



Business Ethics and Decision Making

BUSMHR 7610 – F1 2017

Instructor Information:

David E. Freel
Freel.8@fisher.osu.edu
Cell 614-256-4580

Course Information:

M/W
2:45- 4:15 pm
Location: Gerlach 355

Office Hours:

M/W 1-2:30 pm
& by apt.
Fisher Hall 336

Course Overview and Objectives:

Consideration and attention to business ethics continues unabated – Uber’s now well-publicized and inherent cultural leadership failures; Wells Fargo’s CEO’s inability to recognize (under oath) the unethical culture it incentivized; VW, GM, and Takata’s failure to notice and prioritize, then cover up, vehicle defects that have led to illegal environmental degradation, dozens of deaths and serious injuries; disruptive innovation practices, often knowingly targeting or disregarding rules, *some* of which have ethical stakeholder policy goals; Amazon’s incredible success in surpassing Wal-Mart, while allegedly using employee practices to identify and cull all but the highest performers; past failures in fundamental ethical decision making in leadership across enterprises, including among others, Penn State, the Air Force Academy, stakeholders during the financial crisis and recession, and innumerable banks and hedge funds.

Standing in positive contrast are corporate leaders like Fisher’s namesake, Max Fisher; enterprises such as Toms or Flor, touted for their corporate social responsibility (CSR) while maintaining long-term shareholder value; Patagonia or Jeni’s, who have chosen B-Corp certification as a corporate form to do so; and, data assessing employees and customers alike who want to work or do business with companies having higher perceived integrity, value-laden corporate cultures, or active sustainability practices – Regardless of specific examples, the challenges and opportunities in enterprise ethics continue.

This course will explore fundamental concepts and false assumptions in ethical issues facing corporate actors and business decision-making. It will explore the factors, steps, and influences that accompany making ethical business decisions and that reflect upon leadership integrity.

Course objectives using readings, cases, group presentations, and speakers are:

- Provide a basic understanding of the application of ethical concepts to corporate, not-for-profit, and entrepreneurial practices and decision-making.
- Appreciate ethical challenges presented by incentives, corporate culture, workplace technology, privacy, and transparency issues in the operation of a sustainable business enterprise.
- Explore duties to the enterprise, as well as obligations and potential conflicts of interest to corporate stakeholders, that may be confronted in ethical dilemmas.
- Engage discussion and critical examination of case histories to understand varying ethical perspectives, and explore best practices of ethical decision-making and leadership outcomes to support high integrity in business conduct while maintaining long-term shareholder value.

Course Resources:

*Unless otherwise noticed in a preceding class, all content for this course is **posted on Carmen, as described in bold italics in the syllabus.***

*I am available and happy to meet at a prescheduled, mutually convenient time to discuss any issue related to the course, its objectives, content or grading. **Do not hesitate to reach out to me** – even if you just want to talk.*

Format:

*All classes require advance preparation. Students are **expected** to have read all assigned material before class and be fully prepared to actively and informatively contribute to discussions of the materials and Q&A of speakers. Students should be prepared to be called upon in class.* Final team presentations require students to prepare outside of class as a group.*

We will incorporate cases, articles/readings, classroom discussions, lectures, presentations, and 3-4 guest speakers into the course (speaker dates may change due to unexpected schedule changes; I'll advise accordingly as soon as I am aware of changes.)

Attendance:

Because classroom discussion and interaction in examining cases, readings and speaker presentations, is crucial to our subject matter, students are expected to attend all classes.

If you are unable to do so, unless an emergency situation arises, *email notification to me is required one day in advance of class. Missed class sections will result in appropriate grade reduction (particularly with limited class sessions.)* On-time attendance is appreciated for all class sections; repeated, unexcused lateness/absences will result in a grade reduction. All efforts will be made to start and end on time.

Course Grading:

The course is graded on a 100 pt. scale based upon three elements. ***Please NOTE: grading is weighted toward analytically and critically incorporating specific takeaways and principles within your written papers and projects from among the varied class cases and articles, classroom discussions, lectures, and speakers.***

1) Contribution / Professionalism [20 points of the grade]: Of 20 points, up to 15 points will be awarded for class attendance and the quality of your contribution and discussion of materials with classmates, speakers, and me. *You will be graded on both your class attendance and the quality and professionalism of your contributions and insights.** Quality input builds upon or draws contrasts to previous discussion to move forward. *As much diversity in participation will be solicited as is possible for different perspectives, including, as necessary, **random "cold-calling."** (*For any reason, if you do not feel comfortable contributing or otherwise have challenges within class, you are required to discuss this with me during the first half of the term.)*

Because this is a class on Ethics in the business environment, there is a **high expectation** that *classmates will act professionally toward one another, will avoid inappropriate or personally-directed response, and will treat others as one would best appreciate being treated. Use of cell phones, computers, or other electronic devices during class distracts others, does not respect your peers,*

speakers, or your professor, has been demonstrated to reduce the impact and retention of educational content, and is prohibited, resulting in Contribution point reduction (the exceptions I will make are for emergencies or use directly related to in-class materials and/or **demonstrated** note-taking.)

Up to **5 points of the 20 total Contribution** score will be awarded for the quality of analysis and submission of a **current, newsworthy article** (so-called “(Ethics) News of the Day”) related to the subject matter covered in course materials. Your submission *must be emailed simultaneously to me and to your team members* by a team-assigned date, **in a formatted single ppt deck slide**:

Your “News” ppt slide will:

- 1) generally identify the news story/article event and ethical issue(s) you select;
- 2) embed an electronic link to its source for any follow-up and verification; and,
- 3) list 2-3 succinct bullet points drawn from the article that directly pertain to business or enterprise ethics and/or leadership that you wish to use to inform your classmates why you viewed the article as enlightening to our subject matter.

*I’ll further outline the required format, provide past peer examples, and due dates for the article/slide contribution in class. While you should be prepared to briefly discuss the article in class (5 min max), **your team will choose two** from among all of the team member’s articles submitted those two selected for classroom discussion (regardless of whether a “News” article is selected by any team, all will be posted in the ppt deck for that class.)*

2) Two individual papers will be due:

Both individual papers are to be 3-4 pgs, double-spaced; in unrestricted Word format. Each is due at the beginning of class; required both in an emailed copy to me at my OSU email address and a physical copy brought to class (for return comments to you). All due dates for papers are in the syllabus and on Carmen. All papers are subject to OSU’s TurnItIn and/or other authenticity checks for originality accountability.

Grading will be based upon (highest 20 pts – lowest 0):

1. **Integration and critical discussion of appropriate references to readings/class discussions in your analysis;**
2. Your answer to the questions listed in the Rubrics in a clear and cohesive manner;
3. Your answer to specific questions posed in class related to the matter, **if any**; and,
4. Depth of analysis presented, Insight demonstrated, and quality of reflective and critical thinking, **assessed in comparison to your peers.**

To illustrate peer assessment and solutions to ethical challenges, generic responses that do not specifically identify individuals, enterprises, or unique circumstances may be selected from papers and used informatively during discussion. (Requested confidentiality in responses will be honored.)

a) One assigned Article/Case paper analysis [20 pts of grade]: The Rubric requires you address:

1. Key factual circumstances underlying the ethical issue(s) or discussion presented?
2. Key ethical issue(s) posed? Was/were those dilemma(s) personal or unique business challenges? Why or why not?
3. *Stakeholders?* What duties, rights, best practice, and/or core values attend them?

4. *Ethical standard and/or code(s) applied*, if any, to the challenge presented? Do you agree with that application?
5. *Ethical choice(s) selected* within the article/case presented? *What action would you take* to resolve the dilemma? Why?

b) One Speaker Analysis and Reaction paper [20 pts of grade]: You are to choose **only one** of the classroom speakers' presentations upon which to write a paper; *it is due in class one week following the speaker presentation.* The speaker paper *Rubric* is:

1. ***Integration and critical discussion of appropriate and specific references to readings/class discussions in your analysis;***
2. Your summary, in a clear and cohesive manner, of the major thesis of the speaker's presentation;
3. What ethical solutions, processes, or experiences were suggested or advocated?;
4. What strengths and weaknesses for individuals and organizations do you believe exist in those solutions, processes, or experiences, and if chosen, how you would address them in a different manner should you choose to do so? and;
5. What value did you or did you not find in the presentation (in a professional manner), and why?

3) Team Project and Presentation [40 points of grade]: You are asked to choose a team of 5 classmates and to select a contemporary enterprise ethics case/ subject matter topic for my approval as a team project and presentation. Members are encouraged to be open, to hold differing views and honest conversations, and to respect one another's participation in addressing the project.

*Any concerns regarding a perceived failure of a team member to fairly and equally participate in the team project should be immediately addressed, and if necessary to resolve, be brought to my attention. *A peer assessment will be solicited individually of all team members and the results of those assessments may be factored into individual scoring.*

The team will write a detailed report of the case/topic, as well as deliver an in-class presentation on its report and team findings. The project will be based upon the collective paper produced (60% - 24 points) and upon the presentation (40% - 16 points), with grading of each divided equally across the content below. *Attendance at the presentation and content Q's for the other team project members are required of all class members.*

Project guidelines include:

1. Each team will choose a case/topic that I approve. Cases/topics will not be duplicated and will be approved on first-come, first selected basis.
2. Each team will prepare a team paper of 10-12 pgs, double-spaced, *paginated, paper-clipped for copying, and emailed to me in Word format; both due on the date of the assigned presentation.* (Copies of the accompanying ppt will be emailed.)
3. The paper will include a title page, followed by a one-page Executive Summary. (You will distribute copies of the Executive Summary to the class at the time of the presentation.) The Summary must identify the purpose of the presentation, the key dilemmas presented, and resolutions identified. (The Summary should be prepared as if presented in a business board or responsive committee meeting.)

4. The *paper and presentation* must contain and will be scored equally upon*:
 - a. ***Integration and critical discussion of appropriate and specific references to readings/class discussions in your analysis;***
 - b. Statement of *key facts* in the case/ analysis;
 - c. Identification of *significant* ethical issues faced;
 - d. Identification of *key stakeholders*; and what ethical duties, rights, best practice, and/or core values attend them;
 - e. Discussion of available alternatives;
 - f. Recommended action(s) to be taken, and differences between those recommended and the actions taken in the case/analysis, if any, and why;
 - g. Overall project excellence as against other projects from your peers; and
 - h. Paper must include appropriate citation to reference and research materials *within the body of the paper*, with an attached bibliography giving full credit to research sources; and,
 - i. ***Electronic copies of the paper and PPT emailed to me before last class***
5. *The class presentation* should summarize the elements described above. It is limited to 10-12 (max) mins. (I will provide 2 and 1 min. warnings before the 12 min marks. And based upon prior class feedback, to assure fairness, the 12 min mark will end of presentation scoring.) You should be prepared for 5 mins of Q's.
6. While the manner in which the team delivers the presentation, *and whether or not all members present, is a decision of the team, all team members are expected to contribute an equal share* of production of the paper and preparation for the class presentation. *Again, any concerns about the failure of a team member to participate fairly and equally should be identified as early as possible, and if necessary to resolve the concern, be immediately brought to my attention. **A peer assessment will be solicited individually of all team members and I may factor the results of those assessments into individual scoring.*

OSU Disability Policy:

The University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability (including mental health, chronic or temporary medical conditions), please let me know immediately so that we can privately discuss options. You are also welcome to register with Student Life Disability Services to establish reasonable accommodations. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. SLDS contact information: slds@osu.edu; 614-292-3307; slds.osu.edu; 098 Baker Hall, 113 W. 12th Avenue.

Academic Misconduct:

The Ohio State University's Code of Student Conduct, Section 3335-23-04 defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, duplicating any portion of the work presented in one course for an assignment in this or another course, and possession of unauthorized materials during an examination. Ignorance of the University's Code of Student Conduct is never considered an "excuse" for academic misconduct.

The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's Code of Student Conduct, and that all students will complete all academic and scholarly assignments with fairness and honesty. Failure to follow the rules and guidelines established in the University's Code of Student Conduct may constitute "Academic Misconduct." Sanctions for misconduct could include a failing grade in this course and suspension or dismissal from the University.

For more information, please reference:

<http://oaa.osu.edu/coamfaqs.html#academicmisconductstatement>

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct.

Class Syllabus, Assignments and Due Dates:

Week 1 – Please read and be familiar with the Syllabus and our first article prior to class

Wednesday, August 23– Introductions and **Syllabus review (Carmen)**; framing our discussions; defining our terms; what is this "ethics stuff?" 😊

Discussion: Is there *Value* in Ethics?

Reading: **Value Shift – Carmen**

Week 2

Monday, August 28 – *Ethics Decision Making – A Process of Stakeholder Analysis*

Discussion: What we can continue to learn from **WorldCom - Carmen**

Reading: **Paine – Ethics: A Basic Framework - Carmen**

Wednesday, August 30 – *Consequences - Duty, Right, Best Practice, Core Values*

Discussion: **The Parable of the Sadhu – Carmen**

Reading: **Friedman / Mackey debate – Carmen**
The Moral Voice of Corporate America – Carmen

(Team members finalized)

Week 3

Labor Day celebrated – September 4

Wednesday, September 6 - *Conflicts of Interest, "Inappropriate Self-Interest," and Controls*

Discussion: **Dell (Carmen)**

Reading: **Carmen**

(Team Project Cases/ Topics Due)

Week 4

Monday, September 11 – Speaker - Ethical Compliance/Oversight Systems
LeRoy Johnston III, Chief Ethics Officer, Nationwide

Reading: **Carmen**

(Case Paper Due - Ethical Hero or Failed Businessman - Malden Mills and Aaron Feuerstein – Carmen)

Wednesday, September 13 – Corporate Culture

Discussion: **Malden Mills and Amazon (Carmen)** – Enterprise Contrasts

Reading: **Carmen**

Week 5

Monday, September 18 - Privacy, Transparency and Fairness

Discussion: **Uber, Google and Others (Carmen)**

Reading: **Carmen**

Wednesday, September 20 – Speaker – Ethics and Leadership in Business

Larry Mead, Worthington Partners, Ltd., Financial Consulting Advisors

Reading: **Carmen**

Week 6

Monday, September 25 – Corporate Duty; Insider-Trading and Whistle Blower Protection

Discussion: **Galleon (Carmen)**
Sharon Watkins and Enron (Carmen)

Reading: **Carmen**

Wednesday, September 27 – Speaker – Ethical Leadership in Enterprises

Gary Mangelson, CFO, Wasserstrom

Reading: **Carmen**

Week 7

Monday, October 2 – CSR, CSV, Sustainability – Best Practices and Commitments

Discussion: *Flor (video) and Unilever (Carmen)*

Reading: ***Carmen***

Wednesday, October 4 CLASS PROJECTS

(All class projects written papers and PowerPoint's are due on October 4)

Week 8

Monday, October 9 - Remaining CLASS PROJECTS AND Course WRAP UP
