INTRODUCTION TO BUSINESS ETHICS (BAET 20300 / 01 + 02)

Fall 2012

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Credit for course: one (1) hour. Class meets on Monday, Wednesday, and Friday of the first third of the semester: August 22 through September 21 Section 01 at 09:35-10:25 am, Section 02 at 10:40 am-11:30 am in Room 121 MCOB.

1. Course Overview

In this course business ethics is understood in a comprehensive and differentiated sense, as it has evolved in recent years under the influence of globalization. Accordingly, its fundamental task is to enhance the ethical quality of decision making and taking action at all levels of business: at the personal (micro-), organizational (meso-), and systemic (macro-) levels, thus extending far beyond the narrow notion of business ethics as a niche for managers with good intentions.

This task involves three main objectives:

1. Ethical Awareness:
   To explore the ethical dimension of business, which is implied, though often not revealed, in both the practice and the study of business. If this dimension is not perceived, understood and recognized, ethics cannot become a proactive factor for business.

2. Ethical Knowledge:
   To identify key ethical concepts and understanding different ethical standards and major moral theories. In our “age of moral confusion,” clarifying complex ethical problems and understanding different and often opposing viewpoints are essential for both fruitful ethical dialogue and sound moral judgment in difficult cases.

3. Ethical Judgment:
   To improve skills of moral reasoning and ethical decision making. Business ethics should not content itself with “understanding the complexities of the world,” but should orient itself toward decision making and action, which is the basic purpose of ethics. Therefore, in addition to ethical awareness and ethical knowledge, ethical reasoning and judgment are indispensable for “good” decision making.

At the successful completion of this course,

• you will be more aware of the role ethics can and does play in business life and in your studies of business disciplines;
• you will be better equipped and more able to clarify complex ethical problems and engage in an ethical dialogue;
• and your skills of moral reasoning and ethical decision making will be improved.
2. Required Texts

- Course packet (CP) is accessible on Concourse.

3. Course Content and Style

The course work will consist of readings, large/small group discussions, lectures by the regular instructor and guest speakers. The course will be conducted in seminar style. This means that there will be a good deal of emphasis on discussion. Class discussion will aid students in interpreting materials and assessing their own value systems. Such discussion is meant to encourage students to listen carefully to gain an understanding of the ethical values and positions of others while helping them to articulate clearly their own ethical points of view. Lectures are designed to provide focus and structure to the various discussions and to aid to interpret the more difficult materials.

4. Course Requirements

There will be three written assignments and a final exam. The final grade will be computed on the basis of class participation (20%), two short cases (15%), the lecture paper (15%), group assignment (15%) and the final exam (35%).

*Attendance and participation:* In a seminar-style course such as this one, presence and participation become extremely important. Make-up work is almost impossible because you missed your colleagues' whole discussion. Come prepared and ready for the discussion. Few sessions are more *boring* than those in which only a few students are prepared. Your professor and your colleagues value your input.

*Short cases:* This assignment includes the written analysis of two cases in EthicsGame.

*Lecture paper:* The 2012 Berges Lecture Series will have two lectures during the first five weeks of the semester: on August 29 and September 10. The assignment is to attend both lectures and to write a paper of approximately two pages (800 words, with word count) on one of them. On the first page, you report on two or three important issues you select from the speech (like a journalist who wants to inform the readers about these issues in an objective way). On the second page, you share your personal reflections on those issues (like the editorial comment in a newspaper) and link them to our course: For instance, what concepts and theoretical approaches discussed in the course were used in the talk? How do the contents of the lecture relate to business ethics?

You are expected to attend both lectures (sign-in sheets will be available in the evening). You can wait until the second lecture to decide on which one you want to write your paper. Yet, the sooner you complete this assignment, the less you have to worry about it. The paper is due by September 17.

You may also attend the third lecture on September 18 and write a paper on it for extra credit. This paper must be turned in six days after the lecture (September 24).

*Group assignment:* The session “Medtronic Inc. – A Wealth Creating Company in a Developed Country” on September 12 will be prepared in groups. Instructions will be given on September 5.

*Essay exam:* It covers the whole course and takes place in the morning of September 21.

*Honor code reminder:* Pledge: “As a member of the Notre Dame Community, I will not participate in or tolerate academic dishonesty.”
The honor code affects this class as follows: (1) Students are expected to complete the exam independently, without aid from notes or other students; (2) Within groups, each student is expected to actively participate in preparing a solution to the assignment(s); (3) At the beginning of each class, students are expected to sign an attendance sheet. Signing another student’s name as attending when that student is not in attendance, is a violation of the honor code. See Student Guide to the Academic Code of Honor at www.nd.edu/~hnrcode.

*Grade scale* for written assignments: 1-5 with 5 = A

5: Includes textbook information; includes your own analysis and conclusions; ethics discussed; typewritten; no grammatical errors or typos.
4: Relatively clear answers; ethics discussed; no analysis; typewritten; 1-2 grammatical errors or typos.
3: No analysis; ethics not discussed; handwritten; numerous errors.
2: Poor quality; handwritten; numerous errors.
1: Failure to turn in homework.

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5. Course Schedule

**August 22 - Introduction and Overview – Globalization and Sustainability**

Readings:  
A. Crane/D. Matten: Globalization – a key context of business ethics? (CP)  
A. Crane/D. Matten: Sustainability – a key goal for business ethics? (CP)

**August 24 – Freedom and Responsibility – Why Study Ethics?**

Readings:  
V. Frankl: Man’s search of meaning (CP)  
J. DesJardins: Why Study Ethics? (CR chapter 1)

**August 27 – Ethical Theory and Business**

Reading:  
J. DesJardins: Ethical Theory and Business (CR chapter 2)

**August 29 – Methodology for Case Analysis**

Reading:  
R. Audi: A framework for making ethical decisions + short cases (CP)

**August 29 – 7:00 pm: Berges Lecture Series: “Built on Values” – DeBartolo Room 141**

Speaker: Ann Rhoades, President of People Link

**August 31 – Self-Awareness of Values**

Exercises:  
Ethical Lens Inventory (online) + short cases (CP)

**September 3 – EthicsGame: Two Cases**

Exercises:  
Simulations (online)
September 5 – The Meaning and Value of Work

Readings: J. DesJardins: The meaning and value of work (CR chapter 3)
Social enterprises and social entrepreneurs (CR chapter 3)
M. Yunus: The Micro-Credit Movement: Experiences and Perspectives (CP)

September 7 – Moral Rights in the Workplace

Readings: J. DesJardins: Moral rights in the workplace (CR chapter 4)
G. Enderle: on UN Guiding Principles on Business and Human Rights (CP)

September 10 – Employment Ethics in Business

Readings: J. DesJardins: Employee responsibilities (CR chapter 5)
Conflicts of interests in subprime mortgages and at Enron (CR chapter 5)

September 10 – 6:30 pm: Berges Lecture Series: “Shared Success: Corporate Values in Action”
in Jordan Auditorium

Speaker: James Singegal, CEO, Costco Corporation

September 12 – Medtronic, Inc. – A Wealth Creating Company in a Developed Country

Preparation in groups:
History of Medtronic as a leading ethical company
Mission and biomedical products
Employee relations
Customer relations
Financial performance
Corporate governance and leadership

September 14 – Purpose of Business: Wealth Creation

Reading: G. Enderle: A rich concept of wealth creation (CR chapter 6)

September 17 – Corporate Responsibility

Readings: R. De George: Moral responsibility: Individual and corporate (CP)
G. Enderle/L. Tavis: A balanced concept of the firm (CR chapter 7)

September 18 – 7:00 pm: Berges Lecture Series: “Leading with Values” – DeBartolo Room 141

Speaker: Lord Hastings of Scarisbrick, Global Head of Citizenship and Diversity, KPMG

September 19 – Business’s Environmental Responsibilities

Reading: J. DesJardins: Business’s environmental responsibilities (CR chapter 8)

September 21 – Essay Exam