

Carlson School of Management
University of Minnesota
Spring 2009



Course: MBA 6315 The Ethical Environment of Business
Saturdays (03/23/2009 - 05/10/2009)
CarlSMgmt L-114
8:00 A.M. - 11:20 A.M

Prerequisites: MBA student

Professor: Dr. Stephen B. Castleberry
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WEB VISTA: <http://myu.umn.edu>

Office Hours: 11:20-12:20 on the Saturdays we meet

Course Description: Analysis of ethical dilemmas and development of appropriate responses; relationship of ethical management to the law; implications for corporate profitability; managing shareholders vs. managing stakeholders; issues such as protection of the environment, workplace safety, product liability, regulation, and fiduciary obligations.

Outcome Goals: At the conclusion of the course, students should be able to:

- Identify issues with respect to social responsibility that affect business behavior and analyze the potential interaction between those issues and organizational activities.
- Identify ethical issues that affect business behavior and analyze the potential interaction between those issues and organizational activities.
- Describe various ways in which individuals resolve ethical dilemmas and what to do when there are ethical disagreements.
- Identify legal and political issues that affect business behavior and analyze the potential interaction between those issues and organizational activities.
- Describe the mission of your life and compare it to your actual life in business.
- List key issues surrounding research ethics.
- Describe an effective process for "blowing the whistle" when confronted with unethical behavior.

Required Reading: Trust Us, We're Experts, 2002, by Sheldon Rampton and John Stauber, Jeremy P. Tarcher/Putnam Books. ISBN 1-58542-139-1

Note: PowerPoint slides are on WebVISTA.

Grade Determination:

Course participation	50%
Personal mission statement	20%
Experiential Activity	30%

Values: This is not a values-neutral course. This course is designed to encourage the following character traits: obeying the laws, honesty, integrity, justice, socially responsible behavior that is sustainable.

Course Participation

Purpose. Perhaps the most important aspect of this class, and its most effective learning tool, will be the exchange of information and points of view. While I will encourage you to think critically and listen to the ideas of others, I will not make you value other's opinions and ideas.

Politically correct. What about being politically correct? This class will be boring and fall far short of the stated goals if students are afraid to express their real beliefs, whatever those beliefs may be. Such behavior (i.e., not expressing real beliefs) negatively impacts: (1) class discussion, (2) those who will never benefit from knowing your real beliefs, and (3) yourself for not standing up for your real beliefs in public. People often improve their thinking by verbally stating their beliefs and sometimes amending them after the fact. Regardless where you stand on various issues, this course should help you understand why you believe what you believe and how to defend your position relative to those with opposite beliefs. If you have strong viewpoints, this class is a great opportunity to express and explore them as the professor and other students will likely challenge them in a *civil* manner. (This paragraph adapted from a syllabus by Dennis Collins)

Missed class or part of a class. If you have to miss class, or some portion of the class, for any reason you must do the following (This is due no later than 7 days after the missed class or portion of the class):

1. Turn in very complete and detailed answers to the questions at the end of the assigned case(s) and exercises.
2. Turn in a brief summary (3-4 paragraphs) on every assigned reading.
3. Make yourself available to discuss the case(s) and reading material intelligently in a session with Dr. Castleberry.

Basis of grading. "Course Participation" does not mean attempting to be the center of attention. I will grade you on the following aspects of participation:

- active listening (including appropriate nonverbal communication)
- treating other students with respect and courtesy
- indicating your desire to participate by raising your hand
- providing depth and completeness in your responses when called upon
- correctly relating material from the text, any readings, and web links provided on the course website
- thoughtfully completing out-of-class assignments and turning in on time
- demonstrating preparedness by doing well on any pop quizzes
- being able to restrain yourself from blurting out your thoughts when not called upon
- bringing in ideas from other sources (e.g., other courses, your work experience, business press)
- being on time to class (if you arrive late for class, it is your responsibility to insure that your attendance is marked)
- attendance at class sessions
- being an active participant in group and class exercises
- avoiding engaging in non-class related activities during class (for rules with regard to cell phones and laptops see my policies (<http://www.d.umn.edu/~scastleb/policies.html>))
- postings in WebVISTA Discussion Forums

WEB VISTA

Access. To access WebVista, go to <https://www.myu.umn.edu>, then click on mytoolkit, then login with your UMD login (that you use for your email), then click on the course.

Purpose of Discussion Forums. It is impossible in our classroom sessions to cover every single ethical topic in business. Also, it will be impossible for us to discuss in class every detail and every issue from every reading. It will be equally impossible for every person to elaborate his/her opinions on all of the material or on every single issue discussed. Web Vista Discussion Forums will be our solution to this problem. They allow students to discuss and share outside the classroom.

Confidentiality of Discussion Forums. The postings that are made in this class are not to be shared with others not in our class, without the written permission of the person who wrote the posting. Please note that I may, occasionally, use a posting from a former class as a discussion starter in our class (but will **never** include any identifying information at all that would allow someone to know who wrote that posting – gender, name, company name, class attended).

Using WebVISTA Discussion Forums is apart of your course participation. Basis of grading:

- quality of postings. Comments of a simple nature such as “I agree with Ryan” or “Don’t blame me” don’t fully reflect your input and won’t be given full credit.
- quantity of postings. I would expect you to post at least fifteen times during the semester (five initial postings and ten follow-up postings to what your peers have written).
- participation consistently over time as opposed to bunching a lot of postings and readings, say, in one time period like at the beginning or end of the semester
- treating others with respect and courtesy in your postings and replies. Remember to separate academic issues from personal issues. One way to do this is not to address your statements by using someone’s name (i.e., Steve, you’re wrong), rather, to address your statements to the discussion itself (i.e., “It has been stated...I would suggest that the following might be a more accurate...”)
- using proper posting conventions that easily show threaded discussions
- reading most postings of others

Dr. Castleberry’s interaction in WebVISTA Discussion Forums:

- I will be reading some, but not necessarily all of the postings you make. I will try to refrain from posting my thoughts so the class can interact, but I do reserve the right to post comments and pose questions to the class in this forum.
- If you have a specific question for Dr. Castleberry, please do not ask it in the postings.

Interesting note: Godwin’s Law states, “As an online discussion grows longer, the probability of a comparison involving Nazis or Hitler approaches one.”

Your Personal Mission Statement

Goals:

- For you to reflect upon and commit to the mission of your life.
- For you to reflect upon the relationship between your mission, your actual life, and your business ethics.

Include the headings/subheadings presented in bold below in your paper.

I. My mission statement:

- A. Overall Statement of My Life's Mission** (e.g., why you are here, what you hope to accomplish with your life, what will be the results if you accomplish your mission, etc.)
- B. My Guide.** Concisely state what guides you as you set your mission, develop your goals, and make decisions in life. You may also wish to state what you will not allow to guide or influence your mission or influence your daily life.
- C. Important Relationships.** Write a brief statement that outlines the type of relationship you wish to have with each significant person or group in your life. This may include how you intend to relate to them, how you will spend your time with them, etc. Include a subsection for each of the following:
 1. Spouse or significant other if applicable
 2. Child or children if applicable
 3. Other family members
 3. Friends as a group
 4. Your relationship as an employee within your firm
- D. Learning.** Briefly indicate how you intend to develop your mind and gain wisdom.
- E. Self-Esteem and Security.** Write a brief statement which indicates where you derive your self-esteem and worth. Indicate how you will maintain that self-esteem in light of life's ups and downs.
- F. Strength.** Write a brief statement which indicates where you intend to draw your strength and power to accomplish your mission. Briefly tell how you will transform weaknesses into strengths.

II. Relationship Between My Mission Statement and My Daily Life

Discuss the relationship between your mission statement and the life you live daily, particularly in the area of business ethics. Be specific and explicit in your examples. The purpose of this section is serious self-reflection.

Basis of grading:

- Must turn in one typed copy of the mission statement on time.
- Must provide, at a minimum, the information requested.
- Must not be guilty of plagiarism in any form (see web page).
- Must be free of grammar and spelling errors. Note that if English is not your first language, or you just have trouble writing papers, you should seek help in proofing. I tend to take off one point for each grammar/spelling error.
- Must demonstrate correct knowledge of any terminology used in our course (e.g., stage scores, schools of ethics, criteria).

You will find many examples of personal mission statements on my web site. I have posted every single statement that students have given me permission to post.

Experiential Activity

Goal: Help you engage in the course material in the real world and further develop your skills in the topical areas covered. I encourage you to share your paper with a classmate before turning it in.

Layout of paper: Expected length (not including cover page and last two questions) is provided below. Paper should be double-spaced (except where noted), 12 point type, Times New Roman font, with one inch margins all sides.

(Choose only one from the 8 following activities)

I. Watch a cinematic movie and critique the business ethics dilemmas.

Choose a full-length cinematic movie (does not have to be a business-ethics-focused movie, but must be one in which business is included in some way), watch it (you will probably have to watch it several times), then write a report to answer the following questions:

1. How was “the business world” portrayed . . . in a positive light, negative light, neutral, etc.?

Provide clear examples that help illustrate your points.

2. What business ethics issues were portrayed?

3. Choose 3 specific business ethical dilemmas. For each issue do the following:

a. Briefly describe how the issue was portrayed.

b. How was the issue resolved, if at all?

c. How should the issue have been resolved?

3. Overall, what did you learn from this exercise?

4. What changes should be made in this exercise if it is used in future classes?

5. Rate this activity using the following item (use a ten point scale with the following endpoints:

1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages

II. Make a field visit to a corporate ethics officer and report on the visit.

Choose any corporate ethics officer in business or a not-for-profit organization. This person must have, as part of his/her formal job description, the creation and/or enforcement of corporate ethics policies.

Write a report to answer the following questions:

1. What is the person’s name and title? What is the person’s formal job description with regard to corporate ethics?

2. How long has the person held this position and what qualifications are in place for the position?

3. What does this person see as the major business ethics issues today? What issues seem to be waning in importance?

4. Briefly describe how this organization handles an ethical violation of its code. (Please provide a copy of the organization’s code of ethics with your report.)

5. What sanctions are available for those who violate the code? How often are those sanctions used?

6. Discuss anything else of interest you learned while meeting with this individual. This can include issues/questions that you ask in addition to those I’ve provided here.

7. Overall, what did you learn from this exercise?

8. What changes should be made in this exercise if it is used in future classes?

9. Rate this activity using the following item (use a ten point scale with the following endpoints:

1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages

III. Engage in a community service/social responsibility project.

Engage in a community service/social responsibility activity that you can participate in within your local community, given the constraint that it needs to be concluded in a timely manner so you can write your report for this course. Acceptable activities for this exercise include serving meals in a soup kitchen, helping build a Habitat for Humanity house, volunteering at a nursing home, and volunteering to work with disadvantaged youth or at-risk persons. If you wish to engage in something not in this list, gain Dr. Castleberry's permission first. You should spend at least four hours in the activity (includes prep time). Then write a report that answers the following questions:

1. What activity did you engage in and for how long? Why did you choose this particular activity?
2. What did you learn about the people you served? How are they different from you? How are they the same?
3. Reflect upon the issues of justice, equity and fairness with regard to the individuals you served as compared to yourself and your life.
4. If your service was to an organization (e.g., a soup kitchen), answer the following questions:
 - a. Were misconceptions realized during this experience and if so, how or where were those initial perceptions formed?
 - b. Did this experience change the way you perceive the organization or cause? If so, how?
 - c. Would you participate in this activity again on your own initiative without being related to a class project? Why or why not?
 - d. Were you able to casually learn about anyone's background without being intrusive?
5. Overall, what did you learn from this exercise?
6. What changes should be made in this exercise if it is used in future classes?
7. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages

IV. Develop a comprehensive code of ethics for the organization where you work (this assumes that the organization has no code of ethics currently).

Review a number of codes of ethics (many are available online). Then develop a comprehensive code of ethics for the organization where you work (or for the business you operate). Make sure to include the following:

- a statement of purpose
- values that the organization espouses
- the code itself, what is allowed and what is not allowed
- enforcement procedures (discovery, information collection, adjudication, resolution, penalties, appeal)

Include a section after your code in which you answer the following questions:

1. Overall, what did you learn from this exercise?
2. What changes should be made in this exercise if it is used in future classes?
3. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages for the code itself.

V. Read a novel and critique the business ethics dilemmas.

Choose any fiction novel you wish, read it (you may have to read parts of it several times unless you take good notes), then write a report to answer the following questions:

1. How was "the business world" or "the organization" portrayed . . . in a positive light, negative light, neutral, etc.? Provide clear examples that help illustrate your points.
2. What business ethics issues were portrayed? Note: most of these will not be the central theme of the book.
3. Choose 3 specific business ethical dilemmas. For each issue do the following:
 - a. Briefly describe how the issue was portrayed.
 - b. How was the issue resolved, if at all?
 - c. How should the issue have been resolved?
4. Overall, what did you learn from this exercise?
5. What changes should be made in this exercise if it is used in future classes?
6. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages

VI. Engage in significant digital video (or still photo) doctoring and discuss the business ethics implications of such technology.

There is a concern that altering video or photos by professionals creates output of people/places/things that are not at all realistic, resulting in harmful and damaging perceptions (e.g., I could never look as thin or pretty as that girl on the cover of the magazine, I wish my lawn could be that spotless, etc.).

Choose a digital video or two still photographs. Make significant changes to them, so that the persons/places/things are more visually attractive. Turn in the original plus the altered images. Then write a report that answers the following questions:

1. Describe the changes you made to the pictures and what you were trying to accomplish (also indicate the software program you used to make the changes).
2. Show the images to three people and report on their reactions to the differences in the two sets of images.
3. How hard was it to accomplish the changes?
4. Assume you work for a clothing manufacturer who digitally modifies images for advertising. Develop a list of policies you could put in place to insure that viewers of your images (customers, prospects) do not experience harmful perceptions or reactions.
5. Overall, what did you learn from this exercise?

6. What changes should be made in this exercise if it is used in future classes?
7. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 4 pages

VII. Document two actual business ethics dilemmas that you have encountered personally or that you are aware of from close associates (and for which you can supply all pertinent information).

These will be shared in future class sessions, so disguise anything you do not wish to have revealed.

Follow this outline:

- I. Title page (your name, the date turned in). This is page one, and is the only page upon which you will identify yourself.
- II. Business Ethical Dilemma One. Using 1st person style, clearly state the situation, describe the individuals involved, and conclude with the dilemma “What should I do at this point?” Use headings and subheadings to help the reader follow your dilemma. Do not identify yourself in any way on any pages of this assignment except for the title page.
- III. Business Ethical Dilemma Two. Using 1st person style, clearly state the situation, describe the individuals involved, and conclude with the dilemma “What should I do at this point?” Use headings and subheadings to help the reader follow your dilemma. Do not identify yourself in any way on any pages of this assignment except for the title page.
- IV. What Actually Happened (This must start on a new page) Provide additional information describing what actually happened in real life for each dilemma.
 - A. Dilemma One
 - B. Dilemma Two

Include a section in your report in which you answer the following questions:

1. Overall, what did you learn from this exercise?
2. What changes should be made in this exercise if it is used in future classes?
3. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages (not counting title page)

VIII. Write a case about a real world ethical issue in business today.

Follow this outline format:

Outline of the case:

- I. Title page (title of the case, your name, the date turned in). This is page one, and is the only page upon which you will identify yourself. The case you write will probably be used in future ethics classes and may be published.
- II. The case itself. The case should be similar to the ones assigned in class, while following

these requirements exactly. You are to fully discuss the issues using direct quotations from individuals, as appropriate. You must convincingly present all sides to the issue. This must start on page two. Put the case title at the top of this page. Number your pages. Use headings and subheadings to help the reader follow your case points.

- III. Case Questions. Provide at least five thought-provoking business ethics questions.
- IV. List of Sources. List all reference citations that you used to write your case. References can be books, magazines, journals, web pages, etc. Use any standard style you wish for reference citations.

You will find many examples of cases on my web site.

Include a section in your report in which you answer the following questions:

1. Overall, what did you learn from this exercise?
2. What changes should be made in this exercise if it is used in future classes?
3. Rate this activity using the following item (use a ten point scale with the following endpoints:
1=strongly disagree ... 10=strongly disagree):

This activity helped me engage in the course material in the real world and further develop my skills in the topical areas covered.

Approximate length: 5 pages (for the case itself, not counting case questions, sources or title page)

COURSE OUTLINE

For my course policies, see <http://www.d.umn.edu/~scastleb/policies.html>

Date	Topics/Assignments
3/28	Take up information sheets and take photos Introduction Social Responsibility
4/4	Power and Exploitation Environment (GM Foods Case)
4/11	Personal Mission Statement Due at 8:00 am Custom (How Young is Too Young Case)
4/18	Letter of the Law/Business and Government (ADM Case) Costs vs. Benefits
4/25	Equity, Justice, and Fairness (Off Duty Case) Whistleblowing (Mercy Medical Center Case)
5/2	Experiential Activity Paper is Due at 8:00 AM International Values (The Garment Industry ‘Sweatshop’ case) Personal mission statements discussion
5/9	Honesty and Deception (Trust Us! book should be read) Course Summary Guests: Dave Logan, former white collar prisoner, Duluth Federal Prison Camp, and Hank Shea, Dave’s prosecuting attorney