



IB/MG 329 BUSINESS ETHICS
IES Abroad Nice

DESCRIPTION:

Business ethics do not deal with what is legal, but with the application of moral standards to business decisions. The majority of moral standards relate to personal behavior, which is not necessarily legislated and varies according to culture differences. This course enables students to understand the role of business ethics from an organizational and decision-making perspective. It is designed to demonstrate how to integrate ethics and responsibility into business decisions; to trace the historical foundations and evolution of business ethics; to examine the relationship between stakeholder orientation and corporate social responsibility; and to explore ethical business issues such as conflicts of interest, bribery, fraud, insider trading and intellectual property rights.

The course is designed to:

- Provide a comprehensive framework for ethical decision-making in business
- Introduce leadership styles that promote an ethical culture
- Explain how moral philosophies and values influence individual and group decisions
- Examine the influence of corporate culture on business ethics
- Determine how leadership, power, and motivation relate to ethical decision-making in organizations
- Assess organizational structure and its relationship to business ethics
- Prepare students to implement and audit ethics programs

A case-study approach to business ethics gives students the opportunity to apply theory to practical business situations against the backdrop of one of the world's financial capitals. As the financial and economic crisis has led to world-wide political reactions based on macro-economic development on a global scale, students are invited in this course to examine one of the most challenging times of global business development and ethics. The course reflects new ideas and policies under development in the European Union and the US and explores the revival of humanistic management principles based on corporate eco-social business ethics and missions.

We will use annual and sustainability reports and other actual company information to examine and evaluate global companies dealing with complex business ethics issues that are a priority in twenty-first-century companies.

CREDITS: 3

CONTACT HOURS: 45

INSTRUCTOR: Berit Wader

LANGUAGE OF INSTRUCTION: English

PREREQUISITES: None

METHOD OF PRESENTATION:

Lectures

Part of each class will consist of discussions of key themes. The students will be provided with the texts to read for each class - distributed through Moodle -, together with a list of reading questions designed to focus their attention on key points and concepts in the texts. These texts will form the basis of the class discussions.

Class Discussions and Student Presentations

In-class presentations will serve to illustrate the issues presented in the lectures, the readings and the research paper work. Additional reading may be assigned during the course of the semester.

Role playing

Students simulate via interactive role-play-cases business ethics situations to experience and practice their ethical decision making.



Group and individual work

Students will work on texts or in-class presentations individually or in groups up to 3 students.

Video and Film Presentations

Screening of film extracts or entire movies. Students will be provided with background information about the films and a list of questions to consider when they view them.

REQUIRED WORK AND FORM OF ASSESSMENT:

- Course Participation - 10%
- Press Reviews and Oral Presentations - 15%
- Midterm Exam - 20%
- Final exam - 25%
- Research Paper Draft - 10%
- Final Research Paper and Presentation - 20%

Course participation

Students will be expected to come to class prepared and to participate actively in class discussions with relevant, original contribution and implications acquired through reading and analysis of texts and videos.

Midterm Exam

This Midterm exam will be based on lectures and complementary reading and will use different formats to assess students' progress towards the learning outcomes in the first half of the course. The question formats will include essay questions, multiple choice questions, short answer questions and justified True/False questions.

Final Exam

The Final exam will be based on lectures and complementary reading and will use different formats to assess students' progress towards the learning outcomes of the entire course. The question formats will include essay questions, multiple choice questions, short answer questions and justified True/False questions.

Research Paper

Assignments of research paper on companies and due dates will be determined at the beginning of the term. With instructors guidance, students working in groups of 2 will select a company (with at least subsidiaries) based in the South of France and collect actual company information including it's vision, mission and sustainability reports. Then, students will analyse the company's ethics and report and present their findings in class. The reports are completed throughout the semester (document of 15 pages, double-spaced; standard margins and fonts). Students will first submit the selected company by week 4 and a draft (week 8). After receiving comments from the instructor, the students will then work on the final version of their research paper (submitted on week 13) and present their findings within an powerpoint presentation with oral explanations in class (week 14). The research paper will be evaluated by taking into account the analytical, organisational and formalistic quality of the work as well as the extent to which the students have effectively incorporated the instructors comments on the draft.

Other

Each week, one student will present a press review by selecting a press article on the topic covered during the week. The students will also in turn present a short summary of the assigned readings which will be discussed in class.

GRADING:

The following numeric grading scale is applied:

Percentage	Letter Grade
93-100	A
90-92.9	A-
87-89.9	B+
83-86.9	B
80-82.9	B-
77-79.9	C+

73-76.9	C
70-72.9	C-
65-69.9	D
0-64.9	F

LEARNING OUTCOMES:

By the end of the course students will be able to:

- Relate the fundamental principles of business ethics.
- Recognize ethical issues in business situations.
- Apply the framework of ethical decision-making to complex business issues.
- Examine the influence of leadership and corporate culture on business ethics.
- Explain why businesses need to develop ethics programs.
- Examine the ways that ethical standards are monitored, audited, and enforced and to understand the need for continuous improvement.
- Formulate, analyze, and defend decisions in ethical terms when confronted with ethical issues and problems in business.

ATTENDANCE POLICY:

Attendance is mandatory for all IES Abroad classes. Any exams, tests, presentations, or other work missed due to student absences can only be rescheduled in cases of documented medical or family emergencies. If a student misses more than two classes in any course half a letter grade will be deducted from the final grade for every additional absence. Seven absences in any course will result in a failing grade.

CONTENT:

Week	Content	Reading
Week 1	Introduction and Overview Session 1: Introduction, structure and organization of course. Session 2: Ethics and business; importance and benefits of business ethics; a crisis in business ethics. The framework for studying business ethics. The ethical dilemma as conflict between moral imperatives. The use of actual cases presenting actual business situations and ethical dilemmas.	• Crane & Matten (2016), Business Ethics, Chapter 1, pp. 4 - 37. • Article: Wicks et al. (2016), Introduction to Ethics: The Language of Ethics for Managers • Article: Harris, Jared D. (2014), Making Ethics Personal: Character and Your Personal Vision
Week 2	Moral Philosophies and Values. Ethical Decision Making. Session 1: Individual factors: moral philosophies and values. Applying moral philosophy to business ethics; virtues supporting business transactions. Session 2: The process of ethical business decision making. The framework for ethical decisions.	• Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases, Chapters 5 and 6, pp. 114 - 161 • Crane & Matten (2016), Business Ethics, Chapter 4, pp. 135 - 181 • Ethics- Internet Encyclopedia of philosophy - http://www.iep.utm.edu/ • ethics • Case study: Following Lance Armstrong: Excellence Corrupted. Harvard Business School, 9-314-015 • Article: Harris et al. (2015), Ethics beneath the surface, UV7092 • Article: Harvard Business Review, Bazerman and Tenbrunse (2011), Ethical Breakdowns: Good people often let bad things happen. Why?
Week 3	Stakeholder Relationships Ethics, and Corporate Governance	• Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases, Chapter 2, pp. 28 – 51

	Corporate social responsibility, stakeholder orientation and sustainability reporting; stakeholders defining ethical issues; associated measures of corporate impacts; implementation of a stakeholder perspective.	- Case study: Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases, Starbucks Mission: Social Responsibility and Brand Strength, pp. 387 - 397 - Article: Freeman, Edward R. (2017), Managing for Stakeholders and the purpose of business
Week 4	Emerging Business Ethics Issues Historical perspectives; classical philosophy and modern business; building morale and productivity; recognizing ethical issues and business dilemmas; honesty, fairness and integrity; bribery, fraud, financial misconduct, insider trading and intellectual property; challenges of determining ethical issues in business.	- Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases, Chapter 3, pp. 56 - 80 - Case study: The man in the Mirror, INSEAD Business School, (A) 02/2018-6073
Week 5	The Institutionalization of Business Ethics; Ethical Leadership Session 1: Ethical issues and the institutionalization of business ethics. Laws protecting consumers and laws that encourage ethical conduct. Session 2: The role of leadership; leadership styles and strong ethical leaders. Requirements for and benefits from effective ethical leadership. Leadership and organizational culture.	- Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases, Chapter 4, pp. 85 - 109 and Chapter 11, pp. 279 - 307 - Article: Note on Human behaviour: Situation versus Character, Harvard Business School, 9-316-078 - Article: Hermannsdottir/Stangej/ Kristinsson (2018), "When being good is not good enough towards contextual education of business leadership ethics", Journal of Contemporary Management Issues. Dec 2018, Vol. 23 Issue 2, p 1-13. http://web.b.ebscohost.com/ehost/pdfviewer/pdfviewer?vid=17&sid=1ec482dce7d1-4bb2-943a-411266c07c5d%40sessionmgr103
Week 6	Formulation and Implementation of Effective Business Ethics; Ethics Audit Session 1: Developing effective ethics programs; responsibility of the corporation as moral agent; codes of conduct; Session 2: systems monitoring and enforcing ethical standards.	- Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases" Chapter 8, pp. 193 - 212 and Chapter 9, pp. 215 - 242 - Ferrell et al. (2018), Business Ethics - Ethical Decision Making and Cases", Case 16: PepsiCo: Poised to Deal with the "Next Generation", pp. 521-532 - Case study: The Pepsi Refresh Project: A thirst for a Change, Harvard Business School, 9-512- 018
Week 7	MIDTERM EXAM	
Week 8	Ethics towards the Employees The Role of Employees in Business Ethics. Ethical Topics in employees' rights and duties. Ethical Resource management. Sustainability for workplaces, working conditions.	- Crane & Matten (2016), Business Ethics, Chapter 7, pp. 286 - 330. - Article: Layoffs: Effects on Key Stakeholders. 9-611-028 - Case study: Honeywell and the Great recession: https://www.honeywell.com/newsroom/news/2015/09/david-cote-talks-about-recession-and-economic-downturnsin-the-new-case-study-honeywelland-the-great-recession
Week 9	Ethics and the Supply Chain Suppliers and competitors as stakeholders in a firm. Ethical issues and problems in an organization's dealings with the supply chain. Globalization and business ethics concerns. Degree of responsibility for the ethics of their suppliers.	- Crane & Matten (2016), Business Ethics, Chapter 9, pp. 388 - 431. - Case study on Website: http://www.academia.edu/26817836/ESMT_Case_Study_Axel_Springer_and_the_quest_for_the_boundaries_of_corporate_responsibility

Week 10	Sustainability; CSR Communication How is sustainability related to ethical decision-making and social responsibility? Communication of CSR practices. CSR Reporting. Possible business responses to sustainability: green marketing vs. green washing.	- Ferrell et al. (2018), Business Ethics- Ethical Decision Making and Cases, Chapter 12, pp. 310 - 340 - Crane & Matten (2016), Business Ethics, Chapter 12, pp. 540 - 542 - Case study: Patagonia, Harvard Business School, 9-711-020
Week 11	Sustainability and Marketing The Ethics of Marketing Practices. Can we sell any product as long as someone wants to buy it? Analysis of ethics of marketing; how far can businesses go when trying to sell their products or services. What is their responsibility versus the responsibility of consumers? Unethical business practices such as undercover marketing, advertising to children etc. Video viewing "The light bulb conspiracy".	- Crane & Matten (2016), Business Ethics, Chapter 8, pp. 339 - 378. - Carr, Albert (1968), "Is Business Bluffing Ethical?" - Harvard Business Review 46, January-February, pp. 143-153. https://www.encyclopedia.com/finance/finance-and-accounting-magazines/ethics-marketing - Marketing ethics. The Chartered Institute of Marketing. http://www.cim.co.uk/Resources/OnlineJournals.aspx
Week 12	Ethics and New Technologies The Ethics of New Technologies like cloning, genetically modified food, artificial intelligence, self driving cars etc. What is the responsibility of innovation and technical progress versus responsibility towards consumers?	Meel, Mari; Saat, Maksim (2002), Ethical Life Cycle of an innovation, Journal of Business Ethics. Aug 2002, Vol. 39 Issue 1/2, p21-27 (EBSCO)
Week 13	Crisis Management and CSR An Ethical Approach to Crisis Management. CSR as Risk Prevention	Article: Schwartz et al. (2012), An Ethical Approach to Crisis Management
Week 14	Final Project Presentations Summary and Conclusions	
Week 15	FINAL EXAM	

REQUIRED READINGS:

- Ferrell, O.C./Fraedrich, John/Ferrell, Linda, "Business Ethics - Ethical Decision Making and Cases", 12th Edition, 2018
- Crane, Andrew and Matten, Dirk, "Business Ethics", 4th edition, 2016
- Selected sustainability reports, articles and studies as described in the Appendix EBSCO Database and other international research databases

RECOMMENDED READINGS:

- Morris, Thomas: "If Aristotle ran General Motors. The new soul of business"; New York, 1997.

OTHER RESOURCES:

Cases

- Week 2: Following Lance Armstrong: Excellence Corrupted. Harvard Business School, 9-314-015
- Week 3: Starbucks' Mission Social Responsibility and Brand Strength, Ferrell et al (2018), pp. 387 - 397
- Week 4: The man in the Mirror, INSEAD Business School, (A) 02/2018-6073
- Week 5: Rupert Murdoch and the News Corp: The Phone Hacking Scandal, INSEAD Business School, 04/2014-5947
- Week 6: The Pepsi Refresh Project: A thirst for a Change, Harvard Business School, 9-512- 018
- Week 8: Honeywell and the Great recession: <https://www.honeywell.com/newsroom/news/2015/09/david-cote-talks-about-recession-and-economic-downturns-in-the-new-case-study-honeywell-and-the-great-recession>
- Week 9: Axel Springer and the quest for the boundaries of corporate responsibility
http://www.academia.edu/26817836/ESMT_Case_Study_Axel_Springer_and_the_quest_for_the_boundaries_of_corporate_responsibility

- Week 10: Patagonia, Harvard Business School, 9-711-020
- Week 13: Abercrombie and Fitch the homeless, Harvard Business School, W13420

Articles/Readings

- Week 1: Wicks et al. (2016), Introduction to Ethics: The Language of Ethics for Managers Harris et al. (2014), Making Ethics Personal, Character and your personal vision
- Week 2: Harris et al. (2015), Ethics beneath the surface, UV7072 Bazerman, Max H. and Tenbunsel, Ann E. (2011), Ethical Breakdowns, Harvard Business Review, April 2011
- Week 3: Freeman, R. Edward (2017), Managing for Stakeholders, UV7324
- Week 5: Note on Human Behaviour: Situation versus Character
- Week 8: Layoffs: Effects on Key Stakeholders, 9-611-028
- Week 9: Kussyk, (2013), Learning to Navigate the Rough Seas of Ethics
- Week 10: Delmas and Burbano (2011), The Drivers Greenwashing
- Week 13: Schwartz et al. (2012), An Ethical Approach to Crisis Management

INSTRUCTOR BIO:

Berit Wader was born and raised in Eastern Germany (formerly known as GDR) and studied law in Rostock, Germany as well as European law at Swedish University Abo Akademi in Turku/Finland. She holds 2 degrees of German Law State Examinations (Assessor iur.) as well as a Master in International Business Law (LL.M.) of the University of Rostock, Germany.