

HAILEY COLLEGE OF COMMERCE
UNIVERSITY OF THE PUNJAB, LAHORE

Course Title: **Business Ethics and CSR**

Proposed Course Code: BSAF-115

Credit Hours: 03

Program: BS Accounting and Finance

Semester: 02

1.0 Introduction of the Course

Ethical crises are at rise, creating the need for ethical awareness in business. Familiarity with ethical principles influences one's choice of action and determines standards mentioning does and don'ts of business. Today's managers must necessarily concern themselves with ethical issues, because unethical behavior creates legal risks and damage to businesses as well as employees and consumers. Business ethics have become an integral part of business education in general. A student or manager who is well-versed in ethical behavior in practices, not only in the domestic market but internationally, will find him or herself better prepared to deal with issues or situations that may arise that don't always involve easy answers or decisions.

This business ethics course offers an introduction into the concept of values, morality, as well as cultural beliefs and upbringing in all areas of business, from consumer rights to corporate social responsibility.

2.0 Pre-Requisites Course (s) or Other Requirements/Skills:

Introduction to Business/Business Organization

3.0 The Course carries following objectives:

1. To sensitize the students to the ethical dimensions of business and to train them to identify ethical dilemmas, analyze them systematically and resolve them based on ethical principles and moral theory.
2. To examine the ethical dimensions of business from different perspectives (American/British, European/Japanese, etc) and to introduce tools of ethical analysis of management decisions involving difficult choices between right and right and wrong and wrong.
3. To convey the importance and functionality of core values, codes of conduct and a culture of ethical behavior as powerful management tools in the workplace and sources of trust and reputation in the marketplace
4. To differentiate between responsive and strategic CSR in terms of shareholder and social value, competitive advantage and sustainability.
5. To help participants evaluate the CSR standards of their own companies, identify CSR initiatives and convey competencies for their effective implementation and evaluation.

4.0 Course Learning Outcomes

Upon completion of this course a student would be able to:

1. Understand theoretical foundations of business ethics
2. Explain and illustrate the importance, for business and the community, of ethical conduct;
3. Recognize and resolve ethical issues in business;
4. Determine and evaluate their values defining ethical and unethical conducts
5. Confidently apply systematic ethical reasoning to business dilemmas and communicate effectively in oral and written forms these, using the concepts, logic and rhetorical conventions of business ethics.

5.0 Course Contents:

Unit-1

1.1 The importance of business ethics

- 1.1.1 Business ethics defined, development of business ethics, benefits of business ethics, descriptive vs normative ethics (carroll book, p. 190)

Unit-2

2.1 stakeholders' relationship, social responsibility and corporate governance

- 2.1.1 Stakeholders definition, types of stakeholders, social responsibility and ethics, social responsibility and importance of stakeholders' orientation, corporate governance and stakeholders' view, implementing stakeholders' perspective, forms of ethical issues related to various stakeholders (carrol book, p. 187), pluralist society and CSR (p.7-9), business criticism and corporate response (10-22)

Unit-3

3.1 Emerging business ethics issues

- 3.1.1 Recognizing workplace ethical issues, foundational values for identifying ethical issues, ethical issues and dilemmas in business, challenge of determining an ethical issue in business, ethics and law (carroll book, p. 194), ethical judgements (p. 195), Venn model of ethics, economics and law (p. 197), three models of management ethics (p. 199), two hypotheses regarding the models of management morality (p. 207), Developing moral judgement (Kohlers' model, p. 209-213), elements of moral judgement (p.217-219)

Unit-4

1.1 Levels of ethics in business

- 1.1.1 Ethical issues arise at different levels (p. 225-227), managerial ethics and ethical principles (teleological, utilitarianism, Kant categorical imperative, principle of rights, principle of justice, ethics of care, virtue ethics, servant leadership, the golden rule) (p. 228-237), ethical test approach to decision making (p. 237 – 239), managing organizational ethics (240-261), behavioral ethics (p. 262), moral decision, managers and organizations (p. 265)

Unit-5

5.1 Determinants of business ethics – individual factors

- 5.1.1 Moral philosophy defined, moral philosophies (teleology, deontology, relativist perspective, virtue ethics, justice), application of moral philosophies, cognitive and moral development and its problems, white collar crimes, individual factors in business ethics, different sources of person's values (p. 213-217), Sources of ethical norms in individuals (carrol book, p. 192),

Unit-6

6.1 Determinants of business ethics – Organizational factors (ethical culture)

- 6.1.1 Defining ethical culture, role of corporate culture, role of leader in corporate culture, group dimensions and ethical culture

Unit-7

7.1 Determinants of business ethics – organizational factors (ethical programs)

- 7.1.1 Responsibility of corporations as moral agent, need for organizational ethical programs, code of conduct, ethical communication and training, systems to monitor ethical standards, ethics audit, benefits of ethics audit, ethical audit process

Unit-8

8.1 Determinants of business ethics – organizational factors (ethical leadership)

- 8.1.1 Defining ethical leadership, ethical leadership and organizational culture, managing ethical conflict, ethical leaders empower followers, communication of ethical leaders, Radar model

Unit-9

9.1 Business ethics and technology

- 9.1.1 New world of big data (p. 273), characteristics of technology (p. 275-277), technology and ethics (p. 277), information technology (p. 278-291), biotechnology and ethics (291-299).

Unit-10

10.1 Religion, ethics and CSR

- 10.1.1 Religion as source of business ethics, various religions and ethical conducts, Islamic perspective of business ethics and CSR

Unit-11

11.1 Ethical considerations across cultures

- 11.1.1 Values across cultures, role of values in determining ethics conducts, ethical conducts defined by various societies, differences across cultures

6.0 Teaching-Learning Strategies

The course should preferably be based on both lectures and discussion series on various topics of ethics in business.

7.0 Assignments- Types and Number with calendar

Assignments would/should cover the local business ethical dilemmas and cases

8.0 Textbooks

In the detail course outline, one may mention chapters of the textbook with the content topic(s).

1. Carroll, A., and Buchholtz, A. (latest edition). Business and society: Ethics, sustainability, and stakeholder management. Cengage Learning.
2. Ferrell, O. C., and Fraedrich, J. (Latest edition). *Business ethics: Ethical decision making and cases*. Cengage learning.

10. Suggested Readings

10.1 Books

1. Schwartz, M. S. (2017). *Business ethics: An ethical decision-making approach*. John Wiley and Sons.
2. Archie, et al.(1996). Business and Society: Ethics and Stakeholder Management. Ohio: Southwestern Publishing Company.
3. Lawrence, A. T., and Weber, J. (2014). Business and society: Stakeholders, ethics, public policy. Tata McGraw-Hill Education.
4. Griseri, P., and Seppala, N. (2010). Business ethics and corporate social responsibility. Cengage Learning.

10.1 Journal Articles/ Reports

1. Journal of business ethics
2. Business ethics quarterly
3. Business ethics European Review
4. Social Responsibility Journal