

**MGMT 458  
Managerial Ethics  
Fall 2012 semester**

Instructor: Shawn Berman  
Phone: 505-277-1792  
Email: [sberman@unm.edu](mailto:sberman@unm.edu)

Office: ASM 2114  
Office hours: T 2-3 ASM 2114  
R 2-3 Jackson Student Center  
and by appointment

**Course goals**

This course will focus on ethical issues in business, with a particular focus on the pressures that business managers face—and that you will face one day as well. Because of the small number of students in the class we will be able (based on student interests) to include a broad variety of topics. Each class will rely heavily on discussion of the reading, although at times there will be brief lectures. We will also use various exercises and case studies to illustrate some of the key points in class.

There has been increasing attention—in the United States and around the world—to the place of business in society. If it was ever the case that businesses could focus only on profit to the exclusion of any other societal concerns (and it really wasn't ever so), it isn't the case now. Businesses are facing both increasing competition and increasing social expectations. Globalization creates opportunities and challenges for businesses, and many of the challenges are ethical in nature. In short, managers face significant pressures with regard to improving financial and social performance and need a variety of frameworks and tools to respond appropriately. We will therefore take micro and macro perspectives on business ethics: businesses are embedded in broader social systems, but businesses are also made up of individual people who make decisions in the organization's name. All of you, by the choices that you make, will contribute positively or negatively to the ethical climates and behaviors of your chosen organizations during your careers.

However, because of our size and the nature of the course, MGMT 458 is structured as a seminar. Seminars differ from traditional lecture-type courses in at least three ways:

First, the degree of participation by all class members is extensive. Active involvement stimulates many interesting and lively discussions. Students also typically take responsibility for some part of the course, and in some sense co-create the course with the instructor. (One way to think about a seminar is through the phrase “you had to be there.”) Secondly, seminars traditionally focus much more on not-yet-resolved problems and controversies than do lecture-oriented courses, which is especially true for topics related to managerial ethics. Thirdly, assignments are more likely to involve papers and presentations with less emphasis on quizzes and exams. More to the point, seminars are about active engagement in a collaborative fashion rather than one-way interactions between each of you and me.

Based on your feedback, the following goals will guide our semester together:

- Gain a broader understanding of ethical issues in business.
- Gain an understanding of how business ethics has changed. Specifically, has it become more politicized?
- Understand why unethical behavior occurs in business, and how such behavior can be prevented before it happens or remedied if it does happen.
- Learn to develop proactive codes of ethics.
- Understand what makes a positive ethical climate in the workplace and how to develop an organizational culture that supports ethical decision making.
- Understand how to scan the external environment for developing ethical issues in business.
- Examine cross-cultural ethics and understand international business ethics.
- Understand the slippery slope of unethical behavior. Why do good people do bad things in an organizational setting?
- Develop critical thinking skills.
- Develop oral and written communication skills.

### **Course materials**

There is no assigned text for this class. Instead, there are assigned readings for each week/topic. The readings will be available via WebCT in pdf format. Sometimes I will bring additional readings with me to a class session or send them via email beforehand.

You are also **strongly encouraged** to subscribe to a business periodical (*Business Week*, *Financial Times*, *Fortune*, *The Economist*, *The Wall Street Journal*), since each student will be responsible for presenting on one current event during the semester.

## **Assignments and Grading**

After receiving your ideas during the first day of class, here is the grading scheme that I think allows flexibility for each of you to structure and to personalize your contributions to the class:

30 percent for class participation, engagement, and attendance

35 percent for a research paper

20 percent for an intellectual contribution shared by your colleagues

10 percent for **2** reaction papers, one of which must be about the film “Inside Job”

5 percent for a current events presentation

***Class participation, engagement, and attendance.*** You should strive to contribute regular, high-quality comments and questions over the course of the semester. More generally, I am looking for each member of the class to contribute to an overall climate of intellectual engagement and interpersonal respect. Class participation, engagement, and attendance will comprise 30 percent of your overall grade. If you have any questions at any time about how you are doing in this component of the class, please ask me.

***Research paper.*** One goal of mine is to find ways to make the material we cover relevant to you and your careers. To that end, I believe that a research paper (12-15 pages, double spaced, 12 point type, one-inch margins on all sides) will help you appropriate course ideas for yourself and apply them in a personally meaningful way. I am open to a variety of topics. Please give me a memo on February 15 that describes the proposed paper and why you chose the topic you did. You will present the paper on the last day of class. The research paper will be worth 35 percent of your course grade.

***Other intellectual contribution.*** In keeping with the broad goals of the class, including allowing each of you to focus on things that matter to you in your careers and personal development, each of you will make one “other intellectual contribution” to the class during the semester. This must be done and emailed to me by October 2. This should be between four and six pages long (between 1000 and 1500 words, double spaced, 12 point type, one-inch margins on all sides). I will post all of your contributions to a folder on WebCT; each individual contribution is worth 15 percent of your overall course grade. The last five percent of your course grade for this section will require you to read and provide a 400-word commentary on each of *three* of your classmates’ contributions; these papers are due via email to me ([sberman@unm.edu](mailto:sberman@unm.edu)) on October 16. This commentaries will also be made available for your classmates to read.

Some ideas for such a contribution might include:

- Review two movies that have applicability to MGMT 458, and discuss what the movies

can teach us about managerial ethics. (You can do the same for a recent book, but can only do this type of contribution—book OR movie—once.)

- Discuss what organizations should do to improve their ethical performance within a given domain of social responsibility/business ethics.
- Apply ideas from psychology, sociology, or some other social science field to managerial ethics; for example, what does psychological theory have to contribute to analyses of why unethical behavior occurs in organizations?
- Apply one or more philosophical frameworks to a topic within business ethics.
- Analyze the social responsibility record of a particular corporation or organization.
- Discuss how ethics can be integrated (or integrated better) into one of the core courses you have taken at ASM.
- Take a position on whether there are universal human rights businesses must respect, and defend that position.
- And many others . . .

***Presentation of one current event.*** Once during the semester each student will have to present on a current event that relates to the class in some way. This means that updates concerning the talent on *American Idol* probably won't fit unless there's a business angle. But, an update on financial institutions and their handling of the foreclosure process would be relevant. Students will need to explain the event and the topic in the class to which it relates.

***Short reaction papers.*** These 2 page papers require you to respond to any material from the class. These papers should communicate any feelings elicited by the reading or film in question. One of the **two** reaction papers must be in reaction to the film *Inside Job*.

### **Policies and procedures**

Attendance and participation in class discussions are essential to the content and quality of the course/seminar because teaching methods will emphasize active involvement by the students, rather than a one-way monologue from me. Each of you has interesting and valuable insights to offer in discussion. I encourage you to contribute.

Class attendance is a critical element of learning. Equally important is active *class engagement*. I will assume that you have read the assigned materials before class, so we'll be able to use our time together discussing, evaluating, and applying them to real business situations.

Please turn off cell phone ringers during class!

Ethical lapses such as plagiarism will result in a failing grade for the course.

Please let me know how I can be helpful to you as we proceed through the semester.

**Academic integrity:**

**Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty. By enrolling in any course at Anderson, the student accepts the Anderson Academic Honesty Code and affirms the following pledge:**

*I will not lie, cheat, fabricate, plagiarize or use any other dishonest means to gain unfair academic advantage.*

Any violation of the code of conduct will be taken very seriously and appropriate sanctions will be applied. FOR FULL TEXT OF ANDERSON'S ACADEMIC HONESTY CODE, please visit <http://www.mgt.unm.edu/honesty>

**ADA Statement**

Reasonable accommodation will be given to any individual with a legitimate disability. Please contact the instructor privately for arrangements. If you are a qualified person with disabilities who might need appropriate academic adjustments, please communicate with me as soon as possible so that we may make appropriate arrangements to meet your needs in a timely manner. Frequently, we will need to coordinate accommodating activities with other offices on campus. Course materials can be made available in alternative formats.

## Topics and readings

### August 21

#### Topic

Introduction to the course

#### Readings

None

### August 28 and September 4

#### Topic

Philosophical tools: Utilitarianism, Rights, and Justice

#### Readings

Crane, A., & Matten, D. 2010. Evaluating business ethics. Chapter 3 in *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization*: 91-118. Oxford: Oxford University Press.

Links on the Markkula website

“Parable of the Sadhu” (read for September 4)

### September 11

#### Topic

Other philosophical perspectives: Ethic of care, post-Modern ethics, virtue ethics, etc.

#### Readings

Crane, A., & Matten, D. 2010. Evaluating business ethics. Chapter 3 in *Business Ethics: Managing Corporate Citizenship and Sustainability in the Age of Globalization*: 118-132. Oxford: Oxford University Press.

Liedtka, Jeanne M. 1996. Feminist Morality and Competitive Reality: A Role for an Ethic of Care?. *Business Ethics Quarterly*, 6: 179-200.

**Current Events: Chris Bodley, Kelly Reeves**

## September 18

### Topic

Ethical universals in business, part 1

### Readings

Donaldson, T., & Dunfee, T. W. 1994. Toward a unified conception of business ethics: Integrative Social Contracts Theory. *Academy of Management Review*, 19: 252-284.

Donaldson, T. 1996. Values in tension: Ethics away from home. *Harvard Business Review*, September, 48-64.

**Current Events: Brad McNichol, Jeremy Otero**

## September 25

### Topic

Ethical universals in business, part 2

### Readings

De George, R. T. 1994. International business ethics. *Business Ethics Quarterly*, 4: 1-9.

Logsdon, J. M., & Wood, D. J. 2002. Business citizenship: From domestic to global level of analysis. *Business Ethics Quarterly*, 12: 155-187.

**Current Events: Damon Hudson**

## October 2

### Topic

Financial Ethics, I

### Readings

None, watch the film "Inside Job"

## October 9

### Topic

Why does bad behavior occur in business? A psychological view

### Readings

Jones, T. M. 1991. Ethical decision making in organizations: An issue-contingent model. *Academy of Management Review*, 16: 366-395.

Trevino, L. K., & Nelson, K. A. 2011. Deciding what's right: A psychological approach. Chapter 3 in *Managing Business Ethics: Straight Talk About How To Do It Right*: 71-110. Hoboken, NJ: Wiley.

Vitell, S. J., & Grove, S. J. 1987. Marketing ethics and the techniques of neutralization. *Journal of Business Ethics*, 6: 433-438.

**Current Events: Jason Renfro, James Wood**

## October 16

### Topic

Practice in diagnosing and responding to ethical issues/problems in organizations

Training

### Readings

To be determined

**Current Events: Justius Adams, Veronica Albin**

## October 23

### Topic

Employment ethics

### Readings

Collins, D. 2009. Respecting employee diversity. Chapter 7 in *Essentials of Business Ethics: Creating an Organization of High Integrity and Superior Performance*: 127-152. Hoboken, NJ: Wiley.



Greenwood, M. R. 2008. Ethics and human resource development. Chapter 15 in in *Contemporary Issues in Human Resource Development* (Edited by P. Holland & H. De Cieri): 562-587. Frenchs Forest NSW, Australia: Pearson Education.

**Current Events: Bryan Winter, Wallis Black**

**October 30 – November 27 (5 classes)**

Topic

TBD

Readings

To be determined

**October 30 current event: Shannon Eldridge-Shorty, Tracy Mueller**

**November 6 current event: Moonson Hwang, Robert Olinger**

**November 13 current event: Victoria Anaya**

**November 27 current event: Sam Walker**

**December 4**

RESEARCH PAPER PRESENTATIONS

**Current event: Matthew Cormier**

**Final paper is due Tuesday, December 11, 2012 by midnight via WebCT**