



Azerbaijan State University of Economics (UNEC)

BUSINESS ETHICS AND SOCIAL RESPONSIBILITY (60 hours) COURSE SYLLABUS: Spring 2017 (15 weeks)

Prerequisite (Management)

Class hours: Wednesday 9.00 - 10.20; 10.30 - 11.50

Instructor: Shahla Gahramanova/Department of Management, UNEC

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Venue: UNEC main building, Room 331, Istiglaliyyet Str., 6, Baku, Azerbaijan

Course description

Business Ethics is a course designed to provide an analysis and examination of significant contemporary ethical issues and challenges existing in the professional business arena. Emphasis within this course will be made upon the manager's social and environmental responsibilities to a variety of stakeholders, including employees, customers, government, shareholders, community and the environment. Ethical dilemmas and decision-making frameworks and approaches at the personal, organizational and societal levels will be explored.

Course goals and objectives

The main goal of this course is to achieve students' understanding of the importance of ethically responsible and socially beneficial business activity, to develop and reinforce their critical thinking approach regarding many of the significant ethical concerns confronted by organizational members within the contemporary business world. The extent to which firms are responsible to society concerning various critical issues including the environment protection will also be explored within this course. This course would be beneficial for any student wanting a better understanding of the manager's social and environmental responsibilities to stakeholders.

Upon successful completion of this course students are expected to be able to

- Demonstrate understanding of the definition of ethics and the importance and the role the ethical behavior serves in the modern business world;
- Demonstrate understanding of how business ethics relates to larger moral and philosophical frameworks;
- Identify various ethical issues that occur in the workplace;
- Evaluate an ethical situation by applying the steps involved in ethical decision making;
- Comprehensively analyze business organizations' activities regarding ethical and social responsibility;
- Evaluate the concept of Corporate Social Responsibility, and explore its relevance to ethical business activity.
- Identify the moral obligations of businesses to the environment and specifically global competitors and global stakeholders;

and finally

- Formulate a particular stance on business ethics related and moral issues and be able to defend it in future in professional business landscape.

TEACHING METHODOLOGY

The course requires both theoretical and practical approach, and the teaching methods will accordingly include introducing main concepts through lectures, presentations and required readings and then focus on practical exercises, group discussions, case study analyses, practical games/role plays, etc. to encourage students to apply the learned knowledge in real-life situations. Everyone is expected to come to class with comments or questions from the course readings listed below:

Business Ethics: Ethical Decision Making and Cases, (2013, 9th Edition) by O.C. Ferrell, J. Fraedrick & L. Ferrell. **(required)**

Business Ethics: A Textbook with Cases (2013) by William H. Shaw **(required)**

Essentials of Business Ethics (2009) by Denis Collins

Business Ethics and Values (2009) Colin Fisher, Alan Lovell, Nestor Valero-Silva

Essentials of Business Ethics (2009) by Denis Collins

Corporate Governance, Ethics and CSR (2013) by John Taylor, Justine Simpson

Corporate Governance and Business Ethics (2011) by Alexander Brink SAGE Brief

Guide to Business Ethics (2012) by SAGE Publications

Business Ethics (2012) by Annual Editions (23rd Edition)

<http://www.corporatecompliance.org/Products/AllProducts.aspx> (Materials taken from Society of Corporate Compliance and ethics)

Lectures and presentations provided by the instructor

Additional readings such as related articles and simulation cases will be provided by the instructor.

COURSE GRADING (Optional)

Students' grades in this course will be determined by the instructor based on their demonstrated understanding of course concepts and effectiveness in applying related analytical techniques on quizzes, exams, class discussion and other assignments. The following elements and their relative weights will determine your final course grade:

Grading Component	Points	Percentage
Class participation	10	10
Quiz and seminars	30	30
Presentations	10	10
Final exam	50	50
Total	100	100

COURSE REQUIREMENTS

Class participation is strongly recommended to assist in the development of your both written and verbal communication skills and enhance the learning of everyone in the class. Due to the highly experiential nature of the course students are expected to attend all classes. If you are unable to attend a class, I would like to be notified beforehand (except in emergency situations) and arrange a time to talk to you beyond the class hours. Regular class attendance is necessary, but not sufficient for

high quality class participation, so you need to be active part of the class and make your own contributions to the learning process. I expect you to come to class prepared to discuss the assigned readings. It is highly recommended that you read the provided materials before the class to be ready for discussions. Classes will be a mixture of lectures, presentations, written assignments, simulation cases, class discussions and other appropriate learning forms.

Presentations

Students are expected to deliver individual and group presentations during the semester/ Additional instructions will be provided by the instructor.

Discipline.

In addition to regular class attendance, high quality class participation requires positive contributions to class discussions. Positive contributions may take the form of answers, questions and observations that reflect serious preparation for class.

The students are requested to follow the classroom etiquette described below:

- Students should be attentive when their colleagues present and try to enrich the process with relevant questions and comments when appropriate. Reasonable questions and comments would be highly appreciated.
- However, you are requested to be courteous and respect the opinions of your colleagues. While spirited debate on the issues is an integral part of the learning process, there is no room for discourteous discourse, personal attacks or mocking upon anyone in the class.
- Trying to change discussion topic by asking non-related questions or making irrelevant comments is against your interest and “contributes” to wasting time.
- Contributing to class discussions will help your grade, but dominating class discussions will not. If you have already made a point in a discussion, please defer to those who have not yet had a chance to speak.
- Using your electronic devices (mobile phones, notebooks...) for on-class related activities and engaging in private conversations during classes is considered as unprofessional and unacceptable.

Final examinations may consist of multiple choice tests, essay questions and case analysis.

COURSE SCHEDULE/DETAILED TOPIC OUTLINE

DATES	TOPICS	ASSIGNMENTS
<p>Week 1 22 February</p>	<p>Introductory class: The Importance of Business Ethics and Morally Sensitive Cultural Education Why study business ethics (class discussion) The development of business ethics The benefits of business ethics The 21st century: a new focus on business ethics</p>	<p>Chapter 1 (p. 3-26) O.Ferrell & J. Fraedrick</p>
<p>Week 2 1 March</p>	<p>Emerging Business Ethics Issues Recognizing an ethical issue Ethical issues and dilemmas in business Corporate intelligence Quid Pro Quo Fraud, harassment, mobbing, discrimination Consumer fraud Environmental issues Financial misconduct Privacy issues The challenge of determining an ethical issue in business</p>	<p>Chapter 1 (p. 56-86) O.Ferrell & J. Fraedrick</p>
<p>Week 3 8 March</p>	<p>Business Ethics and Corporate Social Responsibility Development of the CSR concept Stakeholder relationships and CSR, ethics and sustainable development Examples of CSR in practice Corporate Social Performance (CSP) The importance of corporate reputation Social responsibility and the importance of stakeholder orientation Ethics and the environment Management’s ability to build trust with stakeholders</p>	<p>Chapter 2 (p. 28-51) O.Ferrell & J. Fraedrick</p>
<p>Week 4 15 March</p>	<p>Theories of Ethics. Moral Philosophies and Values Moral Philosophies <i>Goodness—Instrumental and Intrinsic Teleology</i> <i>Deontology</i> <i>Relativist Perspective</i> <i>Virtue Ethics</i> <i>Justice</i> Applying Moral Philosophy to Ethical Decision Making Cognitive Moral Development White-Collar Crime</p>	<p>SAGE Brief Guide to Business Ethics (p.51-111)</p>

	The Role of Individual Factors in Business Ethics	
INTERNAL FOCUS OF BUSINESS ETHICS		
Week 5 22 March	The institutionalization of business ethics Recognizing ethical issue Mandated requirements for legal compliance Laws regulating competition, protecting consumers and environment Laws that encourage ethical conduct	
Week 6 29 March	Developing an ethical organization Establishing ethical guidelines: code of ethics and code of conduct The responsibility of organization as a moral agent Ethics training and communication: developing, implementing and auditing ethics programs Communicating and following government regulations Global code of ethics	
Week 7 5 April	Ethical decision making and ethical leadership The responsibility of management as a moral agent A framework for ethical decision making in business Characteristics of ethical leader: transformation from moral person to ethical leader A manager's ability to develop trust, commitment and effort The role of emotion in moral decision making The role of power and influence in ethical decision making Strategy and ethics Corporate governance	
Week 8 12 April	Ethics in financial reporting Ethics of finance The role of financial reporting Auditing Corruption Ethical issues in pricing	1.

<p>Week 9 19 April</p>	<p>Ethics in human resource management Daily internal affairs and HR issues Ethics reporting systems Undesirable employee reactions to ethical issues Ethics and compliance officer Misuse of company resources Abusive or intimidating behaviour, bribery Conflict of interests Whistle blowing Ombudsman</p>	
<p>Week 10 26 April</p>	<p>Ethics in human resource management (Continued)</p>	
<p>Week 11 3 May</p>	<p>Ethics and Information Technology Management issues and policy areas for information technology Privacy of employees Types of computer monitoring Telephone monitoring Privacy of customers Intellectual property The challenge of technology Technology based fraud Cyber attacks Role of governmental regulations</p>	
<p>EXTERNAL FOCUS OF BUSINESS ETHICS</p>		
<p>Week 12/13 10 May 17 May</p>	<p>Ethics and the Environment Natural environment as a stakeholder Voluntary environment compliance Environmental commitments Communicating environmental commitments to stakeholders Environmental sustainability Ethics and climate change Role of governmental regulations Business and Ecology The Ethics of Environmental Protection</p>	<p>2.</p>
<p>Week 14 24 May</p>	<p>Ethics in Marketing and Advertising False and misleading advertising Ethics of purchasing and sells Advertising to and for children Ethical challenges of product recall Ethical consumer behaviour</p>	

	The ethics of fair prising	
Week 15 31 May	Final Class: overview of the learned material Frontal questioning	
	Final Examination	

Project topics:

1. Misleading advertising and its consequences
2. Unethical marketing techniques: negligence to inform and lying about products and services
3. Who are the whistleblowers: heroes or disloyal employees?
4. Promoting unethical behaviors towards customers (cheating, misinformation, etc.)
5. Harassment in the workplace, discrimination and mobbing
6. How to stay ethical while trying to achieve your business goal
7. Sarbanes Oxley Act and its impact in preventing unethical business misconducts
8. Ethics from Islamic perspective
9. Ethics and insider trading
10. Ethics of crediting: providing loans to borrowers with low income or a poor crediting history
11. Profiting from products and services bad for health and moral (drugs, cigarettes, alcohol, gambling, guns...)