# UNIVERSITY OF REDLANDS SCHOOL OF BUSINESS

## MGMT 667: BUSINESS, ETHICS AND SOCIETY

(MBA and MAM, 4 credits)

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I have been teaching at University of Redlands since 1991 in the school of business -- the undergraduate and graduate MBA and Masters of Arts in Management program (MAM). My doctorate is in clinical psychology and I am an interdisciplinary thinker—enjoying the synthesis of philosophy, sociology and psychology to theorize about the science of human behavior. I'm also an adjunct at Southern California University of Health Sciences where I teach undergraduate psychology courses to nursing, pre-med and related health science majors. I am the director of Founders Outreach, a nonprofit agency providing psychosocial/psychiatric rehabilitation services to mentally ill residents at a community residential care program called Founders House of Hope. In addition, I am the director of The Levy Launch, a center providing corporate education/training, management development, lifelong learning and start-up support to nonprofit agencies. I have written two books: one on intercultural awareness titled You, Me and Them in addition to a book of poetry titled Crisis in Meaning, and edited an anthology of poetry written by individuals living with mental illness; and with a colleague, directed/produced a documentary on mental illness titled Beyond the Shadow of Mental Illness and a documentary on my Veterans Legacy Project group that I've been facilitating for 14 years. If you anticipate being absent from class, please make arrangements to contact me to submit assignments.

Course Dates: Monday ----→ October 27 November 3, 10, 17, 24 December 1, 8, 15

## CATALOG DESCRIPTION

MGMT 667 (4 Credits): Examination of the ethical, legal and social environment of business and its impact on managerial decision making.

#### **COURSE OVERVIEW**

The MBA program is designed to provide students with advanced managerial abilities and leadership skills. These skills include an understanding of the broader social environment in which business operates as well as the ethical and legal responsibilities that managers owe to a variety of corporate constituencies, including employees, suppliers, customers, local communities, and investors. To serve these objectives, this course will examine issues such as corporate social responsibility, employee rights and duties, confidentiality, conflicts of interest, trust and honesty, acceptable consumer risks, environmental protection, organizational leadership, and the ethical dimensions of global commerce. Students will learn to engage in theoretically informed discussions and develop an awareness of how to identify and respond to ethical, legal and social challenges facing business managers.

#### LEARNING OBJECTIVES

Upon successful completion of the course each student will be able to:

- · understand and critically discuss relevant readings from the course's primary and secondary texts
- apply traditionally recognized ethical concepts, principles, and theories
- identify and analyze the ethical and legal dimensions of business activity
- generate effective managerial decisions that integrate ethical concepts, principles, and theories
- evaluate the interaction of business with local, national and international communities as well as the ethical challenges raised by such interaction
- improve written communication, oral communication and argumentation skills

#### **MAJOR TOPICS**

- Ethical Theory and Ethical Decision Making
- Legal and Regulatory Environment of Business
- Trust, Confidentiality, and Information Management
- Corporate Social and Environmental Responsibilities
- Employer and Employee Rights and Responsibilities
- Ethical Issues in Marketing
- Ethical Dimensions of International Business
- Organizational Leadership
- Ethical Guidelines for Practicing Globalization

#### REQUIRED SOFTWARE FOR MAM STUDENTS ONLY

The MA in Management program requires that all students purchase Taskstream software which will be used throughout your program for assessment and feedback purposes. The cost for two (2) years is \$69.00. To establish your Taskstream account, go to <a href="https://www.Taskstream.com">www.Taskstream.com</a>.

### **REQUIRED TEXTS**

Donaldson, T., & Werhane, P. (2008). Ethical Issues in Business: A philosophical approach. (8<sup>th</sup> ed.). Prentice Hall. ISBN: 0131846191 (abbreviated EIB)

Collection of articles and cases available electronically through Moodle (abbreviated MOOD)

Materials regarding the American Psychological Association's (APA) style guide and suggestions for writing essays are offered by:

Indiana University's Writing Tutorial Center at <a href="http://www.indiana.edu/~wts/pamphlets.shtml">http://www.indiana.edu/~wts/pamphlets.shtml</a>

Douglas Degelman at <a href="http://www.vanguard.edu/faculty/ddegelman/index.aspx?doc\_id=796">http://www.vanguard.edu/faculty/ddegelman/index.aspx?doc\_id=796</a>.

### **ASSIGNMENTS**

The course will be comprised lectures, large and small group discussions, written case study evaluations and student presentations. It is expected that all students will come class having read the assigned material and are prepared to ask questions as well as address issues raised by the students and the instructor.

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## Reflection Assignment (DUE SESSION I)

In a short paper of 3 pages (double spaced, 12 pt font, 1 inch margins) address the following topic:

Taking into consideration all of the facts and circumstances presented in the case study assigned for Session I, does Dr. Ray Vagelos or Merck & Co have a responsibility to pursue R&D for a human version of Ivermectin, the drug to combat River Blindness? Why or why not? Provide a well-reasoned defense of your answer by making reference to the relevant pieces of specific information provided in the text. Be sure to identify which (if any) ethical values or principles that you think are relevant to your answer. Your work will be evaluated on its clarity, organization, quality of reasoning and effective use of the assigned course materials to support your answer.

## Preparation and Participation

The completion of reading assignments and participation in class discussion is critical to the learning process. From time to time I will gauge student preparation and participation in various ways: small group discussion projects, brief presentations, attendance, replies to instructor questions, informal organized debates and, if need be, quizzes.

#### Online Discussions

There will be four graded online discussions during the term. For these assignments you will be asked to provide a written response to a specific question posed by the instructor AND a brief reply to a response by one of your peers. The monitored discussions will take place through Moodle.

## Analytic Essays (two)

Each student will be asked to write two short (approximately 4 pages, double spaced, 12 pt font, 1 inch margins) essay in response to a question posed by the instructor. The question will require the student to critically engage one of the reading assignments. It will be evaluated on its clarity, attention to textual detail, demonstrated understanding of the author's position, and quality of analysis.

## Case Study Analysis

This written assignment (approximately 6 pages, double spaced, 12 pt font, 1 inch margins) constitutes evidence of your understanding of the concepts presented in the readings. It requires an organized, concise, coherent, and argumentatively sound response to a question addressing an assigned case study. Application of the concepts presented in the course is essential. Your analysis will be evaluated using the above criteria and it is expected that it demonstrate attention to detail and proper use of language. Use the APA Style Method when composing your paper.

## Term Paper

This paper affords you the opportunity to apply the concepts, principles, and themes from the course. For your term paper you may critically examine an ethical issue facing your organization or industry. You should consider what ethical issues your organization and/or industry faces as well as any ethically significant actions that have been taken. Assess the strengths and weaknesses of your organization and/or industry relative to the standards considered during the course. Make recommendations for changes within your organization which would reflect a more ethical and socially responsible approach to the issue. Alternatively, you may write a paper that considers a contemporary ethical issue of particular interest to you that may or may not be related to your organization or industry. Examples for such a project include, but are not limited to, human resource management, downsizing, affirmative action, managing

conflicts of interest, consumer privacy in e-commerce, or the outsourcing of labor to foreign countries. The paper should be approximately 12 pages in length (double spaced, 12 pt font, 1 inch margins). Additional research is expected (at least 5 sources from a combination of monographs, referred journals and/or publications from professional organizations) and a bibliography of the sources utilized should be attached. This paper will be evaluated with respect to its clarity, organization, use of course materials, documentation provided by outside research, quality of argumentation and proper use of language. Please use the APA Style Method when composing your paper.

## Term Paper Prospectus

Three weeks before the final Term Paper is due, students are asked to submit a prospectus outlining the theme and related problems to be addressed in his/her final term paper. This prospectus should be approximately three pages in length and identify the organization or industry to be profiled in the term paper, the ethical problems to be examined in relation to this profile and a preliminary identification of some course and/or research materials that will be helpful in an analysis of the ethical problems. Approximately one page of the prospectus should be a reference list of books, peer reviewed articles, news stories or publications from professional organizations relevant to the term paper.

#### **GRADE WEIGHTINGS**

ASSIGNMENT	WEIGHT	SESSION DUE
Reflection Assignment	5%	1
4 Online Discussions	10%	2, 3, 8, 7
Preparation and Participation	10%	Weekly
Case Study Analysis	20%	6
Term Paper Prospectus	5%	5
Term Paper	30%	8
Analytic Essays	20% (10% each)	2, 4
TOTAL	100%	

#### **GRADING STANDARDS**

Your final grade will be computed based on the total points you receive as a percentage of the total points possible. The point value for each assignment will reflect the relative weight outlined above.

The chart below shows the equivalencies for a given letter grade, its numeric value, and its percentage range. Unless there is compelling reason to do so, I will not deviate from these equivalencies.

4.0	=	Α	=	94-100
3.7	=	A-	=	90-93
3.3	=	B+	=	87-89
3.0	=	В	=	83-86
2.7	=	B-	=	80-82
2.3	=	C+	=	77-79
2.0	=	С	=	73-76
1.7	=	C-	=	70-72
1.3	=	D+	=	67-69
1.0	=	D	=	63-66
0.7	=	D-	=	60-62
0.0	=	F	=	0-59

The criteria for numeric grades set forth in the University of Redlands Catalog are as follows:

4.0 or 3.7

(A): Outstanding. The student displayed exceptional grasp of the material, frequently with evidence of intellectual insight and original thought.

3.3 or 3.0

(B): Excellent. Work demonstrated a thorough grasp of the material with occasional errors and omissions.

Assignments were thoroughly and completely done, with careful attention to detail and clarity and with evidence of intellectual insight.

2.7, 2.3, or 2.0

(B-, C): Acceptable. The quality of work was acceptable, meeting minimal course standards, but was not exceptional. Performance on examinations and other assignments was satisfactory and demonstrated that the student was keeping up with the material and attending to detail.

Graduate students will not receive credit for a course awarded a grade of 1.7 or below. A cumulative grade point average below 3.0 is not sufficient for good standing in graduate programs.

(C-, D, F) 1.7, 1.3, 1.0, 0.7. 0.0 Unacceptable for graduate credit.

Grade of "Incomplete"

An "incomplete" is not given for poor or neglected work. A grade of "incomplete" is to be granted only for very special reasons. The granting of an incomplete grade should occur only after a discussion between faculty and student, initiated by the student. The decision of whether or not to grant an incomplete is dependent on an emergency situation which prevents the student from completing (on time) the work necessary for the course. An incomplete grade will be converted to a permanent grade within eight weeks from the last night of the course. This means that the instructor must turn in the grade to the Registrar no later than the eighth week. Any incomplete work must be submitted to the instructor with enough lead time for the instructor to evaluate the work and issue a grade change.

Policy for Cell Phones and Laptops in the Classroom

Cell phones will be off or on vibrate during all class sessions (excluding the dinner break) to avoid distractions. Students should refrain from making or taking non-critical personal or business cell phone calls during class sessions. If a phone call must be taken, the student will exit the classroom.

If you wish to use your laptop in class, you must sit in the front of the class and it is limited to taking notes related to the lecture or class discussions and/or researching material directly requested by the instructor. Students will not use cell phones and/or laptops to surf the web, play games, read or generate personal or business email, or text others in class or outside of class for any reason during class time. If I see you texting or doing other things with your cellphone, in class I will take your phone away and return it to you during the break – and you will return the phone to me after break until class ends.

## Disability Services

A student with a documented disability who wishes to request an accommodation should contact the School of Business Director of Student Services at (909) 748-8743 or SBStudentServices@redlands.edu for assistance.

## **ACADEMIC HONESTY**

The University of Redlands Policy on Academic Honesty will be strictly adhered to and applied. The Procedures for Addressing Academic Honesty are set forth in the University of Redlands Catalog. It is expected that all students read and understand the Policy and the provisions outlined in the Catalog.

The highest standards of academic conduct are required. This is particularly true for the proper citation of course and research material in all written assignments. If you did not actually collect the data or independently arrive at the idea presented, then a proper citation <u>must</u> be used. Citations (in the form of parenthetical citations, endnotes or footnotes) must be used for quoted or paraphrased text and any time you borrow an idea from an author, the instructor, or your peers. Using someone else's sentence or organizational structure, pattern of argument and word choice, even if not exactly similar in every respect, warrants citation. It is the student's responsibility to make sure that their citations and quotation marks unambiguously highlight the ideas, words, sentences, and arguments that they borrow from other sources. Paraphrasing is not simply changing one or two words in a sentence; it completely reconstructs someone else's idea in your own words. Paraphrased sentences from other sources must be followed by a citation. Sentences in a student's paper that are almost exactly the same as an outside source but do not have quotation marks will be considered instances of plagiarism. For guidelines on appropriate citation, quotation, paraphrasing, and plagiarism, see materials provided by the Indiana University's Writing Tutorial Center at <a href="http://www.indiana.edu/~wts/pamphlets/plagiarism.shtml">https://www.indiana.edu/~wts/pamphlets/plagiarism.shtml</a> or by the Purdue Online Writing Lab (OWL) at <a href="https://www.indiana.edu/owl/resource/589/01/">https://www.indiana.edu/owl/resource/589/01/</a>

Discussion with the instructor and your peers is encouraged before the composition of written work; however, all written work, unless specified by the instructor, is to reflect independent composition and revision. Students working on group or collaborative assignments are expected to contribute equally to all tasks necessary for completion of the assignment.

Students are expected to follow all written and verbal instructions provided by the instructor with regard to written assignments, quizzes and/or exams. In addition to plagiarism, other impermissible academic behavior includes, but is not limited to, collaboration without instructor consent, falsifying research data, illicit possession of exams, using study aids during exams, unauthorized communication about an assignment or exam, handing in others' work as your own, reusing assignments or papers from other courses, and impeding equal access to educational resources by other students.

Time constraints, the demands of work and family, failing to read the University's Policy on Academic Honesty, unintentional or negligent misuse of sources, or a lack of preparation do not excuse academic dishonesty or otherwise mitigate the appropriate penalty. Penalty for a first offense is at the discretion of the instructor; however, failure of the assignment is assured and failure of the course should be expected.

If a student is uncertain about appropriate methods of citation or has a question about the academic honesty policy, it is their responsibility to seek guidance from the instructor, a University official, or another reputable source.

## **Armacost Library Services**

The University of Redlands Armacost Library has a faculty and staff of knowledgeable experts available to assist you with your research needs. Whether you are searching for an assigned article, performing intensive research on a given topic, or simply interested in reading the latest issue of the Wall Street Journal online, your librarian can help. Janelle Julagay, Librarian for Business Studies, can be reached via email at <a href="mailto:julagay@redlands.edu">julagay@redlands.edu</a> or by phone at (909)748-8083 with questions pertaining to the research process and access to and use of library materials. Please visit library.redlands.edu/business in order to view the most commonly used resources for business students and faculty here at Redlands, all available to you through the use of your myRedlands ID (firstname\_lastname only) and password (same as Moodle and webmail, case-sensitive).

#### CODE OF STUDENT CONDUCT

At the time of new-student orientation, all School of Business students were directed to read the University's Code of Student Conduct on the University's website. If you need access to the Code of Student Conduct at this time, please click on this link: <a href="http://www.redlands.edu/docs/URSB/CodeofStudentConduct\_Revised5222014.pdf">http://www.redlands.edu/docs/URSB/CodeofStudentConduct\_Revised5222014.pdf</a>.

### **COURSE TIME REQUIREMENTS**

Each 4-credit (Carnegie Unit) graduate course is the equivalent of 135 hours. In an 8-week accelerated course, that is equivalent to 22.5 hours per week. Since you will spend 4 hours each week in class, the course has been designed with the expectation that your homework will be approximately 18 hours per week. Although the amount of time that you spend studying may depend upon the subject matter, a student should expect to spend an average of 18 hours each week.

#### **COURSE SCHEDULE**

Complete the following readings in the order that they are listed.

EIB refers to the book for the course.

October 27 — The Relationship of Ethics to Business

Be prepared to discuss the following:

Case: Merck & Co., Inc., EIB, pp. 250-255

John Locke, "The Justification of Private Property," EIB, pp. 158-162

Adam Smith, "Benefits of the Profit Motive," EIB, pp. 163-167

Amartya Sen, "Does Business Ethics Make Economic Sense?" EIB, pp. 256-63

From Writing Analytically: be prepared to discuss Ch. 1 and 2

Be prepared to discuss all the material posted on Moodle by the instructor

REFLECTION ASSIGNMENT DUE

PARTICIPATION ASSIGNMENT IN CLASS

Be prepared to discuss the following:

Case: The Enron Collapse, EIB, pp. 294-316

Albert Carr, "Is Business Bluffing Ethical?" EIB, pp. 136-142 Case: Cynthia Cooper and WorldCom, EIB, pp. 101-109

George Brenkert, "Trust, Morality and International Business," EIB, pp. 115-127

From Writing Analytically: be prepared to discuss Ch. 4 and 5

Be prepared to discuss all the material posted on Moodle by the instructor

ANALYTIC ESSAY 1 DUE

ONLINE DISCUSSION #1 DUE BY 11pm DAY BEFORE CLASS

November 10 — Ethical Decision Making: Theoretical Frameworks

Be prepared to discuss the following:

Norman Bowie, "A Kantian Approach to Business Ethics," EIB, pp. 56-65 Robert Solomon, "Corporate Roles, Personal Virtues," EIB, pp. 66-77 Andrew Gustafson, "Utilitarianism and Business Ethics," EIB, pp. 78-88 John McVea, "Ethics and Pragmatism," EIB, pp. 89-100

From Writing Analytically: be prepared to discuss Ch. 6 and 7

Be prepared to discuss all the material posted on Moodle by the instructor

ONLINE DISCUSSION #2 DUE BY 11pm DAY BEFORE CLASS PARTICIPATION ASSIGNMENT IN CLASS

November 17 — Ethical Decision Making: Legal and Organizational Frameworks

Be prepared to discuss the following:

Case: Parable of the Sadhu, EIB, pp. 287-293

Robert Jackall, "Moral Mazes: Bureaucracy and Managerial Work," EIB, pp. 317-333 Lynn Sharpe Paine, "Managing for Organizational Integrity," EIB, pp. 274-286 Legislative Summary of Sarbanes-Oxley Act of 2002, EIB, pp. 348-355 John Coffee, "Limited Options," EIB, pp. 356-362

From Writing Analytically: be prepared to discuss Ch. 8 and 9

Be prepared to discuss all the material posted on Moodle by the instructor

**ANALYTIC ESSAY 2 DUE** 

PARTICIPATION ASSIGNMENT IN CLASS

## November 24 — Corporate Social Responsibility

Be prepared to discuss the following:

Milton Friedman, "Social Responsibility of Business is to Increase Profits," EIB, pp. 33-7 Clarkson Centre for Business Ethics, "Principles for Stakeholder Management," MOOD Archie Carroll, "The Pyramid of Corporate Social Responsibility," MOOD

From Writing Analytically: Be prepared to discuss Ch. 10 and 11

Be prepared to discuss all the material posted on Moodle by the instructor

PROSPECTUS FOR TERM PAPER DUE PARTICIPATION ASSIGNMENT IN CLASS

December 1 —Ethical and Legal Issues in Employment

Be prepared to discuss the following:

Karl Marx, "Alienated Labor," EIB, pp. 167-172 Case: United Wins Approval, EIB, pp. 363-365 Case: Unkept Promises, EIB, pp. 365-368

Radin and Werhane, "Employment at Will, Employee Rights and Future Directions," EIB, pp. 378-87

Jeffrey Pfeffer, "People, Profits and Perspective," EIB, pp. 398-408

Case: Foreign Assignment, EIB, pp. 409-411

Be prepared to discuss all the material posted on Moodle by the instructor

CASE STUDY ANALYSIS DUE

December 8 — Ethical and Legal Issues in Marketing and the Natural Environment

Be prepared to discuss the following:

Case: H.B. Fuller in Honduras, EIB, pp. 21-33

Case: Fingerhut's Pricing Strategy, EIB, pp. 491-504

Case: ExxonMobil and Chad, EIB, pp. 513-531

Julian Simon, "Scarcity or Abundance," EIB, pp. 532-542

Amory Lovins and Paul Hawken, "A Roadmap for Natural Capitalism," EBSCO Business Source Elite

Be prepared to discuss all the material posted on Moodle by the instructor

ONLINE DISCUSSION #3 DUE BY 11pm DAY BEFORE CLASS

## December 15 — Ethics and International Business

Be prepared to discuss the following:

James Rachels, "The Challenge of Cultural Relativism," EIB, pp. 438-448

Thomas Donaldson, "Values in Tension: Ethics Away From Home," EIB, pp. 476-486

Case: Global Profits, Global Headaches, EIB, pp. 565-570

lan Maitland, "The Great Non-Debate Over International Sweatshops," EIB, pp. 584-597

Be prepared to discuss all the material posted on Moodle by the instructor

ONLINE DISCUSSION #4 DUE BY 11pm DAY BEFORE CLASS TERM PAPER DUE