DESCRIPTION

This is an advanced business ethics course that uses readings and case studies to explore issues in the management of ethics in organizations. The objective of this course is to develop an understanding of the challenges of creating and maintaining an ethical corporate climate and of preventing significant ethical and legal misconduct. An assumption of this course is that being an effective manager or leader involves not merely an understanding of what is ethical behavior but an ability to produce ethical behavior in an organizational environment. Prerequisite: MGMT 441 Business Ethics or the equivalent.

REQUIREMENTS

The course material consists primarily of readings and case studies, and the class sessions are conducted mainly by discussion of this material. Consequently, participation in class discussion is an important part of the learning experience. In addition to the assigned course material and class discussion, the requirements for the course include a research project conducted in groups. The research project involves a written report and a brief class presentation. The grade for the course is determined as follows: participation 60%, the research project 40%.

OFFICE HOURS

Office hours are maintained on Monday and Tuesday from 9:00 a.m. to 12:00 p.m. and from 1:00 to 4:00. Other times by appointment. Office: 25 E. Pearson, Room 1379. Telephone: 312.915.6994. Fax: 312-915-6988. E-Mail: jboatri@luc.edu. Course information, including this syllabus, is available at http://homepages.luc.edu/~jboatri.
READING

The course material is contained in two sets of articles and cases and in one book. One set of articles and cases is produced by the Harvard Business School and another set by the Loyola copy center. The book is Norman E. Bowie, ed., *The Blackwell Guide to Business Ethics* (Blackwell Publishers, 2002). This reading is indicated in the schedule as the Harvard packet (H), the Loyola packet (L), and *The Blackwell Guide* (B). Be sure to purchase all three items.

SCHEDULE

**Aug. 25**  
1. Introduction

Badaracco and Webb, “Business Ethics: A View from the Trenches” H  
Badaracco, “Business Ethics: Four Spheres of Executive Responsibility” H  
Paine, “Managing for Organizational Integrity” H  
Kathryn McNeil (A) H

**Sept. 5**  
2. Ethics and Leadership

Ciulla, “Trust and the Future of Leadership” B  
Morsing and Pruzan, “Values-Based Leadership” L  
Senge, “The Leader’s New Work: Building Learning Organizations” L

**Sept. 8**  
3. Ethics in Organizations

Messick and Bazerman “Ethical Leadership and the Psychology of Decision Making” L  
Jackall, “Moral Mazes: Bureaucracy and Managerial Work” H  
Darley, “How Organizations Socialize Individuals into Evildoing” L  
The Playskool Travel-Lite Crib (A & B) [handout]

**Sept. 15**  
4. Corporate Ethics Programs

Weaver and Trevino, “Compliance and Values Oriented Ethics Programs” L  
Verkerk, et al., From Responsible Management to Responsible Organizations” LP  
Sears Auto Centers (A) H

**Sept. 22**  
5. Non-Profits and Healthcare

Jeavons, “Ethics in Nonprofit Management: Creating a Culture of Integrity” L  
O’Neill, “Ethical Dimensions of Nonprofit Administration” L  
Werhane, “Business Ethics, Organization Ethics, and Systems Ethics for Health
Sept. 29  6. Corporate Social Responsibility

Frank, “Can Socially Responsible Firms Survive in a Competitive Environment?” L
Dunfee and Hess, “The Legitimacy of Direct Corporate Humanitarian Investment” L
Merck Global Health Initiatives (A) H

Oct. 6  7. The Purpose of the Corporation

Blair, “Whose Interests Should Corporations Serve?” L
Boatright, “Ethics and Corporate Governance: Justifying the Role of Shareholder” B
Jones, et al., “Stakeholder Theory: The State of the Art” B
Marriott Corporation (A) H


Donaldson, “Values in Tension: Ethics Away from Home” H
Sethi, “Standards for Corporate Conduct in the International Arena L
Mirvis, “Transformation at Shell L
Royal Dutch/Shell in Nigeria (A) H

Oct. 20  9. Accounting and Corporate Governance

Armstrong, “Ethical Issues in Accounting” B
Bentson, et al., “What’s Wrong—and Right—with Corporate Accounting and Auditing in the United States” L
Brooks, “Governance, Accounting, and Auditing Post-Enron” [handout]

Oct. 27  10. Presentation of Research Projects

SOURCES


