Syllabus of Business Ethics

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Course Description

This course introduces Business ethics as the modern managerial approach to ethical questions in business environment. It gives not only understanding of main theoretical concepts, but also developing skills of identification, analysis and permission of ethical dilemmas on a workplace and managing ethics in organizations.

This course includes three part. The first part, which is called Universal ethics, takes into account the nature and essence of ethics, problems and possibilities of individual ethical and moral behavior formation. In the second part, named Applied Ethics, - questions and problems of ethical decision-making in the company are considered. Moreover, the third part concerns CSR, its contribution to strategic advantages of the company and its integration into business process.

The international and Russian experience in educational methodical materials is balanced so that students could gain an impression about features of national ethical context, and also that in fact ethical principles have no nationality as in their basis the human values are put.

This course is an important contribution to increasing standards of business as listeners are future executives of manufactures and NGOs.

Scope of Use

The present syllabus establishes minimum requirements of students’ knowledge and skills and determines the content and methodologies of the course.

The present syllabus is designed for the lectures teaching this course, their teaching assistants, and students of the bachelor’s degree program 38.03.02. Management, studying the course Business Ethics.

This syllabus meets the requirements of:
- Standards of National Research University Higher School of Economics;
- Bachelors’ program Management of Federal Bachelors’ Degree Program 38.03.02;
- University curriculum of the bachelors’ program in management (38.03.02.) for 2015-2016.

Course Goals

The course aims to acquaint participants with the basic concepts and standards of Business Ethics and Corporate Social Responsibility (CSR), and to develop their skills in identification, analyses and permission of ethical dilemmas on workplace.

Learning Outcomes

After taking the course of Business Ethics students should know:
- reasons of emergence of Business Ethics and CSR concepts and the main stages of their genesis;
- algorithms of ethical dilemmas solution;
- problems, opportunities and methods of formation of ethical and morality behavior of personnel;
- possibilities of regulation of ethical violations and counteraction of corruption in the organization;
- CSR international standards;
- how to coordinate policy of CSR to abilities and the purposes of development of the organization, which competitive advantages of SCR are got by the company;
- how to realize CSR policy at all hierarchical levels in the organization;
- how the management of the company can stimulate successful interaction with shareholders and stakeholders;
- how the policy of CSR influences the current and future practice of state regulation.

be able to:
- to understand main types of ethical violations and consequence of their influence on business practice, economy and society in general;
- to prove criteria of employees’ ethical behavior in decision making in conflict situations (cases of business ethics commissions);
- to use decision-making models in ethical dilemma situation on workplace;
- to classify and define stakeholders interests in social, marketing problems of the company taking into account the ethical dilemmas of business;
- to prove need of practical realization of initiatives of CSR.

Course prerequisites
The course is based on the knowledge and competences provided by the following disciplines:
- General management.
- Theory of organization and Organizational behavior.
- Theory and history of management.
- Economic analysis of a firm.

Course Type is compulsory. The boost of the course is crucially important for students’ awareness of their professional identity as Managers and their individual input to improving business climate in Russia and all-over the world. As the subject of the course is connected with morality and ethical standards, it is expected that students will demonstrate ethical commitment and behavior, for instance to academic and scientific work standards of NRU Higher School of Economics during classes and self-study work.

Course Outline
This syllabus is the plan for the course however it is subject to modification at any time throughout the semester in respond to student’s progress. Such changes will be announced during classes.

Distribution of hours

<table>
<thead>
<tr>
<th>#</th>
<th>Topic</th>
<th>Total hours</th>
<th>Contact hours</th>
<th>Self study</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lectures</td>
<td>Seminars</td>
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<tr>
<td></td>
<td><strong>Universal ethics</strong></td>
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<tr>
<td>1.</td>
<td>Nature and Essence of Ethics</td>
<td>12</td>
<td>2</td>
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<td>2.</td>
<td>Business Ethics Concepts</td>
<td>10</td>
<td>2</td>
<td>8</td>
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<td>3.</td>
<td>Professional ethics</td>
<td>12</td>
<td>2</td>
<td>8</td>
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<td><strong>Applied Ethics</strong></td>
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<td>4.</td>
<td>Organizational moral standards and the ethical dilemmas of decision-making</td>
<td>14</td>
<td>2</td>
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<td>5.</td>
<td>Managing ethics in organization</td>
<td>12</td>
<td>2</td>
<td>2</td>
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<td>6.</td>
<td>Anti-corruption behavior</td>
<td>12</td>
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### CSR

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<th>8</th>
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<tbody>
<tr>
<td>7</td>
<td>CSR: conceptual bases</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>8</td>
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<td>8</td>
<td>Socially responsible leadership and CSR’ role in corporate governance</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>8</td>
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<td>9</td>
<td>The interaction between business and government in the implementation of social policies in Russia. Public-private partnership within the CSR</td>
<td>12</td>
<td>2</td>
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<td>8</td>
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<td>10</td>
<td>Basic initiatives in the field of CSR and sustainable development. Corporate CSR reports. Audit reports.</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>8</td>
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<td>11</td>
<td>Globalization of CSR. Features of CSR of multinational corporations</td>
<td>12</td>
<td>2</td>
<td>2</td>
<td>8</td>
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<td>Total</td>
<td>144</td>
<td>22</td>
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<td>100</td>
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### Grading and course requirements

Attendance and active participation are critical to success. Course grade is based on the following components:

<table>
<thead>
<tr>
<th>Assessment</th>
<th>% of the Grade</th>
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<tbody>
<tr>
<td>Seminars</td>
<td>50</td>
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<tr>
<td>Final Exam</td>
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There are Final exam that consist of multiple-choice items, open-ended questions and practical exercises. Exam will cover all course material.

Therefore, the final grade will be calculated as follows:

\[
\text{Final Grade} = \text{Cumulative Grade} \times 0.5 + \text{Final Exam Grade} \times 0.5
\]

### Seminars

An important goal of class activities on the seminars will be to provide opportunities to develop oral communication skills, usage of decision-making models in ethical dilemmas situation; to classify and define stakeholders’ interests in cases that are relevant to Russian companies.

Seminars are organized both in traditional form as analyzing and reporting, and with active learning methods (such as debate, discussions, and business games). Students are expected to be present and engaged during each seminar, but in different roles (more or less active by their choice, as an expert or as group leader).

Students are required to read the assigned materials, and prepare group presentation before coming to seminars. They are invited to participate fully in discussions, presentations, practical assignments and case studies.
Teaching and learning materials

Lectures on Universal Ethics and Applied Ethics (Lectures 1-6) are posted in LMS as PowerPoint Presentation slides. Classes on CSR are conducted as group discussion. These materials are not published, but students might meet cases on CSR in LMS.

For the convenience of the students, the majority of recommended articles are collected in READER, which includes both English and Russian materials.

THE READER IS BEING REINNOVATED IN ORDER TO STUDY COURSE IN ENGLISH. THUS, THE ASSIGNED READINGS LISTS WILL BE REVISED.

Introduction and course overview

This part introduces and overviews the major topics of Business Ethics course.

Topic #1 Nature and Essence of Ethics

Cultivation of the concepts: "morality" and "ethics", its semantic definition.
Functions of morality. The spheres of human activity regulated by morality.
Studying morality: main approaches (descriptive, conceptual, and normative). Structure of morality. The place of ethics in structure of morality.
Mechanism of formation of individual morality behavior. Determination of human behavior: a role of outlook, ideology, interpersonal relations.
Level of individual morality development (according to L. Kohlberg).

Assigned readings in Reader:

The seminar #1 will be taken in a format of debates of Karl Popper (the adapted version). The subject is “How important are business ethics in today society?”. The lecturer could change the design of group discussion. Information about group working procedures will be announced additionally.

For preparation for Debates students must:

1. Meet with materials of the free electronic course «Moralities of Everyday Life» from Yale University URL: https://www.coursera.org/learn/moralities
2. Meet with recommended materials from Reader.
3. Prepare 10 negative and 10 positive arguments to reject or support the thesis (obligatory). Use statistics, collect the cases of best and bad practices.

Topic #2 Business Ethics Concepts


Assigned readings:
Meet with Materials of the free electronic course «Justice» from Harvard University. URL: https://www.edx.org/course/justice-harvardx-er22-1x-1

Or References in Reader:
Seminar #2 is devoted to **Decision-making in a situation of ethical dilemmas**. For preparation students must:

1. Read the general information on ethical dilemmas on workplace and decision-making models (LMS).
2. Meet with Materials of the free electronic course «Unethical Decision Making in Organizations» from University of Lausanne. URL: [https://www.coursera.org/learn/unethical-decision-making](https://www.coursera.org/learn/unethical-decision-making)
3. Prepare a small-group project (6 persons) of how to solve the chosen case from the list of cases concerning ethical dilemmas (LMS). You should discuss the situation and reason the solutions before the seminar, using recommended decision-making model.

At classes all groups present their decisions by 1-2 members of the team. Each member of the group get the same mark. Additionally, students should improve their marks raising the question in general discussion.

**Topic #3 Professional ethics**

Concept and emergence of professional ethics. Dilemmas of professional ethics. Sense and need of professional ethics, its functions. Examples of professional ethics: medical, journalistic, military, lawyer ethics, ethics of the social worker. Reasons of crisis of professional ethics and possibility of its permission.

**Assigned readings:**


Seminar #3 is devoted to Professional codes, analyses of their appointment, structure, announced values and principles. For preparation students must:

1. Read the appropriate articles in the Reader.

2. Prepare a small-group project (6 persons) with Professional Code analysis. Student should choose one of the Code from Reader set or find it from open sources. You can examine the Codes of modern and public demanded professions as well as consultants, lawyers, journalists, or, on the contrary, rare professions, or, instead, you can analyze the Codes of public servants and police officers. You should discuss the Code, answer the questions and prepare the PP presentation for 5-8 minutes before the seminar.

At classes all groups present their decisions by 1-2 members of the team. The time duration can be changed due the number of presented teams. For extra high grading you can make a comparison analyses with demands to the profession in 2 different countries, not only your native country. Each member of the group get the same mark if he/she attends at the seminar. Additionally, students should improve their marks raising the question in general discussion in classes.

Topic #4 Organizational moral standards and the ethical dilemmas of decision-making

Ethical problems of business. Decision-making process in organization: taking in account the ethical dimension. Individual distinctions and ethical behavior. Barriers and favorable factors in acceptance of right ethical decisions. Moral standards of the organization. Ethical principles. Ethical dilemmas. Technologies of decision-making in a situation of ethical dilemmas. A role of managers in the organization. Ethical duties of the manager and subordinates. The moral problems of power and hierarchy in organization, assessment of manager due to ethical dimension. Individual cases and cases of the companies.
Assigned readings

Meet with Materials of the free electronic course «Unethical Decision Making in Organizations» from University of Lausanne. URL: https://www.coursera.org/learn/unethical-decision-making

Or References in Reader:


Seminar #4-5 is devoted to critique analyses of Corporate Codes of Conduct: their meaning, logic structure, tipical adjusted situations, tools of motivation for positive ethical behaviour.

For preparation students must:

1. Read the appropriate articles in the Reader.
2. Prepare a small-group project (6 persons) with Review of one of Codes of Conduct. Student should choose the Code of Conduct from Reader set or find it at open sources.
   You should discuss the Code, answer the questions and prepare the PP presentation for 6-8 minutes before the seminar.
At classes all groups present their decisions by 1-2 members of the team. The time duration can be changed due the number of presented teams. Each member of the group get the same mark. Additionally, students should improve their marks raising the question in general discussion.
Topic #5 Managing ethics in organization

Ethical Regulation in organization: corporate standards, codes of conducts, and other internal documents of the companies. Russian practice of application of ethical standards. Supporting tools to increase the ethical level of organization culture (ethical codes, "cards of ethics", and committees on ethics, social audit, training in ethical behavior, ethical examination, and ethical consultation). Corporate culture (theory of R.Ryutinger) and ethical climate of the organization. Control of ethical standards: ombudsman; compliance system; hot lines, whistleblowing. Bad practices, best practices (cases of the companies).

Assigned readings:


**Topic #6 Anti-corruption behavior**


**Assigned readings:**


**Seminar #6 is about "Regulation of Anti-corruption Behavior in the Company"**. For preparation, students must:

1. Review the materials published on LMS (Code of Conduct of "Layer Cake", Anti-corruption Adds.

The seminar consists of 3 stages: firstly, we will be divided into 5-6 team. Each team will answer a question. Secondly, we will remember the rules of Anti-corruption legislation (Code of Conduct of "Layer Cake"). Thirdly, will meet with sophisticated cases from the practice of Work of the Ethics Commissions.

During the game 1 representatives from each team will check the justification of case decision (according to Anti-corruption legislation) and its argumentation. Each case has right decision wich will be announced by lecturer.

**Topic #7 CSR: conceptual bases**


**Assigned readings**

Seminar #8 is about "Integration of SCR into business process. CSR tools"
Preparation for seminar: reading of recommended literature.

Within the seminar, the cases from business practice concerning CSR principles will be discussed. We will work in small groups (by 5-8 persons) which will discuss situations, propose and reason their solutions. Decisions are submitted for general attention by members of teams (1-2 persons, who are delegated).

Marks for seminars are putted down to speakers and participants of discussion.

Topic #8 Social responsible leadership and CSR’ role in corporate governance

Factors and administrative advantages of CSR usage. Need of CSR integration into corporate strategy. Extent of CSR integration into corporate strategy (from charity to socially responsible vision). Charity. Sponsorship. CSR role in formation of competitive advantages of the company. Corporate social investments as element of effective corporate strategy. Management of corporate social activity in the organization. Risks of absence of consideration to social responsibility perspective at corporative level of management. An individual responsibility of the manager in the organization. Individual responsibility of the shareholders and investors. Individual responsibility of the board members. Individual decision-making in socially responsible leadership perspective.

Assigned readings

9. Благов Ю.Е., Савченко А.А. Аналитическое исследование корпоративной благотворительности компаний в России. Центр корпоративной социальной ответственности им. ПрайсвотерхаусКуперс Высшей школы менеджмента СПбГУ. Москва, 2011.
12. Яковлева В.В. Как бизнесу стать «добрым»: корпоративная социальная ответственность в теории и на практике. Рецензия. Журнал исследований социальной политики 8 (4).

**Topic #9 The interaction between business and government in the implementation of social**


**Assigned readings**

6. Доклад о социальных инвестициях в России — 2014: к созданию ценности для бизнеса и общества.
Seminar #9 is devoted to "Interaction of Business and Government: a basis and forms". Preparation for seminar: reading of recommended literature. Within the seminar, the cases from business practice concerning CSR principles will be discussed. We will work in small groups (by 5-8 persons) which will discuss situations, propose and reason their solutions. Decisions are submitted for the general attention by members of teams (1-2 persons, who are delegated by the team). Marks for seminars are putted down to speakers and participants of discussion.


Assigned readings
8. Руководство по отчетности в области устойчивого развития.2006.
12. Уровни применения GRI. Перевод на русский выполнен Эколайн при поддержке ВР в России. 2006.

Seminar #10 will be on "Initiatives and the reporting in the field of CSR: analysis of approaches". Preparation for seminar: reading of recommended literature for occupation, acquaintance with the main standards of the reporting in the sphere of KSO.
Seminar will be divided into 2 blocks: information (the short review and the comparative analysis of various initiatives in reporting), and business game – we should to choose the standard of reporting for the company, which are determinate by its character, scales of business, and business goals.

Students will be divided into small groups in a random way. Marks for seminars are putted down to speakers and participants of discussion.

**Topic #11 Globalization of CSR. Features of CSR of multinational corporations**

Transformation of multinational corporations into global economic and political actors. Changes in external and internal environment of the company at entry into other national market, and upon transition to global scales of activity. Changes of groups of stakeholders at an entry into the foreign market and upon transition to global scales of activity. Influence of globalization on the theory and practice of CSR. Global environmental, social, economic, political and other problems. Criteria for evaluation of efficiency of CSR to multinational corporations. Appropriate approaches to changing the CSR policy for the company at an entry into the foreign market, and upon transition to global scales of activity.

**Assigned readings**


**Seminar #11 on "Features of Corporate Social Responsibility in the Large Multinational Company"

Preparation for seminar: reading of recommended literature.

At the classes we will analyze 2 cases concerning CSR practice of the large multinational companies (Russian and foreign).

Interaction of students will be organized in small groups (on 5-8 people) which will discuss situations, propose and reason for their solutions.

Decisions will be submitted for general discussion by 1-2 speakers from each teams. Marks for seminars are putted down to speakers and participants of discussion.

**Course Policies**

**Lectures**

If you do miss the lecture, it is your responsibility to contact another class member to get the material. You can use LMS in order to review the material (it is optional Lectures 1-6).

**Seminars**

Procedure of repeating for seminars in order to increase your mark is not provided. Procedure of gaining some extra points ("backdating") is not provided too.

In case of your absence at a seminar you should apply the documents which approved that you have legal reasons for it (for ex, illness). In such case, the assessment "0" is not putted down and you can submit the WRITTEN answer on the subject during, but no later than in 2 weeks from the moment of your absence at classes if the interval between seminars has made more than two weeks.
We will do our best to get to know all of you but please check your membership or your points after each class activity.

Exam

Any content from the assigned readings or in-class discussions can appear on the exam. Make-ups of exam are possible only in the case of permission from the Bachelor’s Coordinator.

Work submitted by students on quiz or exam should be an honest representation of that student’s effort and should not involve unauthorized collaboration, unauthorized use of notes, electronic devices and etc. The consequences for academic dishonesty involve a zero for the quiz or exam. Incidents of academic dishonesty are reported to the Bachelor’s Coordinator, as well as to the Dean.