

LINCOLN UNIVERSITY

Course No. BA 309
Course Title: ETHICS OF BUSINESS MANAGEMENT
Level: Mastery 1 (M1)
Instructor: Allan Samson Contact: Allan Samson
Credit: 3 units = 45 lecture hours Office Hours: By Appointment
Class Hours: Three (Mon-Wed, 6:30 – 9:15 PM) (415) 391-4949
Semester: Fall 2017 allan.samson@sbcglobal.net

Textbooks:

Business Ethics, 4th edition, Crane and Matten (2016)
Oxford University Press: ISBN: 9778-0-19-969731-1

Business Ethics, 9th edition, William H. Shaw (2016)
Wadsworth Cengage: ISBN: 978-1-305-58208-8

Course Description:

The course is an advanced review of ethical theories and value systems. Topics include moral issues, codes of ethics, conflict of interest, social and fiduciary responsibilities, the work ethics, and other situations which arise within business management. (3 units)

Introductory Questions:

What's wrong with giving bribes? What's wrong with asking for bribes? What's wrong with paying money to a lower official if it will speed up bureaucratic regulations? What's wrong with large executive bonuses after company losses? What's wrong with exchanging promotions for sexual favors? What's wrong with giving expensive gifts to get a contract? What's wrong with hiring your less qualified relatives for important positions? What's wrong with using insider knowledge to buy or sell stock in a company? What's wrong with outsourcing jobs if it will increase your company's profits? What's wrong with allowing foreign contractors to hire children to produce your product if it will increase company profits? Should you report on the management of your own company if you know it is hiding or covering up hazardous chemicals if you risk losing your job? What's wrong with selling chemicals to other countries (where it is legal to do so) if it is against the law to sell these same chemicals in your own country? What's wrong with using your company's economic power to lower process in order to drive competitors out of business? What's wrong with deregulating government rules? What's wrong with opposing government oversight? What's wrong with setting up secret overseas bank accounts? What's gone wrong with the "free market"?

Learning Objectives:

This course will consider ethical behavior in American and international businesses. Topics will include awareness of ethical issues in organizations, stakeholder interests in organizations, the cultural background of business ethics, the ethics of income inequality, bribery and corruption, corporate dishonesty, corporate social responsibility, global ethics, codes of conduct, responsibility for foreign investors, transparency in global business, child labor, human rights in international business, regulating foreign contractors, business ethics in America, Europe, China, Japan and Islamic nations, developing a global code of conduct, socially responsible investment, ethics and the environment, whether multinational corporations can act in a socially responsible manner, and what is the relationship between ethics and capitalism.

Course Questions:

1. Ethics in relation to social responsibility.
2. Values, ethics, and ethical leadership in relation to different situations.
3. Comparison of American ethical business values with those found in other international cultures.
4. Application of Corporate Social Responsibility and Socially Responsible Investing.
5. Ethical questions concerning Google, Shell, IKEA, Walmart, Exxon, Pepsi, GlaxoSmithKline, Nestle, and Siemens.
6. How endemic are bribery and corruption?
7. Income Inequality - - how acceptable?
8. Capitalism and ethics

Course Learning Outcomes

Course Learning Outcome	Assessment Activities
1 Consider the ethical issues in Capitalism.	Assess concepts such as profit motive, competition, the “Invisible Hand”, Inequality, alienation, Short-term focus, and work ethic.
2 Stakeholder or Shareholder Theory as a model for business ethics.	Assess each theory as providing a base for business ethics.
3 What ethical theories are consonant with Capitalism?	Assess the ethical theories of utilitarianism, ethics of duties, ethics of human rights, and ethics of justice as they apply to international business.
4 Consider the social and ethical responsibilities of corporations.	Assess codes of ethics, corporate governance, fiduciary responsibility, ethics in advertising, insider trading, whistleblowing, and socially responsible investing.

- | | |
|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5 Consider Free Market Capitalism and Income Inequality and the “hollowing out” of the middle class. | Assess the positive and negative aspects of income inequality as an engine of economic growth and the effect of regulation, government spending, and progressive taxation. |
| 6 Evaluate the ethical effects of artificial intelligence and robotization. | Assess how secure the middle class is in the wake of artificial intelligence and robotization. |

Methodology:

Students are expected to read the assigned chapter and articles and case studies before each class. Case studies and hypothetical problems will comprise a part of each class session. Students will consider the case studies individually and in teams. Many of the case studies and articles will be available by downloading from their computers.

Case studies and articles will be sent to the students’ e-mail addresses several days before class. Hard copies of some cases will be provided a week before.

There will be class discussions and group presentations by students on the case studies and articles.

Project:

Case study problems on ethical issues will be assigned to students on an individual basis and on a group basis. Answers will be turned in and graded.

There will be a final project on a topic to be decided by the students and the professor. The projects will be presented by teams on the last day of class. The project paper will be submitted before the end of the semester. The project will comprise approximately 20 per cent of the final grade.

Students’ work is expected to be original.

Testing:

There will be one mid-term examination and one final examination. Both will be essay examinations. Homework assignments will be turned in. Questions on ethical case studies will be given and answered in class.

Grading:

Grading will be based on the following criteria:

Mid-term	:	30 per cent
Final Examination	:	40 per cent
Class Attendance and Homework	:	Discretionary Evaluation
Case Studies Analysis	:	10 per cent
Presentation	:	20 per cent

Grading Standard:

100-95	A	76-74	C
94-90	A-	73-70	C-
89-87	B+	69-67	D+
86-84	B	66-60	D
83-80	B-	59 or <	F
79-77	C+		

Classroom Protocol:

Courtesy is expected. This includes no cell phone usage. Excessive talking will be punished by immediate beheading.

Course Calendar and Assignments:

The assigned material for each date should be read before the class with the exception of the first class. Class participation in discussing the material and case studies and hypothetical questions is expected.

Date**Assignments**

Jam. 17: Hypothetical Ethics Problems

Crane & Matten: Chapter 1

Jan. 22: Crane & Matten: Chapter 2

Jan. 24: Crane & Matten: Chapter 3 (excluding pp. 112-125)

Discussion problems: The Runaway Trolley; The Mignonette;
The Girl in the Basement

- Jan. 29:** : **Shaw: Chapter 4: The Nature of Capitalism**
- Jan. 31:** **Movie: “Inequality for All”**
- Feb. 5:** **Shaw: Chapter 5: Corporations**
- Feb. 7:** **Mid-Term**
- Feb. 12:** **Crane & Matten: Chapter 6 (Shareholders & Business Ethics)**
- Feb. 19:** **No Class**
- Feb. 21:** **Crane & Matten: Chapter 7 (Employees & Business Ethics)**
- Feb. 26:** **Movie: “Inside Job” (Academy Award-nominated)**
- Feb. 28:** **Crane & Matten: Chapter 8 (Consumer & Business Ethics)**
 Case: “Ethics of Offshore Clinical Testing”

Discussion Case: As CEO of your company you must decide whether to market a product that could cause cancer but is economically beneficial (as in the case of some pesticides) to a less-developed country. The death rate could increase over many years but the use of the product will result in an increase in agricultural productivity and income. It is legal to sell that product inside the less-developed country, but it is not legal to sell the same product in your own country. What should you do?

March 5: **Topical Issues: Inequality of Income; Corruption: Executive Compensation; Race to the Bottom**

**The following articles can be accessed at:
<https://goo.gl/W6S37X>**

Economist: “Capitalism and Inequality” (Oct. 13, 2012)

John Cassidy: “Pope Francis’s Challenge to Global Capitalism”
 The New Yorker, Dec. 3, 2013

Thomas Donaldson: “Values in Tension”: HBR (Sept.-Oct. 1996)

Bodrick: “The Shakedown” (Harvard Business School Case Study)

Case: “Boycott the Baby Killers,” Crane & Matten, 3rd edition

Transparency International Corruption Perception Index 2016

(look it up on Google)

in Three NYT articles on Executive Compensation (see Articles Link site above)

Four NYT articles on garment manufacturing in Bangladesh exemplifying concept of “Race to the Bottom”. (see Articles link in site above)

March 7: Presentations

March 12: Final Examination

Faculty Information:

Professor Samson has a B.A. in Economics from the University of Illinois, an M.A. in Economic Development from the East-West Center of the University of Hawaii, a Ph.D. in Political Science from the University of California-Berkeley, and a J.D. from the University of San Francisco.

He has been professor at Lincoln University since 2001 and has taught Business Ethics at Lincoln University for the past eight years.

He is Chairman of the Board of Trustees at Lincoln University.

He is a practicing attorney in San Francisco.

Syllabus Updated:

January 2018

Appendix. Program and Institutional Learning Outcomes.

Institutional Learning Outcomes (ILOs)	
<i>MBA Graduates of Lincoln University should be able to:</i>	
1b	Recognize and be able to work with the components of reasoning and problem solving; understand concepts, assumptions, purpose, conclusions, implications, consequences, objections from alternative viewpoints, and frame of reference.
2b	Gather and assess relevant information, using abstract ideas to interpret it effectively; to develop well-reasoned conclusions and solutions, and test them against relevant criteria and standards
3b	Be exemplary business professionals and try to ensure that the products of their efforts will be used in socially responsible ways, will meet social needs, and will avoid harmful effects to health and welfare
4b	Lead by example in order to create highly collaborative organizational environment, and be able to develop and use strategies to encourage employees at all organizational levels to do the same.
5b	Set goals and have a vision of the future. The vision should be owned throughout the organization. As effective leaders, they should habitually pick priorities stemming from their basic values.
6b	Continually look for, develop, and offer new or improved services, and be able to use original approaches when dealing with problems in the workplace.
7b	Demonstrate fluency in the use of tools, technologies and methods in the field. They should know how to evaluate, clarify and frame complex questions or challenges using perspectives and scholarship from the business discipline.

Program Level Outcomes (PLOs)	
<i>Students graduating our MBA program will be able to:</i>	
1	Develop and exhibit applied and theoretical knowledge in the field of management and business administration
2	Use theoretical knowledge and advanced problem-solving skills to formulate solutions and identify risks in the following fields: international business, finance management, general business, human resources management, management information systems, marketing management
3	Communicate within a highly specialist environment that allows the presentation of critiques of complex strategic matters
4	Demonstrate autonomy, creativity, and responsibility for managing professional practices
5	Demonstrate leadership and set strategic objectives for team performance
6	Identify ethical issues/problems in business organizations and reach decisions within ethical framework

Institutional Learning Outcomes (ILOs)	
<i>A Graduates of Lincoln University MS Program should be able to</i>	
1	Recognize and be able to work with the components of reasoning and problem solving; understanding concepts, assumptions, purpose, conclusions, implications, consequences, objections from alternative viewpoints, and frame of reference.
2	Gather and assess relevant information, using abstract ideas to interpret it effectively; being able to develop well-reasoned conclusions and solutions, and testing them against relevant criteria and standards
3	Be exemplary business professionals and try to ensure that the products of their efforts will be used in socially responsible ways, will meet social needs, and will avoid harmful effects to health and welfare
4	Lead by example in order to create highly collaborative organizational environment, and be able to develop and use strategies to encourage employees at all organizational levels to do the same.
5	Set goals and have a vision of the future. The vision should be owned throughout the organization. As effective leaders, they should habitually pick priorities stemming from their basic values.
6	Continually look for, develop, and offer new or improved services, and be able to use original approaches when dealing with problems in the workplace.
7	Demonstrate fluency in the use of tools, technologies and methods in the field. They should know how to evaluate, clarify and frame complex questions or challenges using perspectives and scholarship from the business discipline.

Program Level Outcomes (PLOs)	
<i>Students graduating our MS in International Business program will be able to:</i>	
1	Demonstrate expert-level understanding of the aspects of international business
2	Exhibit deep knowledge of international dimensions of business functioning, including marketing, finance, management, operations, accounting, and entrepreneurship
3	Recognize business problems and provide creative solutions. Integrate theory and practice for strategic analysis in the field of international business.
4	Apply quantitative and qualitative methods of analysis to business situations in a complex global business environment
5	Develop and exhibit effective communication skills for relevant international audiences.
6	Work effectively with a team of international colleagues on diverse projects
7	Identify and analyze the ethical obligations and responsibilities in the field of international business

Institutional Learning Outcomes (ILOs)	
<i>DBA Graduates of Lincoln University should be able to:</i>	
1c	Incorporate various modes of thinking, among them: scientific thinking, mathematical thinking, historical thinking, anthropological thinking, economic thinking, and moral thinking.
2c	Operate within alternative systems of thought, recognizing and assessing the needs, with related assumptions, implications, and practical consequences; and being able to communicate results effectively with others in figuring out solutions to complex problems
3c	as exemplary business professionals, minimize the possibility of indirectly harming others by following accepted standards at local, national or international levels; to be able to assess the likelihood and physical and social consequences of any developed product's harm to others.
4c	Integrate collaboration into organizational workflows, create a supportive environment for collaboration and teamwork, and lead by example.
5c	Have perseverance to accomplish a goal despite potential obstacles, use sound judgments to make decisions at a right time, and make timely appropriate changes in thinking, plans, and methods in achieving organizational goals.
6c	Set up realistic goals for the organization, encourage innovative strategies, and convey a clear sense of future direction to employees.
7c	Formulate and arrange ideas, designs, or techniques, and apply them to specific issues and problems. They should be able to apply current research, scholarship and or/techniques in the field.

Program Level Outcomes (PLOs)	
<i>Students graduating our DBA program will be able to:</i>	
1	Demonstrate advanced knowledge and competence in the latest academic theories, concepts, and techniques in the field of business administration.
2	Demonstrate effective research skills including formulation of research problem; integration of previous literature into an appropriate literature review; design of a research study; data analysis; and summary and presentation of results.
3	Create and present advanced forms of oral and written communications, including teaching and advising.
4	Generate, evaluate and assess the ethical obligations and responsibilities of business for the purpose of responsible management.
5	Apply the knowledge from the area of specialization and provide consulting to other business industries or other fields.

APPENDIX B. CLASSIFICATION OF LU CURRICULUM COURSES:

Code	Classification	Description
Courses 300 level w/o graduate prerequisites	Mastery 1 (M1)	Mastery 1 courses introduce graduate level concepts and ideas in a specific field of study and provide an opportunity to initiate the development of graduate level competences.
Courses 300 level with graduate prerequisites	Mastery 2 (M2)	Mastery 2 courses build upon students' execution of Mastery 1 learning outcomes and allow for further development of students' mastery of concepts, ideas, and competences in the specific field of study.
Courses 398, 399	Mastery 2 / Assessment (M2A)	Mastery 2/Assessment courses are structured to provide opportunity to assess students' achievements of set program learning outcomes.
Courses 400 level	Mastery 2 / Research (M2R)	Mastery 2/Research courses employ individual research project to deepen students' understanding of the subject developed in lower level courses and to equip students with knowledge and skills required by MS and DBA degree programs.
Courses 500 level	Doctorate Assessment (DA)	Doctoral Assessment courses are doctorate level seminars and research activities fostering the highest level of professional expertise by providing continuous assessment and development of students' ideas and analytical skills in the context of the doctorate program.