



Korea University International Winter Campus (KU IWC) 2019~2020

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December 27, 2019 ~ January 16, 2019

IWC364 – Business Ethics

I . Instructor

Professor : Dr. K. Praveen Parboteeah
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Home Institution : University of Wisconsin - Whitewater
Office : TBA
Office Hours : TBA

II. Textbook

Required Textbook : Parboteeah, K.P. and Cullen, J.B. 2018. Business Ethics (2nd edition). Routledge Publishing.



Recommended Additional Readings : Business Week, Wall Street Journal, Economist, Fortune, Harvard Business Review and other business periodicals.

III. Course Description and Objectives

This course will provide students with an understanding of the relationship of organizations with their stakeholders (e.g., customers, employees, society, etc.) and provide both an exposure to and an understanding of both ethical and unethical behavior. By investigating organizations and their linkages with various environmental entities, students will have a better appreciation of what produces socially responsible behavior so as to expedite socially responsible actions and prevent irresponsible ones.

OBJECTIVES

- To become aware of some of the most controversial and popular ethics related issues
- To be exposed to and understand the contrasting schools of thought on business ethics
- To survey the environment of businesses and their relationship with organizations
- To explore and analyze the controversial issues associated with such relationships between businesses and their environment
- To appreciate the importance of ethical considerations in business today
- To develop and cultivate the necessary analytical skills, intellectual capacities, and conceptual perspectives to deal intelligently with ethical issues
- To understand some of the popular ways organizations foster an ethical culture

- Ultimately, to become a better manager in terms of understanding business situations and their connections to ethics and social responsibility

IV. CLASS STRUCTURE

The class is structured so that you have the opportunity to apply the tools taught during lectures through case study analysis. Case studies provide you with real companies, situations, and problems they face. Careful case analysis will allow you to understand general ethical problems companies face and how to deal with such problems. In analyzing case studies, you should understand the ethical issues at play and be able to apply lecture/text material to solve these problems. Ultimately, you will need to be able to devise solutions that make the company more ethical and socially responsible.

V. COURSEWORK, POLICIES, AND PROCEDURES¹

GRADING

2 Exams	40%
Case write-up (5)	20%
In-class exercises (7)	21%
Group Case	10%
Presentation	9%

EXAMS

Two exams have been scheduled for this class. The examination will follow a multiple-choice format and a case or essay questions. All exams will be non-cumulative and closed book/notes. Test materials for exams will come from the textbook, lectures, discussions, video clips, case presentations, and other topics discussed in class. You will first need to take a multiple-choice exam. For the second part of the exam, you will need to answer some case questions.

CASE WRITE-UPS

Nine case write-ups have been assigned during the summer semester. You will need to produce a report answering the two questions **in bold for FIVE CASES**. Your response should be typed and should not exceed THREE PAGES DOUBLE-SPACED. You cannot submit more than FIVE cases. If your group is presenting that day, you CANNOT complete the case write-up.

IN-CLASS EXERCISES

There will be regularly scheduled in-class exercises ranging from discussion questions to experiential exercises. These can only be completed in class. You will not get credit if you are absent.

GROUP CASES: REPORT AND PRESENTATION

The class will be soon assigned to different groups. For each class session, a group has been assigned a case. It is the responsibility of the group to collaborate and prepare a report answering the questions listed. The report should NOT exceed 10 pages double-spaced. However, there are no limits on appendices. The group should also prepare a power point presentation for the class. The presentation should last about 45 minutes. Presentations significantly shorter or exceeding 45

¹ Hints on doing well in this class: Come to class prepared. Attend class regularly. Read the assigned chapters before coming to class. Don't be afraid to ask questions and share your opinion with the class: remember, participations cards are easy to get and delaying your participation will only make it harder at the end. Prepare study questions. Prepare for exams. And, ALWAYS ask if in doubt.

minutes will be penalized. Whenever applicable, you are also expected to update the case and present the latest findings.

FINAL RULES/NOTES

- I will be taking attendance. If you are late, you will be considered absent. If you are absent more than four times, your grade will fall by one letter grade.
- Please make sure to turn off your cell phones or pagers before class. Laptop use IS NOT allowed during class time. Please make sure to keep your laptops in your bags.
- This class follows a discussion rather than a lecture format. All students are expected to contribute actively to the discussions.
- Assignments can only be collected in class (unless otherwise noted). Assignments will NOT be accepted if you are not in class.
- To get the most out of this class, you should come prepared. Read the assigned material, cases, etc. and be ready to share your findings in class. I encourage you to use the internet to research the companies and issues to get the most updated information.
- Any breaches of academic dishonesty detected will be pursued to the fullest extent of the university disciplinary guidelines. Do not cheat or plagiarize. Submit your original work unless it pertains to the group project. See Code of Conduct at the end of this syllabus.
- This syllabus is only tentative and may be subject to change.

VI. Class Outline

Date	Topic	Chapter
Dec 27 (Fri)	Class syllabus/Introductions etc.	
Dec 28 (Sat)	What is Business Ethics?	Chapter 1
Dec 30 (Mon)	Building Ethics at the Individual Level Group A – [Case 1] The Volkswagen Emission Scandal – page 34 <ol style="list-style-type: none"> 1. What factors might have contributed to the actions taken to install defeat devices on VW cars so that they would cheat and pass emissions test? 2. What have been the negative consequences of such actions for VW? 3. How important is it for multinationals like VW to behave ethically today? Why? 4. What should Muller do to prevent similar actions in the future? 	Chapter 2
Dec 31 (Tues)	Ethical Theories Group B – [Case 2] Philosophical Foundations of Impact Investing – Page 122 <ol style="list-style-type: none"> 1. What is impact investing? How is impact investing different from socially responsible or sustainable investing? 2. What are some of the societal benefits of impact investing to society? 3. Why is the consideration of Kantian ethics much more relevant in considering impact investing compared to other forms of investing? 	Chapter 3

Date	Topic	Chapter
	4. Compare and contrast the utilitarian and deontological justification for impact investing.	
Jan 1 (Wed)	No class – Happy New Year!	
Jan 2 (Thu)	Stakeholders Group C [Case 3] Starbucks Corporation A – page 168 <ol style="list-style-type: none"> 1. How should CFO Troy Alstead testify at the Parliament hearings? Should he continue Starbucks' claims of an unprofitable UK market, or admit to tax avoidance practices? 2. What actions, if any, should Starbucks take in order to minimize the impact of the public outcry and actions planned by UK Uncut? 3. Does Starbucks have a responsibility to the community to obey the spirit of corporate tax laws, or an obligation to shareholders to legally minimize tax expenses? 4. How can Starbucks, or other companies, avoid such situations in the future? 	Chapter 4
Jan 3 (Fri)	Employees Case 4 – A Sexual Harassment Complaint and the Fallout – page 226 <ol style="list-style-type: none"> 1. What is your assessment of how Shoma handles the situation? What could Shoma have done differently? 2. What issues does the case raise? What can companies do to make sure that such incidents don't happen again? 	Chapter 5
Jan 6 (Mon)	Mid-term Exam	Chapters 1~5
Jan 7 (Tue)	Field Trip	
Jan 8 (Wed)	Shareholders and Corporate Governance Group D [Case 5] Satyam Computers Services Ltd – page 340 <ol style="list-style-type: none"> 1. In a unique crisis such as this, how did Satyam address the needs of its shareholders? What could it have done better? 2. Both Satyam officials and Price Waterhouse officials have been blamed for the corporate scandal. In your assessment, who really deserves to take responsibility for the fraud? 3. If you had been the Price Waterhouse partner involved with the Satyam engagement, how would you have confronted an issue with Raju's accounting? What assistance might you have had available to you? 4. What aspects of corporate governance discussed in the chapter could have prevented this crisis? 	Chapter 7
Jan 9 (Thu)	Government, media and NGOs etc Group E [Case 6] IKEA in Russia – page 385	Chapter 8

Date	Topic	Chapter
	<ol style="list-style-type: none"> 1. Discuss the various external factors IKEA had to take into consideration when devising a market strategy in Russia. 2. What are some of the specific ethical dilemmas faced by IKEA because of the Russian government? How did IKEA's stance on corruption prove problematic for them? 3. What is the impact of strong and cooperative political machinery on the business prospect of an emerging market. 4. What should IKEA's strategy be going forward with respect to the ethical dilemmas presented by the Russian government? 	
Jan 10 (Fri)	<p>IT Environment Group F [Case 7] – Walking the Encryption Tightrope – page 445</p> <ol style="list-style-type: none"> 1. What are some of the main IT and privacy ethical issues in this case? 2. Do you think it was appropriate for Apple to stick to its decision to protect its customers' privacy? Defend your answer. 3. What were some of the consequences of these actions on Apple? Was it a good move? 4. What should multinationals like Apple do in the future to address ethical issues related to IT? 	Chapter 9
Jan 13 (Mon)	<p>Natural Environment/Global Environment Group G [Case 8] The need for cultural intelligence – page 564</p> <ol style="list-style-type: none"> 1. What are some of the main factors that led to the crash? 2. How did Asiana address the crisis after the crash in the US? Was the approach appropriate? 3. How did the way Asiana Airline handle the crisis show its inability to handle cross-cultural differences in communication styles? How did South Korean culture contribute to this mishandling? 4. How should Asiana have handled the situation? 	Chapter 10/11
Jan 14 (Tue)	<p>Building Ethical Organization Case 9 – Bad Apple Behavior or a Spoiled Barrel – page 652</p> <ol style="list-style-type: none"> 1. Was Wells Fargo's fraudulent activity an individual employee problem or a broader cultural problem? Why? 2. What steps can Wells Fargo take to enforce an ethics program to redesign its ethical climate? 	Chapter 12/13
Jan 15 (Wed)	Final Exam	Chapters 7~13
Jan 16 (Thu)	Course Conclusion	