

MGT 6456
ETHICS IN BUSINESS

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In this course we explore management practice and business leadership from a personal ethical perspective. We will address business ethics not merely as an abstraction involving other people in difficult situations, but as a practical matter as it might affect you. Rather than viewing ethical issues as things that arise occasionally in unusual circumstances, we will explore how ethical concerns color, change, detract, and/or add to your approach to life in work and other organizations, as both leader and member. We will study a range of approaches people in businesses use to assure (and fail to assure) ethical practice. We will use experiences drawn from case studies and contemporary events, as well as experiences of members of the class, as the springboard for our discussions.

MATERIALS

- **ClassPak** (required). In addition to a hard copy, the ClassPak contains an access code so that you can view materials online in Brightspace. You must purchase the Classpak in order to access the materials electronically. It is a violation of copyright permissions (not to mention fundamental principles of human dignity) to share your access code with another individual.
- **Online readings** linked from Brightspace; this syllabus has live link as well. There will be additions after the course starts (in particular, for weeks 5 and 6; see page 12 below).
- **Top Hat polling.** At times we will use software called Top Hat to conduct in-class live polling. You participate via smartphone app (or browser). Follow three simple steps to prepare for this:

[1] CREATE A TOP HAT ACCOUNT: Go to <https://www.vanderbilt.edu/tophat/student-resources>, click on the *Student: Account Creation* link, and follow directions. Skip this if you already have an account.

[2] INSTALL THE TOP HAT APP ON YOUR DEVICE (smartphone or tablet):

for Android: From the Google Play store, install the free app *Top Hat*.

for iOS: From the App Store, install the free app *Top Hat Lecture*.

[3] ENROLL IN THE COURSE ON TOP HAT:

Sign in at <https://app.tophat.com/login> and enter the 6-digit join code for this course:

The join code for section 4, the 9:40 section, is: **997773**.

The join code for section 5, the 11:20 section, is: **486153**.

THE COURSE REQUIREMENTS SUMMARIZED

• **Class Participation** (33% of course grade)

Much of the value of the course follows from exposure to the ideas and insights of others, both in readings and in class discussion. Accordingly, I put substantial weight in grading on in-class participation. It is essential that you come to class prepared to share your own ideas and insights about the readings and the subject under discussion.

The quality of your class participation is more important than quantity, although obviously some of the latter is necessary to gauge the former. Good contributions to class discussion are perceptive, relevant, and focused – they respond to the current flow of the discussion, and enhance it. Simply showing up is not enough; come to participate.

At the end of the course you will be asked to assess the quality of your own participation and that of your colleagues. My assessment and your self-assessment will comprise half of the evaluation; the other half is based on the participation assessment offered by your colleagues.

• **Individual Project Deliverables** (25% of course grade)

You are presented with a menu of options for individual deliverables. You may choose from this menu any combination (with some limitations) that satisfies the **25%** criterion. Choose the options that fit your preferred schedule, interests, and lifestyle.

It is your responsibility to complete the chosen options and ensure you have met the class requirement. I will not be keeping track of your progress toward the goal. I will grade and record only those assignments submitted consistent with the specific requirements for the option selected.

There is one rule:

No ex post facto substitutions: A deliverable, once turned in, will count toward your grade. You may **not** opt later (e.g., after seeing a grade) to pile on extra deliverables in order to cancel out earlier deliverables.

This chart summarizes the options. [Each option is described in detail below on page 5-7.](#)

Option	Weight	Length	Submit When?	You Can Do
[A] Reaction Essay	5%	500 words	1 week after (none later than 12/11)	2
[B] Day-of-Ethics Paper	10%	900 words	no later than 12/4	1
[C] Case Brief	5%	500 words	1 day prior to case	2
[D] Ethics-at-Work Paper	10%	900 words	no later than 12/4	1
[E] Ethical Choice Paper	10%	900 words	no later than 12/11	1

Turn in a combination of deliverables from the above chart **summing to 25%**.

- **Three Brief Emails** (3.33% each for a total of 10%)

On three occasions (twice during week 2 and once in week 3), you are asked to write a very brief statement responding to a question relevant to the issue of an upcoming class. The syllabus day-to-day schedule (below) has the question you are to answer in your email.

LENGTH: Each brief email is limited to no more than 100 words (I do mean brief!) and is evaluated on a pass/fail basis.

DETAILS: Email is due at **6:00 pm the evening before** the class in question. Send it to me by email (in message text, not as an attachment).

Please put the course number – **6456** – in the subject line of your email.

- **Group Project: An Ethics Conversation** (32% of course grade)

The group project will be the development and presentation of a business-function relevant ethical problem analysis. In a self-organized group of 3-4 colleagues you will identify a problem of importance and interest in one of six topical areas: marketing, finance, HR-international, strategy-consulting, operations, technology. You will research the problem and present to class an analysis of its ethical dimensions.

This deliverable is described in detail below, on pages 8-9.

⇒ **Proposals** for your group + topic **must receive professor approval** by the **end of week 2** (Oct. 28). Submit proposals to me by email, including all group members via cc so that I can <reply all> to the entire group.

REGARDING ALL WRITTEN DELIVERABLES

Format:

- Submit electronically as a Word document via Brightspace (the "Deliverables" menu item).
- Use font size ≥ 11 pt and please use line spacing of 1.5 or double.
- Cite sources using some acceptable style guide (e.g., Chicago Manual of Style or MLA).

Length:

Word-count numbers associated with deliverables are guidelines, not caps (or minimums).

Passage:

Passing the course requires satisfactory completion of each deliverable attempted ("satisfactory" is defined as 50% of available points) and both brief emails.

Deadlines/Lateness:

The deadline for any deliverable with a specific due date on the syllabus is 11:59 pm on that day. A late submission loses 10% of available points at the start of each 6-hour block of time after deadline. Accordingly, a >30 hours late paper fails even if it rates a perfect score.

CRITERIA FOR EVALUATING WRITTEN WORK IN THIS COURSE

The papers you write for this class, like most forms of written communication produced by managers and other humans, should be precise, organized, logical, and appropriately supported.

I look for the following when I read your papers:

- Your analysis should be thesis-driven, which is to say it should be clear to the reader what argumentative point you are making. Justify arguments using relevant readings or other sources. Be specific, with the rationale behind positions taken clear and coherent.
- Incorporate the implications of your analysis. Go beyond the obvious to consider relevant tradeoffs in any course of action. What if your assumptions are wrong?
- Value the quality of your own ideas. Incorporate your own creative thinking when possible. Avoid transparent, simplistic attempts to glue concepts onto situations or applications.
- Style matters. Papers should be thoughtfully organized, with a clear argument flow. Errors of spelling and grammar are unacceptable. Turn in a clean, clear, properly sourced paper. Please.

MGT 6456 AND THE HONOR CODE

Students are bound by the Honor Code for all work completed in this course. Specifically:

- Written work submitted should be entirely your own, completed without assistance of others.
- Written work must use appropriate citations to signify when arguments or analyses rely on the ideas or insights of others (including Classpak readings). It is your responsibility to understand what plagiarism is, and what it means to properly cite the work of others.
- For deliverables that ask you to write about actual events past or present, it is a violation of the honor code to fabricate circumstances or otherwise rely on events that didn't actually occur.
- Use of materials in any format from other sections of this course or a similar course taught at any time in the past, at Vanderbilt or other universities, is a violation of the Honor Code.

TECHNOLOGY

During class the use of portable electronic devices (laptops, tablets, smartphones, smartwatches, very small microwave ovens) is disallowed except under two circumstances: (1) for consulting a course reading, and (2) when I say it is allowed (we'll use smartphones for in-class polling from time to time). Please silence devices completely (not vibrate).

DETAILS ON THE INDIVIDUAL OPTIONS

No advance proposals; you just write/submit when appropriate. Weight must sum to 25%.

Option A: REACTION ESSAY

Weight: 5%

Length: ~500 words

Due: within 7 days following the class you are writing about (and none later than Dec. 11)

A reaction essay is a short writeup in which you present thoughts about and reactions to material covered in the readings and/or in class for a given topic. The reaction paper is a concise and coherent statement that integrates (finds common themes, compares/contrasts, etc.) and extends (considers the theme you are writing on in relation to other contexts, situations, issues) readings and class discussion. The thing that catalyzes your reaction can be relatively big (e.g., the entire approach taken in class that day) or quite narrow (e.g., one comment that one person made). A good reaction paper will advance a coherent central idea, not merely offer a rambling collection of assorted thoughts.

You may write **no more than two** reaction papers.

Option B: DAY-OF-ETHICS EXPERIENCE

Weight: 10%

Length: ~900 words

Due: no later than Dec. 4

Submit a paper that documents the ethics of the choices you make during a 24-hour period and reflects on the experience. Choose a 24-hour period for this *before* that period starts. In fashioning your reflection, you can consider these questions (or others of your own): What surprised you about doing this? Is the number of ethical decisions higher or lower than you expected? To what extent do you make the ethical decisions you made with deliberation vs. by impulse or instinct? Are there ethical decisions you encountered but that you didn't include in this writeup?

Option C: CASE BRIEF

Weight: 5%

Length: ~500 words

Due: by midnight the evening prior to case discussion

Write a brief analysis of the issues raised in the syllabus study questions for any of the cases assigned in the course. **You may do up to two of these.**

Option D – ETHICS-AT-WORK PAPER

Weight: 10%

Length: ~900 words

Due: no later than Dec. 4

Pick a **specific example of an ethical issue or behavior** that is addressed by a single specific organization's code or culture or other supervisory means. Use your experience at work or even here at Owen to select the topic for your analysis. As an alternative, a number of organizations' codes of ethics are posted on the class Brightspace site under the menu item "**Corporate Codes.**"

Analyze the issue/behavior you selected in terms of why it is a concern and how the organization attempts to manage that concern. First, explain why this organization would be concerned that employees might behave "unethically." Then evaluate how this organization attempts to manage this concern. What tools/techniques/processes were chosen? Finally, and evaluate the result. How would you assess strengths and weaknesses of the organization's choices?

Here are the elements of this assignment fleshed out:

[1] Select an example of ethics management.

It can be from your personal experience or selected from provided codes. Briefly describe the business ethics case for this example. That is, what is the source of the organization's concern about this activity or context, and what makes it qualify as an ethical concern?

[2] Discuss factors that influence ethical aspects of the example you selected.

How is the example you are writing about shaped by or affected by variations in the psychology of people involved, or variations in situations in which it occurs? Possibilities include personality differences, cognitive processes, different work settings, or other circumstances that might tend to amplify (or limit) unethical behavior. Consider differences in how people think or who they are or what work they do or where they do it – differences that might trigger (or help to limit) problem behaviors that the firm is seeking to regulate.

[3] Analyze the method this organization has selected to manage this issue.

Which key mechanisms are involved (e.g. direct supervision, education, selection, incentives, normative pressures, etc.)? What is the level of effort (minimal to extensive)? Is the approach to managing the issue procedurally orchestrated vs. improvisational?

[4] Evaluate the organization's choices in this example.

Did the organization fully and accurately understand the sources of unethical behavior in this example? Is the method chosen a good fit with the problem, in terms of both specific mechanisms and level of effort? Would you suggest any improvements?

Option E – ETHICAL CHOICE PAPER

Weight: 10%

Length: ~900 words

Due: no later than Dec. 11

In this paper you will produce a personal essay on your ethics *in action*. For this assignment you will observe yourself taking an action that has ethical implications. This action can be of great or small importance. It has to be about a choice point you faced *during this mod* (on or after Oct. 16).

The final paper should reflect your analysis, judgment, and experience, while also applying learning from the class. From reading your paper I should be able to glean how the matters we've taken up in this course inform your view of business ethics in action, and I should have a sense of the moral foundations and/or analyses that lead you to that view.

In addition to material and content from class, you may use examples from your own life and from the lives of others, including (but not limited to) the world of business, to complete this assignment.

Here are the elements of this assignment.

[1] **Describe a choice that you made and acted upon this mod.**

It has to be an actual situation or circumstance you encountered, leading to a choice of some sort by you since the mod began. Give descriptive detail on the situation that will help the reader grasp the circumstance and the choice, and how it lends itself to an ethical analysis.

[2] **Analyze normative ethics associated with the choice** you made this mod.

This should include the approach to ethical reasoning or analysis that guided (or should have guided!) the choice you actually made. It can also include some attention to alternative ways of thinking about the issue/choice you faced that were in play.

[3] **Discuss the factors that influenced you and others** involved in this choice.

Consider, for example, psychological, social, and situational factors that might have biased, bound, blinded, or otherwise impacted you and others. Consider the sources of these factors and their relative importance.

[4] **Specify how you implemented this choice** and what happened.

What did you do, how did you do it? In what ways did you lead others in the effort to implement your choice? What were the consequences?

[5] **What did you learn** about your own ethics, leadership, or anything else?

DETAILS ON THE GROUP PROJECT – AN ETHICS CONVERSATION

Proposals must receive professor approval by end of week 2 (Oct 28).

Deliverables:

- A position brief (one from each member of the group, <500 words), due the day before,
- An annotated list of resources consulted for preparation of the briefs (a single group-wide list)
- The in-class conversation itself (involving all group members, lasting a total of 20 minutes).

Grading:

- Your individual brief, evaluated individually, is 40% of the project grade.
- The list of resources, evaluated collectively, is 10% of the project grade.
- The in-class conversation, evaluated collectively, is 50% of the project grade

~~Written deliverables (briefs and resources list) are due 24 hours before scheduled presentation.~~

The task, procedurally: Form a group of three to four students and pick a conversation relevant to one of the functional topic areas including: marketing, finance, HR/international, strategy-consulting, operations, technology. You choose the specific issue. I am happy to provide suggestions and guidance with respect to choosing or refining a topic. Several suggestions for topic areas are given below, but feel free to propose a topic that does not appear on my list of suggestions.

Submit your proposal: Send me an email giving roster of group members and proposing the specific topic of your conversation. I will respond with approval or not within 24 hours. Make sure that all group members are copied on the email so I can use <reply all> to reach the entire group.

Nature of the conversation: These “conversations” should have students on distinct sides of a moral question in a discussion in front of the class, lightly moderated by me. Each student comes to class having prepared a written brief on his/her side of the question. The conversation should address all three aspects of the ethical issue: (a) the normative, (b) the behavioral, and (c) practice/policy. All group members must participate in the in-class conversation.

The benefits of getting a group and proposal together early: A topic can be covered by only one group, and it’s first-come-first-served on topic approvals, so form a group and submit your proposal early. If your proposal is too close to one already approved you will have to choose another topic.

Date switching: Once dates are assigned, swaps are possible but require approval.

An excellent group conversation in class will be one that incorporates:

- an insightful focus on the ethics of the topic that moves beyond the superficial/obvious.
- a balanced treatment that gives roughly equal emphasis to both (or all) side of the issue.
- a performance/presentation of the conversation that is lively and engaging.

Possible topics: Have a look at the next page.

POSSIBLE TOPICS FOR THE “ETHICS CONVERSATION” (MANY OTHERS ARE POSSIBLE):

Ethics in Marketing

- direct-to-consumer marketing of prescription drugs
 - surge/ monopoly pricing for vital products or services
 - moral limits of deception in advertising
 - marketing to the vulnerable (e.g., kids, elderly, infirm...)
 - product safety vs individual choice
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Ethics in Finance

- international tax avoidance by domestic firms (e.g. inversion)
 - fiduciary obligations for investment professionals
 - line between arbitrage and unfair advantage (e.g. high frequency trading)
 - corporate philanthropy
 - line between optimism and misleading in forecasts and predictions
 - ethics of executive compensation
 - ethics of dead peasant insurance
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Ethics in HR and International Business

- sweatshop labor practices – local vs other standards
 - the ethics of non-compete clauses
 - employer obligations re paid sick/medical/parental/vacation leave
 - affirmative action/ diversity practices
 - employer control of employee behavior off-work
 - human rights at home and abroad
 - ethics associated with pay secrecy/transparency
 - networking, unfair influence, nepotism, etc.
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Ethics in Operations and Analytics

- waste and pollution in the supply chain
 - firms’ responsibility for the ethics of suppliers/contractors etc.
 - automation/outsourcing/
 - child labor practices/animal cruelty
-

Ethics and Strategy and Consulting

- reuse of information created for another client/ billing issues
 - ethics of information gathering (competitive intelligence)
 - ethics of lying/deception in business negotiation
 - collusion, corruption, and other challenges to the level playing field
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Ethics in Technology

- social media firm obligations regarding ‘fake news’/political influence
 - surveillance (of employees, of consumers)
 - privacy of personal data in relation to big data
 - the process of greyballing by ride-sharing firms
 - ethics of autonomous vehicles
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Day-by-day class schedule starts on next page...

CLASS SCHEDULE

WEEK 1

Oct. 17 **Overture**

READ: [The Drowning Child and the Expanding Circle](#) (online)

AND: Configure *Top Hat* polling software
(see bottom of p. 1 of syllabus, or “Configure Top Hat” on Brightspace)

Oct. 19 **The Business of Business (Ethics)**

CASE: FOLLOW DUBIOUS ORDERS OR SPEAK UP? (ClassPak) (*writeup eligible*)

Case Questions:

- How, if at all, are ethics involved in Susan’s situation?
- What, if anything, should Susan do about Mr. Moon’s request?

WEEK 2

Oct. 24 **Normative Ethics I: Moral Decision Making**

ACTIVITY: THE KIDNEY CASE (Handout)

Read the “**General Information**,” which profiles eight candidates for an available kidney transplant. Use the “Candidate Ranking” sheet (page 3 of handout) to rank candidates from highest to lowest priority for the kidney.

DUE: Rank all 8 candidates and submit online [here](#). by **10/23 at 4 pm**.
Also please be sure to **bring that page** with your ranking to class.

After you do your ranking:

READ: · INTRODUCTION TO ETHICAL REASONING (ClassPak)

DUE: **Brief Email:** What principle guided your approach to ranking the kidney candidates? Why is this the right one? (**due 10/23 at 6 pm**)

Oct. 26 **Normative Ethics II: Philosophically Speaking**

READ: [What Isn’t for Sale?](#) (online)

DUE: **Brief Email:** What is the first and most important criterion for deciding what is right or wrong? (**due 10/25 at 6 pm**)

DUE: **Online Class Survey** (link provided via email; also on Brightspace; also [here](#))

WEEK 3

Oct. 31 **Moral Psychology I**

READ: WHY TRADITIONAL APPROACHES TO ETHICS WON'T SAVE YOU (ClassPak)

WATCH: A [video](#) on the moral life of babies. (13 minutes).

Nov. 2 **Moral Psychology II**

READ: · ETHICS BENEATH THE SURFACE (ClassPak)
 · [Matters of Life and Death](#) (online - optional)

DUE: **Brief Email:** What forms of unethical behavior are people at work most likely to engage in *unconsciously* (lacking awareness of ethics involved)? (**due 11/1 at 6 pm**)

WEEK 4

Nov. 7 **Organizational Context I: Reporting**

CASE: WHY DIDN'T WE KNOW? (ClassPak) (*eligible for case brief writeup*)

Case Questions:

- Why is it that misconduct wasn't brought to light until a lawsuit?
- What can Galvatrens do to change how this goes in the future?

READ: · [The Money or the Mouse: On the Morals of Markets](#) (online)
 · [Opting to Blow the Whistle or Choosing to Walk Away](#) (online)

Nov. 9 **Organizational Context II: Culture and Infrastructure**

CASE: FAST BUILDING (ClassPak) (*eligible for case brief writeup*)

Case Questions:

- If you were Andrew Smith, would you accept the offer or not?
- What role should the Code of Conduct play in your thinking?

READ: · [What Was Volkswagen Thinking?](#) (online)

Info on topics, readings, and group presentations during weeks 5 and 6 will be shared during week 3 after group proposals for these presentations have been received and approved (by end of week 2).

WEEK 5

Nov. 14 **Ethics Conversations I**
Readings and scheduled presentations to come.

Nov. 16 **Ethics Conversations II**
Readings and scheduled presentations to come.

WEEK 6

Nov. 28 **Ethics Conversations III**
Readings and scheduled presentations to come.

Nov. 30 **Ethics Conversations IV**
Readings and scheduled presentations to come.

WEEK 7

Dec. 5 **Rights**

READ: (ALL ONLINE): · [Employee Surveillance: Business Efficiency...](#)
 · [Wearables at Work: The New Frontier...](#)
 · [Speechless at Work](#) (optional)

Dec. 7 **Absolutism/Relativism and Moral Consistency**

READ: · MORAL RELATIVISM (ClassPak)
 · [Moral Business Cultures](#) (online, optional)

Question to ponder:

Today's first reading asserts (p. 2) that moral relativism is a way to "escape ethics." Do you agree? Or can one be a moral relativist and be an ethically engaged person at the same time?

ENDGAME

DUE: **Class participation survey** deadline is **Fri., Dec. 8** at 11:59 pm.
[Link to online survey will be emailed and also be on Brightspace.]

AND: Last day deliverables can be submitted is **Mon., Dec. 11**.
