is a new skill for most first-year students, the course opens with a grace period in which defenses are formative rather than graded. Students can build confidence, critical thinking, and clear communication before the stakes rise.

Communication as a Core Competency

Presentations make up 40% of the course grade: 20% individual presentations and 20% group projects. Few first-year courses weight speaking this heavily. The weighting reflects a conviction that explaining and defending a recommendation is central business work and is best learned early and often. It also reinforces the oral defense: students who present regularly become practiced at giving an account of their thinking.

Personal Finance as Self-Governance

The course introduces personal finance before the final projects and includes a personal budgeting mind-map. The premise is that personal and business finance rest on the same principles of budgeting, cash flow, risk, and planning, applied at different scales. Personal finance is thus a gateway to business: it would be surprising for someone to manage a firm's finances proficiently while lacking proficiency in managing their own. Starting with their own lives also gives students a personal stake in concepts that can otherwise feel abstract. Financial literacy has well-documented consequences for individuals' economic wellbeing (Lusardi & Mitchell, 2014).

Collaborative Cross-Section Sessions

At intervals during the semester, all three sections meet together. These sessions give students a shared experience across sections, connect classroom concepts to practice, and let the instructors build a common reference point into their own teaching.

Inclusive and Multimodal Design

Assessment that depends heavily on timed written tests assumes a uniform cognitive profile. BUS 101 instead offers multiple ways to show learning: oral defense, individual and group presentation, collaborative projects, written work with visible process, and video reflection. The non-punitive contingency pass and the formative grace period lower the cost of a bad day, which particularly benefits students whose strengths emerge in collaborative and creative settings (Clouder et al., 2020).

Qualitative Feedback Loops

Course evaluations commonly rely on 1-to-5 Likert rating scales. These are easy to aggregate but hard to interpret: one student's "4" means "good," another's means "nearly perfect, with one problem," and the reasons behind either are lost. A large meta-analysis has also found that such

ratings bear little relation to how much students learn (Uttl et al., 2017). BUS 101 complements numerical ratings with 5- to 10-minute qualitative video reflections in which students describe their growth, struggles, and conceptual breakthroughs. In phenomenological terms, students report the course as they lived it, not as an abstract score (van Manen, 2014). The reflections make the feedback loop genuinely two-way (Boud & Molloy, 2013). Instructors can refine the course mid-semester, and students practice advocating for themselves.

Implementation to Date

The redesign launched with the Fall 2026 semester. At the time of writing, all three sections are running under the shared policies, the oral defense is in its formative grace period, and the first cross-section session has taken place. Because the semester is still in progress, this paper reports the design and its rationale rather than outcomes. The instructors' observations and the measures described below will be reported at the end of the term.

Research Agenda

The design generates testable questions, which the team will evaluate over the semester and report in a follow-up study:

Table 2. *Research Questions, Hypotheses, and Measures*

Dimension	Question	Working hypothesis	Measure
Submission behavior	Does framing the final 24 hours as high-risk move submissions earlier?	H1: average lead time before deadlines increases	Learning-management-system timestamps, compared with a prior or parallel course
Process and articulation	How closely does a document's revision history align with the student's oral defense?	H2: smooth, paste-heavy histories are associated with weaker defenses	Edit history vs. oral defense rubric
Communication confidence	Does the 40% presentation weighting	H3: a significant gain from Week 1 to Week 15	Pre/post Likert survey

Dimension	Question	Working hypothesis	Measure
	raise speaking self-efficacy?		
Student voice	What do video reflections reveal that numerical ratings miss?	Exploratory	Qualitative coding of reflections

The self-efficacy survey asks students, for example, how far they agree that they "proactively manage project deadlines to account for potential technical disruptions" and "feel fully confident explaining and defending any written work I submit verbally." Two further directions are planned: cross-institutional benchmarking with peer business schools, and a case study of how a formative high school business course shapes students' readiness for the redesigned BUS 101.

Implications for Peer Institutions

Several features can be adopted in a single semester at little or no cost. Examples are the High-Risk Window and contingency pass, shared-document submission, and video reflections. Others, chiefly the oral defense, ask more of instructors' time and benefit from faculty development and shared question banks. The three-instructor model at Barton suggests the design may be able to travel: common use cases provide consistency, while instructors keep their own voice and artistry. Larger sections may need sampled rather than universal oral defenses.

Conclusion: Toward a Process-Oriented Business Pedagogy

Reimagining introductory business education is more than a technical adjustment to a curriculum. It is a philosophical choice about what kind of learner the first course should form. By treating course policies as applied risk ethics, AI as an instrument of inquiry, the oral defense as a renewal of Socratic dialogue, and student reflection as evidence, BUS 101 aims to develop agency, accountability, and clear reasoning from a student's first semester. The doorway to business

education can open onto a working environment in which students practice the judgment their careers will ask of them. The results of this first semester, to be reported in a follow-up study, will show how far that aim is realized.

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