Course name: BUSINESS ETHICS  
Course Number: BMGT 1341  
COURSE MASTER SYLLABUS  
MANAGEMENT DEPARTMENT

CIP CODE AREA: 52.0201  
COURSE LEVEL: Advanced (Sophomore Level)  
COURSE NUMBER: BMGT 2370 (SCCM Course, special local need)  
COURSE TITLE: Business Ethics  
CREDIT HOURS: 3  
CONTACT HOURS: 3  
LECTURE HRS: 3  
LAB HRS: 0  
PREREQUISITE: None  
METHOD OF PRESENTATION: Three-hour lecture/discussion each week.

COURSE DISCRIPTION: Stresses ethical issues, the development of a moral frame of reference and the need for an awareness of social justice in management practices and business activities. Reviews ethical responsibilities and relationships between organizational departments, divisions, executive management and the public. Skills: R (SCANS, 1, 2, 3, 4, 6, 7, 8)

REQUIRED TEXTBOOKS/ MATERIALS:  
Title: Business and Society  
Author: Anne T. Lawrence & James Weber  
Publisher: McGraw Hill -Irwin, 12TH Ed.  
ISBN: 0-07-353017-4

SCANS: The Secretary’s Commission on Achieving Necessary Skills identifies the skills people need to succeed in the workplace. The purpose of SCANS is to encourage a high-performance economy characterized by high-skill, high-wage employment. To help your students connect to what they learn in class to the world outside, it is important they understand five workplace competencies: 1. resource skills, 2. interpersonal skills, 3. information ability, 4. systems understanding and 5. technology ability. Throughout the 8th edition, several pedagogical devices are used to help students develop their skills.

Course name: BUSINESS ETHICS  
Course number: BMGT 1341

<table>
<thead>
<tr>
<th>RESOURCES</th>
<th>INTERPERSONAL</th>
<th>INFORMATION</th>
<th>SYSTEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Manages Time</td>
<td>2.4 Exercises Leadership</td>
<td>3.1 Acquires and Evaluates Information</td>
<td>4.1 Understands Systems</td>
</tr>
<tr>
<td>1.2 Manages Money</td>
<td>2.5 Negotiates to Arrive at a Decision</td>
<td>3.2 Organizes and Maintains Information</td>
<td>4.2 Monitors and corrects Performance</td>
</tr>
<tr>
<td>1.3 Manages Material and Facility Resources</td>
<td>2.6 Works With Cultural Diversity</td>
<td></td>
<td>4.3 Improves and Designs Systems</td>
</tr>
<tr>
<td>1.4 Manages Human Resources</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TECHNOLOGY</th>
<th>BASIC SKILLS</th>
<th>THINKING SKILLS</th>
<th>PERSONAL QUALITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.5 Listening</td>
<td>7.1 Creative Thinking</td>
<td>8.1 Responsibility</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.2 Decision Making</td>
<td>8.4 Self-Management</td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.3 Problem Solving</td>
<td>8.5 Integrity/Honesty</td>
<td></td>
</tr>
</tbody>
</table>

INSTRUCTIONAL METHODOLOGY: See Specific instructor’s syllabus

COURSE RATIONALE:

COMMON COURSE LEARNING OBJECTIVES:
Chapter 4
Global Corporate Citizenship 63
Corporate Citizenship 65
Global Corporate Citizenship 67
Management Systems for Corporate Citizenship 68
Stages of Corporate Citizenship 69
Corporate Citizenship in Comparative Perspective 72
Social Performance Auditing 74
  Global Social Audit Standards 76
  Social and Environmental Reporting 76
  Balanced Scorecard 79
  Triple Bottom Line 79
Awards for Corporate Citizenship 81
Summary 82
Key Terms 83
Internet Resources 83
Discussion Case: The Gap Inc.’s Social Responsibility Report 83

PART THREE
BUSINESS AND THE ETHICAL ENVIRONMENT 87
Chapter 5
Ethics and Ethical Reasoning 88
The Meaning of Ethics 90
  What Is Business Ethics? 90
  Why Should Business Be Ethical? 91
Why Ethical Problems Occur in Business 95
  Personal Gain and Selfish Interest 95
  Competitive Pressures on Profits 96
  Conflicts of Interest 97
  Cross-Cultural Contradictions 98
The Core Elements of Ethical Character 98
  Managers’ Values 98
  Virtue Ethics 100
  Personal Character, Spirituality, and Moral Development 100

Analyzing Ethical Problems in Business 103
  Utility: Comparing Benefits and Costs 103
  Rights: Determining and Protecting Entitlements 104
  Justice: Is It Fair? 105
  Applying Ethical Reasoning to Business Activities 105
Whistle Blowing 107
  The Consequences of Whistle-Blowing 107
  Government Action and the Whistle-Blower 108
Summary 109
Key Terms 109
Internet Resources 109
Discussion Case: The Warhead Cable Test Dilemma 110

Chapter 6
Organizational Ethics and the Law 112
Corporate Culture and Ethical Climates 113
  Ethical Climates 114
Business Ethics across Organizational Functions 115
  Accounting Ethics 115
  Financial Ethics 117
  Marketing Ethics 117
  Information Technology Ethics 119
  Other Functional Areas 121
Making Ethics Work in Corporations 121
  Building Ethical Safeguards into the Company 122
  Comprehensive Ethics Programs 126
  Corporate Ethics Awards 127
PART FOUR
BUSINESS AND GOVERNMENT IN A GLOBAL SOCIETY 137

Chapter 7
The Challenges of Globalization 138
The Process of Globalization 139
Major Transnational Corporations 140
The Acceleration of Globalization 141
International Financial and Trade Institutions 142
The Benefits and Costs of Globalization 144
Benefits of Globalization 145
Costs of Globalization 146
Doing Business in a Diverse World 149
Comparative Political and Economic Systems 149
Meeting the Challenges of Global Diversity 152
Global Codes of Corporate Conduct 153
Collaborative Partnerships for Global Problem Solving 155
A Three-Sector World 155
Summary 157
Key Terms 158
Internet Resources 158
Discussion Case: Conflict Diamonds 158

Chapter 8
Business-Government Relations 161
How Business and Government Relate 163
Government Cooperates with Business 163
Government Conflicts with Business 163
Legitimacy Issues 164
Government’s Public Policy Role 165
Elements of Public Policy 165
Types of Public Policy 167
Government Regulation of Business 169
Market Failure 170
Natural Monopolies 170
Ethical Arguments 170
Types of Regulations 170
The Effects of Regulation 173
Regulation in a Global Context 177
Regulation of Imported Products 177
Regulation of Exported Products 178
Regulation of International Business Behavior 178
Summary 179
Key Terms 180
Internet Resources 180
Discussion Case: Protecting the U.S. Steel Industry 180

Chapter 9
Influencing the Political Environment 183
Participants in the Political Environment 185
Business as a Political Participant 185
Interest Groups in Politics 186
Coalition Political Activity 187
Influencing the Business-Government Relationship 187
PART SIX
BUSINESS AND TECHNOLOGICAL CHANGE 275
Chapter 13
Technology: A Global Economic and Social Force 276
The Explosive Force of Technology 277
Technology Defined 278
Phases of Technology in Society 179
Fueling Technological Growth 280
The Emergence of High-Technology Business 280
Technology and E-Commerce 281
Technology “Superpowers” 282
Emerging Global Participation 282
The Internet 284
The Emergence of the Internet 284
Government Regulation of the Internet 288
Socially Beneficial Uses of Technology 289
M-Commerce 289
Technology and Education 290
Medical Information via the Internet 291
Special Issue: The Digital Divide 292
Summary 294
Key Terms 294
Internet Resources 294
Discussion Case: The Dark Side of the Internet 294

Chapter 14
Managing Technological Challenges 297
Businesses Protecting Privacy 298
Industry and Government Efforts to Manage Privacy 300
The Management of Information Security 301
Businesses’ Responses to Invasions of Information Security 302
The Chief Information Officer 304
Internet Pornography 304
Protecting Intellectual Property 305
Software Piracy 305
Pirating Copyrighted Music 306
Piracy of Movies on CDs and DVDs 307
Managing Scientific Breakthroughs 308
Human Genome 309
Biotechnology and Stem-Cell Research 309
Cloning 311
Bioterrorism 313
Genetically Engineered Foods 314
Summary 316
PART SEVEN
BUILDING RELATIONSHIPS WITH STAKEHOLDERS 319

Chapter 15
Stockholder Rights and Corporate Governance 320
Stockholders 321
  Who are Stockholders? 321
  Objectives of Stock Ownership 323
  Stockholders’ Legal Rights and Safeguards 323
Corporate Governance 324
  The Board of Directors 324
  Principles of Good Governance 326
Executive Compensation: A Special Issue 328
Shareholder Activism 332
  The Rise of Institutional Investors 332
  Social Investment 333
  Stockholder Lawsuits 334
Government Protections of Stockholder Interest 335
  Securities and Exchange Commission 335
  Information Transparency and Disclosure 335
  Insider Trading 337
Stockholders and The Corporation 338
Summary 339
Key Terms 339
Internet Resources 339
Discussion Case: Turmoil in the Magic Kingdom 340

Chapter 16
Consumer Protection 342
Advocacy for Consumer Interests 343
  Reasons for the Consumer Movement 344
  The Rights of Consumers 345
How Government Protects Consumers 346
  Goals of Consumer Laws 346
  Major Consumer Protection Agencies 348
Consumer Privacy in the Internal Age 351
Product Liability: A Special Issue 353
  Strict Liability 353
  Business Efforts to Reform the Product Liability Laws 354
Positive Business Responses to Consumerism 356
  Quality Management 356
  Voluntary Industry Codes of Conduct 357
  Consumer Affairs Departments 358
  Product Recalls 359
Consumerism’s Achievements 359
Summary 360
Key Terms 360
Internet Resources 360
Discussion Case: Big Fat Liability 361

Chapter 17
The Community and the Corporation 363
The Business-Community Relationship 365
  The Business Case for Community Involvement 366
Community Relations 367
  Economic Development 368
  Crime Abatement 369
  Housing 370
Chapter 18
Employees and the Corporation 383
The Employment Relationship 384
Workplace Rights 385
  The Right to Organize and Bargain Collectively 386
  The Right to a Safe and Healthy Workplace 387
  The Right to a Secure Job 389
Privacy in the Workplace 391
  Electronic Monitoring 392
  Romance in the Workplace 394
  Employee Drug Use and Testing 394
  Alcohol Abuse at Work 395
  Employee Theft and Honesty Testing 397
Whistle-Blowing and Free Speech in the Workplace 397
Working Conditions around the World 399
  Fair Labor Standards 399
Employees as Corporate Stakeholders 401
Summary 401
Key Terms 402
Internet Resources 402
Discussion Case: No Smoking Allowed-On the Job or Off 402

Chapter 19
Managing a Diverse Workforce 405
The Changing Face of the Workforce 406
  Gender and Race in the Workplace 407
  The Gender and Racial Pay Gap 409
  Where Women and Persons of Color Manage 410
  Breaking the Glass Ceiling 410
  Women and Minority Business Ownership 413
Government’s Role in Securing Equal Employment Opportunity 414
  Equal Opportunity 414
  Affirmative Action 415
  Sexual and Racial Harassment 416
Balancing Work and Life 420
  Child Care and Elder Care 421
  Work Flexibility 422
Summary 424
Key Terms 425
Internet Resources 425
Discussion Case: Dukes v. Wal-Mart Stores, Inc. 425

Chapter 20
Business and the Media 428
Public Relations 430
  International Public Relations 432
  Crisis Management 432
  Media Training of Employees 434
Ethical and Social Responsibilities of Public Relations Managers 435
  Deceptive Advertising 436
  Free Speech 437