

Course Title	:	Business Ethics
Course Code	:	GEB205/PHI205
No. of Credits/Semester	:	3
Mode of Tuition	:	Lecture/Tutorial Approach
Teaching Hours	:	45
Category in Major Programme	:	General Education Category B and Free Elective
Prerequisite	:	Nil

Brief Course Description:

This course introduces basic concepts of ethics and social responsibility, and general rules and principles of moral reasoning, and applies these to a variety of problems concerning relationships and transactions between businesses and their various stakeholders, including other businesses. Issues addressed include: whistle blowing, bribery, cartels, environmental protection, internet security, intellectual property, corporate governance, product liability, consumer safety, truth and advertising, employee rights and duties, and quality of working life. In tutorials, students will discuss current ethical issues in business and are encouraged to take their own positions and arrive at their own judgments.

Learning Outcomes:

On completion of this course, students will be able to:

- Explain the social and environmental responsibilities of corporations and the duties and rights of stakeholders involved in or affected by business activities and transactions.
- Recognize the ethical implications of a range of business situations, and apply appropriate concepts and criteria to the analysis of such situations.
- Argue why particular business practices may be seen as unethical or socially irresponsible, with reference to the norms or principles that are at issue.
- Reflect on and make explicit their own assumptions, values and ideas in relation to a range of public issues involving business.
- Explain and evaluate the actual or potential role of corporate policy, public policy and governmental regulation in addressing such issues.
- Explain and suggest practical safeguards that organizations may adopt in order to maintain and improve ethical standards.
- Examine the role of leadership in influencing an organisation's moral climate, and the role of moral climate in influencing moral behaviour.

Measurement of Learning Outcomes:

1. During tutorial classes, students will work in groups to tackle a series of in-class case based exercises, covering a wide range of business ethics issues and dilemmas. During classes, teams will hand in written responses, and will be expected to make brief oral presentations of their findings whenever called upon. Each of these classroom activities will be assessed. They will test students' ability to recognize ethically problematic behaviour by individuals or organisations, and to respond appropriately to this in the light of theory.
2. A mid-semester test, conducted during part of one of the lecture sessions will assess students' ability to recognise and understand fundamental ethical concepts, as a necessary basis for later application to the diagnosis and resolution of actual problems.
3. Each student will, as a member of a team, make one formal case study presentation at a tutorial class. Each group will select a recent local (i.e. Hong Kong based) business ethics issue or dilemma to present, drawing on media reports and other sources, that reflects a particular theme covered in the lecture programme. Through the case presentations, students will explain the nature of the ethical issue(s) or dilemma(s) involved in their case, perform a stakeholder analysis, evaluate existing actions and decision, propose solutions, and justify these with reference to ethical concepts, principles and reasoning.
4. Each student will be required to submit an individual essay of 800 - 1000 words in which he or she offers a critical judgement and reflective commentary on one or more local (i.e. Hong Kong based) business ethics issues or dilemmas, drawing on media reports and other sources, which may include personal experiences. Students will explain their ethical position and justify it with reference to theories or concepts from the course. Plagiarism will not be tolerated, and will result in failure of the entire course. Students should not use the same case material as used for (3) above.
5. A written final examination will comprise a choice of essay questions designed to test students' critical understanding of theoretical concepts and principles concerning a selection of topics that have been covered during lectures.

Indicative Content:

Stakeholders: Stakeholder vs. shareholder theories of the firm; market and non-market stakeholders; stakeholder analysis & engagement.

Public Issues: Performance-expectations gap; public issue life cycle.

Corporate Social Responsibility (CSR): Charity; stewardship; arguments for and against CSR; corporate citizenship.

Global Issues: Bribery and other corruption as examples; anti-corruption.

Character and Ethical Reasoning: Virtue ethics; spirituality; utility, rights, justice, and other sources of principles for use in ethical reasoning and decision making; analysing and resolving ethical dilemmas.

Ethics Processing Systems in Corporations: Whistle blowing; codes of ethics, ombudspersons; ethics audits, and other safeguard measures.

Uses and Abuses of Corporate Power: Corporations as instruments of domination or creators of increased utility? Business-government ‘collusion’; fair competition, cartels and antitrust.

Business and the Natural Environment: Major areas of environmental regulation; alternative policy approaches; stages of corporate environmental responsibility; environmental protection industries.

Technological Challenges: Management of information security; protecting intellectual property; cloning; genetically-engineered food crops.

Ethics and Shareholders: Shareholders’ rights; corporate governance, e.g., audit committees, non-executive directors and the need to protect minority shareholders; ‘insider trading’.

Consumer Protection: Customer rights and the role of legislation; ‘caveat emptor’ and product liability; consumer safety, truth and advertising; the Hong Kong Consumer Council and its work.

Employees and the Corporation: Employer and employee rights and duties; free speech; social consequences of outsourcing; ‘sweatshops’, working conditions and quality of life; equal opportunity; countering abuse, bullying and sexual harassment; punishment at work.

Teaching Method/Class Activities:

The course will adopt a lecture/tutorial format.

Lectures will occupy one two-hour time slot each week. While primarily aiming to convey theoretical ideas and concepts, and to review organisational practices, lectures will also incorporate interactive elements. For example, students will be asked to explain particular concepts, issues and problems to one another to check understanding and appreciate implications.

Tutorial classes will comprise up to 20 students and will occupy a one-hour time slot each week. During the first tutorial meeting, students will form smaller groups (4-5 members) which will be their base group to work with during tutorial classes throughout the semester. Each subsequent tutorial session will address a particular topic area that has been introduced during a prior lecture. The tutor will, in consultation with the base groups, schedule formal case study presentations to take place during the latter part of the semester. Each base group will make one case study presentation and normally no more than one case study presentation will be delivered at any one tutorial session. Students will be expected to respond actively and critically to presentations by other teams. If no case presentation is scheduled for a particular tutorial session, that session will involve students working in their base groups on problem based exercises introduced by the tutor, based on actual or hypothetical ethical cases. During every tutorial session, the tutor will facilitate discussions, challenge answers, and pose further questions, and will assess the performance of each base group.

Assessment: Continuous Assessment (60%), End-of-term Examination (40%)

Continuous assessment elements:	% marks
Participation and performance in group based in-class exercises during tutorials	10 %*
Attendance throughout the lectures and participation in the lecture discussions	10 %

Mid Semester Test	10 %
Group based case presentation	15 %*
Participation in discussion of other teams' case study presentations	5 %
Individual essay assignment	10 %

* For group work, the whole group will be given a common grade depending on the group's performance, but this grade may be adjusted for individual students in the light of peer review and attendance record.

Required Text:

Lawrence, A. T., Weber, J., and Post, J. E. (2005). Business and Society: Stakeholders, Ethics, Public Policy. 11th Edition. Boston: McGraw-Hill, Irwin.

Recommended Readings:

Fisher, C, and Lovell, A. (2003). Business Ethics and Values. Harlow, UK: Prentice Hall/Financial Times

Hartman, L. P. (2004). Perspectives in Business Ethics. 3rd Edition. Boston: McGraw-Hill, Irwin.

Trevino, L. K., and Nelson, K. A. (2004). Managing Business Ethics: Straight Talk About How To Do It Right, 3rd Edition. New York: Wiley.

Business Ethics: A Manual for Managing a Responsible Business Enterprise in Emerging Market Economies <http://www.ita.doc.gov/goodgovernance/business_ethics/manual.asp>

Also, please refer to the readings associated with each lecture, which comprise various commentaries and articles, most of which are available on the Web.