

Last updated: October 21st 2007

**BUSINESS ETHICS IN AN INTERCULTURAL FRAMEWORK
IB343B**

DESCRIPTION:

Business ethics do not deal with what is legal, but to the application of moral standards to business decisions. The majority of moral standards relate to personal behavior, which is not necessarily legislated and varies according to cultural differences. We are taught that the primary purpose of a business is to earn a profit, however, the path towards achieving this goal can, in many instances; create dilemmas about justice, equity and honesty. In this course we will study business ethical dilemmas within an intercultural framework. We will address the issue of ethics from different points of view: society, environment, individual and corporate. (3 credits)

PREREQUISITES:

None

LANGUAGE OF PRESENTATION:

English

PROFESSOR:

P. ARAGON

STUDENT OUTCOMES:

1. Students will be able to identify and state issues concerning business ethics.
2. Students will be able to summarize basic ethical theories and apply them to business issues.
3. Student will be able to discuss the concept of Corporate Social Responsibility and the concept of stakeholders.
4. Student will be able to describe different ways of managing business ethics.
5. Student will be able recall case studies on issues related to business ethics around the world.

LEARNING MEANS:

1. Lectures – Students are presented with content, motivated and challenged to reflect on issues. Issues are clarified and expanded upon.
2. Class discussions – Analysis of readings, case studies exchange of ideas and cultural perspectives.
3. Reader – Selection of reading material in different areas of business ethics.
4. Case Studies – Opportunity to study real life situations and how the actors involved reacted.
5. Movies – Documentaries and movies related to business ethics and Corporate Social Responsibility
6. Student Presentations – Students will have the opportunity to research and present to the class ethical issues in different business sectors.

METHODS OF ASSESSMENT:

The final grade will be determined as follows:

- Class preparation and participation: Based on attendance, and quality participation defined as relevance, evidence, originality, implications and form in participation. 20%
- Midterm: In-class essay test on basic ethical theories as applied to business case study, analysis of concepts and readings discussed in class. Graded according to how much evidence from readings and class discussions is used to answer the questions. Students are requested to write as clearly as possible. 25 %
- Group Oral Presentation: Group presentation on business ethics issue selected by group and approved by professor. Powerpoint presentation must be turned in in electronic version and hardcopy. Students will be graded on demonstrated command of individual portion of the presentation acquired through research, readings and analysis. Hardcopy must include bibliography. Group presentations will begin after the mid-term and will have 30 minute time limit. 30%
- Final exam: Take home essay exam analyzing case studies, identifying issues, actors and stating possible solutions. Questions will be emailed to students on April 16, 2008. An electronic version must be mailed to professor and a hard copy must be in professor's mail tray at ISE -1 anytime before 4 pm on April 23, 2008. Maximum 3750 words. 25%

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COURSE CONTENT

SESSION 1	Jan. 22, 2008	<p>Class content: Introduction: Why Business Ethics? The objectives, methodology, content and organization of the work are presented in detail.</p> <p>Required readings: none</p>
SESSION 2	Jan. 24, 2008	<p>Class content: The individual responsibility: Peter Green's first day (Case Study) Peter Green is a young salesman who recently joined a company. Welcome to the real world?</p> <p>Required readings: Matthews, John, Goodpaster, Kenneth & Nash, Laura (1991). Peter Green's First Day. <i>Policies and Persons: A Casebook in Business Ethics</i>. New York: McGraw-Hill.</p>
SESSION 3	Jan. 29, 2008	<p>Class content: Corporate Social Responsibility. What is CSR? A Different Point of View.</p> <p>Required readings: Friedman, Milton (1970). The Social Responsibility of Business is to Increase its Profit. <i>New York Times Magazine</i>. Chandler, Sir Geoffrey, Chair. The Global Corporation: Provider or Parasite, Amnesty International UK Business Group.</p>
SESSION 4	Jan. 31, 2008	<p>Class content: Managing a European point of view - Corporate Social Responsibility.</p> <p>Required readings: Crane, Andrew, Matten, Dirk (2007). McEurope: McDonald's responds to ethical criticism in Europe. <i>Business Ethics</i>, Oxford University Press. (Available in class)</p>
SESSION 5	Feb. 5, 2008	<p>Class content: Goals, Processes, Success: The Parable of the Sadhu Through a case study depicting a Wall Street financial analyst facing a dilemma in mountaineering, we study how each of our behaviors combines a process and a goal.</p> <p>Required readings: McCoy, Bowen (1997). The Parable of the Sadhu. <i>Harvard Business Review</i>, (75 N°3). May-June 1997. pp. 54-61. Film Viewing: Achbar, Mark, Abbott, Jennifer and Bakan, Joel (2003). <i>The Corporation</i>. Chapters 1 - 6.</p>
SESSION 6	Feb. 7, 2008	<p>Class content: Business Ethics Stakeholders. The behavior of stakeholders in a case of environmental ethics.</p> <p>Required readings: Clapp, J. (2002). Seeping through Regulatory Cracks. <i>SAIS Review</i>. XXII 1. Polgreen, Lydia, and Simons, Marlise (October 2, 2006). Global Sludge End in Tragedy for Ivory Coast. <i>New York Times</i>.</p>
SESSION 7	Feb. 12, 2008	<p>Class content: Globalization. The issues and challenges of globalization are analyzed.</p> <p>Required readings: Locke, Richard M. (2002). The Promise and Perils of Globalization: The Case</p>

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		of Nike. Case Study, Industrial Performance Center, Massachusetts Institute of Technology.
SESSION 8	Feb. 14, 2008	<p>Class content: Sustainable Development. The concept of sustainable development is analyzed.</p> <p>Required readings: McGaw, Nancy (2006). The Value of Corporate Values. www.aspenbsp.org, Research and Resources, Speeches and Discussion Papers McGaw, Nancy (2006). Developing Leaders for a Sustainable Global Society. www.aspenbsp.org, Research and Resources, Speeches and Discussion Papers Film: "The Corporation" Chapters 7 - 12.</p>
SESSION 9	Feb. 19, 2008	<p>Class content: Field Study – Visit to Casa Asia for a talk on Business culture in Asia, followed by short tour of facilities.</p>
SESSION 10	Feb. 21, 2008	<p>Class content: Global warming/Climate Change</p> <p>Required readings: Climate Change 2007: Impacts, Adaptation and Vulnerability, 2007. INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE, World Meteorological Organization, United Nations Environmental Program. (Available on Course Web Page)</p>
SESSION 11	Feb. 26, 2008	<p>Class content: Marketing Practices: Global Marketing of Tobacco Companies. We address strategies that companies are implementing in the marketing of tobacco.</p> <p>Required readings: Yach, Derek & Bettcher Douglas (1999). Globalization of Tobacco Marketing, Research and Industry Influence: Perspectives, trends and impacts on human welfare. <i>Development</i>. (42), No. 4. pp. 25-30. Film: "Making a Killing: Philip Morris, Kraft and Global Tobacco Addiction".</p>
SESSION 12	Feb. 28, 2008	<p>Class content: Global Labour Markets: Exploitation or Development? The issues raised by competitiveness and businesses trying to cut costs. Photos - http://historyplace.com/unitedstates/childlabor/</p> <p>Required readings: Siddiqi, F. and Patrinos, H.A. (2004). Child Labor: Issues, causes and interventions. HCO Working Papers.</p>
SESSION 13	Mar. 4, 2008	<p>Class content: Financial Markets and Fraud: ZZZZ Best</p> <p>Required readings: Kapp, M (1993). ZZZ Best Company, Inc. <i>Contemporary Auditing Issues and Cases</i>. West Publishing. pp. 43-58.</p>
SESSION 14	Mar. 6, 2008	Midterm exam
SESSION 15	Mar. 11, 2008	<p>Class content: Values and Culture in Corporate Social Responsibility</p> <p>Required readings: Shafer, William E., Fukukawa, Kyoko, Meina Lee, Grace (2007). Values and the Perceived Importance of Ethics and Social Responsibility: The U.S. versus</p>

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		China. <i>The Journal of Business Ethics</i> : 70: 265 - 284.
SESSION 16	Mar. 13, 2008	<p>Class content: United Nations Global Compact Presentations of group papers – 1</p> <p>Required readings: Ten Principles of the Global Compact, Available at http://www.unglobalcompact.org. Film: "The Corporation" Chapters 13 - 18.</p>
	SPRING BREAK	
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SESSION 17	Mar. 25, 2008	<p>Class content: What is Europe doing? Euronews: Segments from economia, europa, Europeans, le mag, futuris and hi-tech highlighting business ethics related issues.</p>
SESSION 18	Mar. 27, 2008	<p>Class content: Cultural Issues: Women in the Workplace Presentations of group papers – 2</p> <p>Required readings: Valentine, Sean, Page, Karen. (2006). Nine to Five: Skepticism of Women's Employment and Ethical Reasoning. <i>The Journal of Business Ethics</i>: 63: 53 - 61.</p>
SESSION 19	Apr. 1, 2008	<p>Class content: Social Impact Management Presentations of group papers – 3</p> <p>Required readings: Social Impact Management: A Definition, The Aspen Institute, Business and Society Program. www.aspenbsp.org</p>
SESSION 20	Apr. 3, 2008	<p>Class content: Gender in Decision Making Presentations of group papers – 4</p> <p>Required readings: Valentine, Sean, Rittenburg, Terri L. (2007). The Ethical Decision Making of Men and Women Executives in International Business Situations. <i>The Journal of Business Ethics</i>: 71: 125 - 134.</p>
SESSION 21	Apr. 8, 2008	<p>Class content: Corruption: What can a manager do? The dilemma of managers Presentations of group papers – 5</p> <p>Required readings: McVea, John F. (2007). Constructing Good Decisions in Ethically Charged Situations: The Role of Dramatic Rehearsal. <i>The Journal of Business Ethics</i>: 70: 375 - 390. Colero, Larry (1997). Five Questions that Corporate Directors Should Ask. <i>Crossroads Programs, Inc.</i> Film: "The Corporation" Chapters 18 - 24.</p>
SESSION 22	Apr. 10, 2008	<p>Class content: Perceptions of Appropriate Ethical Actions Presentations of group papers – 6</p>

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		<p>Required readings: Arnold F. Donald, Bernardi A. Richard, Neidermeyer E. Presha, Schmee Josef, (2007). The Effect of Country and Culture on Perceptions of Appropriate Actions Prescribed by Codes of Conduct: A Western European Perspective among Accountants. <i>The Journal of Business Ethics</i>: 70: 327 – 340.</p>
SESSION 23	Apr. 15, 2008	<p>Class content: Business Ethics in an intercultural setting Presentations of group papers – 7</p> <p>Required readings: Donaldson, Thomas (September-October 1996). Values in Tension: Ethics Away from Home. <i>Harvard Business Review</i>. reprint number 96502.</p>
SESSION 24	Apr. 17, 2008	<p>Class content: Presentations of group papers - 8 Concluding session This session will summarize the key “take-away” messages of the course.</p>
FINAL EXAM*	Apr. 24, 2008	Final Exam

LIST OF SELF-GUIDED VISITS, FIELD STUDIES, CLASSES ON SITE, GUEST SPEAKERS OR FILM VIEWINGS

SESSION	DATE	ACTIVITY	DESCRIPTION
9	Feb. 19, 2008	Visit to Casa Asia	Visit to Casa Asia for a talk on Business culture in Asia , followed by short tour of facilities.
	TBA	Film Viewing	The Insider
	TBA	Film Viewing	The Smartest Guys in the Room

REQUIRED READINGS

Arnold F. Donald, Bernardi A. Richard, Neidermeyer E. Presha, Schmee Josef, (2007). The Effect of Country and Culture on Perceptions of Appropriate Actions Prescribed by Codes of Conduct: A Western European Perspective among Accountants. *The Journal of Business Ethics*: 70: 327 – 340.

Clapp, J. (2002). Seeping through Regulatory Cracks. *SAIS Review*. XXII no. 1, Winter-Spring.

Climate Change 2007: Impacts, Adaptation and Vulnerability, 2007. INTERGOVERNMENTAL PANEL ON CLIMATE CHANGE, World Meteorological Organization, United Nations Environmental Program.

Colero, Larry (1997). Five Questions that Corporate Directors Should Ask. *Crossroads Programs, Inc.*

Crane, Andrew, Matten, Dirk (2007). McEurope: McDonald’s responds to ethical criticism in Europe. *Business Ethics*, Oxford University Press.

Friedman, Milton (1970). The Social Responsibility of Business is to Increase its Profit. *New York Times Magazine*.

Locke , Richard M. (2002). The Promise and Perils of Globalization: The Case of Nike. Case Study, Industrial Performance Center, Massachusetts Institute of Technology.

Matthews, John, Goodpaster, Kenneth & Nash, Laura (1991). Peter Green’s First Day. *Policies and*

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Persons: A Casebook in Business Ethics. New York: McGraw-Hill.

McCoy, Bowen (1997). The Parable of the Sadhu. *Harvard Business Review*, (75 N°3). May-June 1997. pp. 54-61.

McVea, John F. (2007). Constructing Good Decisions in Ethically Charged Situations: The Role of Dramatic Rehearsal. *The Journal of Business Ethics*: 70: 375 - 390.

Shafer, William E., Fukukawa, Kyoko, Meina Lee, Grace (2007). Values and the Perceived Importance of Ethics and Social Responsibility: The U.S. versus China. *The Journal of Business Ethics*: 70: 265 - 284.

Siddiqi, F. and Patrinos, H.A. (2004). Child Labor: Issues, causes and interventions. HCO Working Papers.

Ten Principles of the Global Compact, Available at <http://www.unglobalcompact.org>

Valentine, Sean, Rittenburg, Terri L. (2007). The Ethical Decision Making of Men and Women Executives in International Business Situations. *The Journal of Business Ethics*: 71: 125 - 134.

Valentine, Sean, Page, Karen. (2006). Nine to Five: Skepticism of Women's Employment and Ethical Reasoning. *The Journal of Business Ethics*: 63: 53 - 61.

Yach, Derek & Bettcher Douglas. "Globalization of Tobacco Marketing,

RECOMMENDED READINGS

Crane, Andrew and Matten, Dirk (2007). *Business Ethics, Managing Corporate Citizenship and Sustainability in the Age of Globalization*. Oxford University Press.

Issue on Corporate Social Responsibility (January 20, 2005). *The Economist*.