

LINCOLN UNIVERSITY
BUSINESS ADMINISTRATION 309: ETHICS OF BUSINESS MANAGEMENT

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Course Description

The course is an advanced review of ethical theories and values 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)

Introduction

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 circumvent bureaucratic regulations? What's wrong with large executive bonuses after company losses? What's wrong with exchanging a promotion for sexual favors? What's wrong with giving expensive gifts to get a contract? Why should you refuse expensive gifts from a company which wants your company's business? What's wrong with hiring your relatives even if they are not as well qualified as another job candidate? What's wrong with using insider knowledge to buy or sell a 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 both increase your company's profit and provide employment to benefit the unemployed parents of the children? Should you report on the management of your own company if you know they are hiding or covering up hazardous chemicals and if it may result in your losing your own job?? What's wrong with using your own company's economic power to lower prices in order to drive a competitor out of business? What's wrong with deregulation with minimum governmental oversight? What's wrong with setting up a secret overseas bank account?

Required Readings

Crane & Matten: "Businewss Ethics" (3rd edition, Oxford University Press, 2010, ISBN: 978-0-19-956433-0)

Numerous articles and cases on domestic and international business ethics which will be e-mailed to each student or will be held in the library available for copying.

Purpose of Course

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, bribery and corruption, corporate dishonesty, corporate social responsibility, global ethics, codes of conduct, managing ethics globally, responsibility for foreign contractors, business ethics in America, Europe, China, Japan, and Islamic countries, the problems and possibilities of developing a global code of ethics, and whether multinational corporation can act in a socially responsible manner.

Course Objectives

Business ethics is an important part of the education of every executive and decision-maker. This course will hopefully provide a framework within which to:

1. Consider ethics in relation to social responsibility,
2. Define values, ethics and ethical leadership and relate these terms to different situations and different types of organizations.
3. Describe the stakeholder model in relation to potential ethical situations that concern honesty and fairness, conflicts of interest, and fraud.
4. Compare American ethical business values with those found in other international cultures.
5. Consider issues of business ethics as it relates to a global economy.
6. Consider Corporate Social Responsibility and Socially Responsible Investing
6. Within the framework of case studies, discuss important ethical problems that have beset large corporations such as Google, IKEA, Nike, Exxon, Pepsi, WalMart, Shell, GlaxoSmithKline, and others.

Grading Standards

Grades will be based on the following allocation:

Mid-term examination	: 30 per cent
Final examination	: 40 per cent
Project Presentation	: 10 per cent
Attendance	: 10 per cent
Case Studies Interpretation	: 10 per cent

Course Calendar and Assignments

The assigned material for each date should be read before the class. Class participation on the material and cases is expected.

Date **Assignments**

Jan. 19: The international award-winning movie “The Corporation” will be shown.

Jan. 24: Chapter 1.

“Google, Inc., in China (condensed),” *Business Roundtable: Institute for Corporate Ethics*, Case BRI-1005 (in library)
Discussion on Google in China

Jan. 26: Chapter 2

Jan. 31: Chapter 6

Feb.2: Case Studies: Personal Decisions

Feb. 9:Chapter 7

Discussion on “Whistle-Blowing”

Feb. 14: Chapter 8

Feb.16: Mid-term: Case studies

Feb. 23: Chapter 9

Feb. 28: Case Studies on Corruption, Labor Practices of Nike, Ethics of Pharmaceutical Pricing of Aids Drugs, Investment in Dictatorships (case studies problems and articles will be e-mailed to students in time for class team discussion)

“Hitting the Wall: Nike and International Labor Practices,” *Harvard Business School*, MI-700-047.

“The Shakedown,” *Harvard Business Review*

“Do More, Feel Better, Live Longer but only in You can Afford It: MSF and Oxfam vs. GlaxoSmithKline,” (case study)

“Big Pharma and AIDS: Act II,” *Multinational Monitor*, March/April 2007

Discussion: “Does Nestle Kill Babies?”

March 2: Chapters 10 and 11

March 9: Project Presentations

March 14: Final Examination

Revised: 2/2/2011