

## LGST 100 – Ethics and Social Responsibility

Spring 2018

Section 002: Tuesdays/Thursdays 10:30–11:50AM F90 JMHH

Section 003: Tuesdays/Thursdays 1:30–2:50PM F90 JMHH

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### PROFESSOR

Nina Strohminger

E-mail: [humean@wharton.upenn.edu](mailto:humean@wharton.upenn.edu)

Office: 667 JMHH

Office hours: by appointment

### TEACHING ASSISTANT

Marie Barnett

[marieba@sas.upenn.edu](mailto:marieba@sas.upenn.edu)

### COURSE OVERVIEW

Often ethics classes treat unethical behavior as the result of having the wrong values. In this class, we will explore the idea that ethical lapses are better understood as a *design* problem: a failure to foster the psychological and organizational conditions that allow good behavior to flourish.

Another common misperception about ethical behavior is that it comes at the price of happiness and professional success. We will consider the evidence for the opposite conclusion: that doing well, doing good, and feeling good are all deeply intertwined.

This course provides scientifically-grounded ways of navigating the cognitive biases and blind spots that stand in the way of ethical behavior. We will explore strategies for how to act more in line with our own values, and more generally, live a happier, more fulfilled life.

### MATERIALS

—**Course website:** The latest course syllabus, readings, announcements, and all relevant course information can be accessed on Canvas: <https://canvas.upenn.edu/>

—**Books:** We are reading one book in its entirety (*Blind Spots*) and chapters from a few others (*The Righteous Mind*, *What Money Can't Buy*, *What Price the Moral High Ground?*). The library has these books in digital form and they can be read online for free. If you log on to Canvas and click on the “Penn Library Course Reserves” tab, you will find them linked there. You're also welcome to purchase hard copies if you'd like.

—**Harvard Case Studies:** These are the only course materials the university makes students pay for. The course pack containing them will be available through <https://www.study.net/>

—**Harvard Business Review:** You can access *Harvard Business Review* articles for free from the [Business Source Complete database](#), which covers *HBR* from 1922 to the present (that's every article, from volume 1 issue 1, all the way to now!). You can use the menu on the right to browse through issues - expand the year, then choose the issue that

contains the article you're looking for. Or, click on the Search Within This Publication link to enter keywords of interest to search — e.g. *stark and "business ethics"* to find Andrew Stark's article, "What's the matter with business ethics?"

—**Journal articles, Movies, etc.:** All other course material is linked to in Canvas under the "Penn Library Course Reserves" tab.

—**Lecture notes:** I will post .pdf versions of the lecture slides on Canvas as quickly as possible **after** the classroom session. I will not distribute them before class for two reasons. First, I will be revising material right up to the beginning of each class. I want to make sure you get the slides I actually present in class. Second, although having my slides during the lecture seems like a good way for you to learn the material, the experimental evidence suggests that it actually impairs learning because students tend to take fewer notes of their own during class. Taking notes in class is a terrific way to encode the course material (or any material, for that matter), and passively watching the lectures because you have the notes is a terrible way to encode the course material. I want to facilitate learning in this course, not impair learning. All of my lecture slides will be numbered in the lower-left corner. My advice is to keep notes during the lecture tagged with these slide numbers, and then match them up with the slides when you download them after class.

—**Extra credit:** Many weeks I will assign additional readings/media for extra credit. These are entirely optional, although they often contain material that is also covered in class, so they can help you master the course material for the midterm and final project. Where appropriate, quizzes will have "extra credit" questions that test the material in the extra credit readings. You will not be penalized for skipping the extra credit, however, it can provide a nice way to collect bonus points.

## ASSIGNMENTS, QUIZZES AND EXAMS

### *Surveys / Written Assignments (10% of grade)*

During the semester, I will periodically ask you to do online surveys, submit written answers to discussion questions, and collect data out of class. You will receive the maximum grade for an on-time, excellent assignment and a grade of 0 for a late or unsatisfactory assignment. These assignments will be described in more detail throughout in the semester.

### *Quizzes (40%)*

Every class for which readings (or other media) are assigned, there will be a 45% chance of having to take a short quiz that tests your knowledge of what was assigned for that day. Whether or not you have a quiz will be determined by a random number generator. Thus, having a quiz one day is not predictive of whether you will have a quiz the next day (i.e., don't fall prey to the gambler's fallacy!). These quizzes are designed to ensure that you have carefully read and understood what you have been assigned to read. Most of the quizzes will require you to summarize one (or more) of the readings, but other quiz formats (e.g., multiple choice; short answer) are possible. Each quiz will be graded on a scale ranging from 0 to 2. A correct and complete answer on an extra credit question will count for 1 point. Your lowest quiz score will be dropped. You will receive a score of zero if you are absent or late for a quiz.

Occasionally you may need to miss class for entirely legitimate reasons (e.g. sickness or an interview). You can erase three quizzes from your record if, prior to the start of class, you submit a well-written summary and analysis of the readings that you missed. You should submit this summary via email to Marie Barnett ([marieba@sas.upenn.edu](mailto:marieba@sas.upenn.edu)). This document should include ~250 words of summary and ~250 words of thoughtful analysis. It is not to exceed one page, single-spaced, using 12-point Times New Roman font and one-inch margins. To make up for the missed quiz, you must show us that you have carefully read and understood the assigned readings and that you put time, thought, and effort into your summary. An obviously slipshod, last-minute effort will not be accepted, and neither will a summary submitted after the start of class.

### *Midterm exam (25%)*

There will be a midterm exam comprised of essay-type questions. The 80-minute midterm will be held in class during Week 8. It is a checkpoint for your progress in the course up to this point. I will give more information about the content and format of this exam in Week 7.

### *Final project (25%)*

In the final project, you will take the concepts we learned about in class to provide an “ethical audit” of an organization. As part of this assignment, you will be required to describe basic details of the organization, identify likely points of ethical risk in the organization based on course content, describe how the organization currently handles these ethical risks, and describe design solutions that could minimize these risks. Your goal will be to design as “good” an organization as you can. I will distribute further details and grading rubrics for this assignment midway through the semester. Your write-up should be between 2300–2700 words, and will be due **April 30 by 5PM** (i.e. during the final exam period).

## **CLASSROOM ETIQUETTE**

Classroom sessions need to be structured so that you and the other students in the course have as ideal a learning environment as possible. We will therefore establish the following ground rules for classroom sessions:

1. **Display name tents.** There is no seating chart, but classroom discussion will be facilitated if your fellow students (and I!) know who we’re talking to.
2. **No laptops or tablets.** Laptop computers and tablets are to be turned off and put away during the class period. I have nothing against technology except that it’s so interesting that students sometimes have a hard time paying attention in class when this technology is present. Surfing the web is fun, and reading e-mail the moment it arrives may be tempting, but it does not enable the ideal learning environment for either you or your fellow students who may be distracted by whatever you might be doing. I know that many students prefer to take notes on a laptop, but you can always transcribe your handwritten notes later. Doing so will provide additional engagement with the course material and will help you learn it even better. If you’d like to read about the scientific case for a no-laptop classroom policy, you may do so here: <https://www.scientificamerican.com/article/students-are-better-off-without-a-laptop-in-the-classroom/>
3. **No cell phones.** Turn off and tuck away all cell phones. Although you may feel that it is discreet to check your phone under the desk, remember that I am looking right at you and wondering why you have such an intense fascination with your thighs. It’s distracting for you and puzzling for me. Class will be unplugged in an effort to help you and others around you focus on the class material.
4. **Arrive on time.** We will start promptly. In return, I will do my absolute best to end the class precisely 80 minutes after we have started. I will be happy to stay late to answer any questions you might have for as long as I am able.

## **GRADING POLICY**

Grading will be at my discretion and in accordance with Wharton policies. With the exception of clerical/coding errors, no change of grades will be issued after final grade sheets are delivered to the University Registrar. No individual extensions are given for class assignments—the only extensions granted will be those given to the entire class. Late assignments will be accepted, but will have one letter grade deducted per day past the due date.

There is no curve. I do not believe in the redistribution of grades. It’s socialist.

## **HONOR CODE VIOLATIONS**

Cheating in an ethics course is an irony I don’t think any of us wants to deal with. Let’s not go down that path together.

## **FINE PRINT**

Class sessions may be recorded for future teaching purposes. The design of this course owes a great debt to the brilliant Nick Epley, on whose pedagogical methods I draw heavily.

## COURSE OUTLINE

Case studies available through <https://www.study.net/>; links to all other course materials can be found on Canvas.

**Readings and schedule are subject to change.**

| Date                      | Topic   | Readings and assignments due  |
|---------------------------|---|---|
| Introduction              |   |   |
| Thursday<br>1/11          | Ethics as a design problem                        |   |
| Sunday<br>1/14            |   | <b>**Fill out Background Survey by 5PM**</b>  |
| Tuesday<br>1/16           | Myths about morality                              | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapters 1–2<br>Stark, <i>What's the matter with business ethics?</i><br>Cialdini, Petrova, & Goldstein, <i>The Hidden Costs of Organizational Dishonesty</i><br><b>Extra credit:</b> Schwitzgebel, <i>Do Ethicists Steal More Books?</i> |
| Ethical Awareness         |   |   |
| Thursday<br>1/18          | Reason vs. emotion                                | Haidt, <i>The Righteous Mind</i> , Part I (Chapters 1-4)<br><b>Extra credit:</b> Bloom, <i>The Baby in the Well: The Case Against Empathy</i>   |
| Tuesday<br>1/23           | Intention/behavior gaps                           | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 3<br>Mazar et al., <i>The Dishonesty of Honest People: A Theory of Self-Concept Maintenance</i>   |
| Thursday<br>1/25          | Ethical fading                                    | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 4<br>Gino & Bazerman, <i>When Misconduct Goes Unnoticed: The Acceptability of Gradual Erosion in Others' Unethical Behavior</i>   |
| Incentives                |   |   |
| Tuesday<br>1/30           | Incentives  | A. Fiske, <i>The Four Elementary Forms of Sociality</i><br>Sandel, <i>What Money Can't Buy</i> , Introduction and Chapter 1<br><b>Extra credit:</b> Frank, Gilovich, & Regan, <i>Does Studying Economics Inhibit Cooperation?</i>   |
| Thursday<br>2/1           | Incentives (design solutions)                     | Gneezy & Rustichini, <i>A Fine Is a Price</i><br>Heyman & Ariely, <i>Effort for payment: A tale of two markets</i>  |
| Moral Motives in Conflict |   |   |
| Tuesday<br>2/6            | Conflicts of interest                             | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 5<br>Carlat, <i>Dr. Drug Rep</i><br><b>Extra credit:</b> <i>Inside Job</i> (video)  |
| Thursday<br>2/8           | Conflicts of interest (design solutions)          | Bazerman, Loewenstein & Moore, <i>Why Good Accountants Do Bad Audits</i><br>Cain, Loewenstein, & Moore, <i>The Dirt on Coming Clean</i><br><b>Extra credit:</b> Greenstone, <i>See Red Flags, Hear Red Flags</i>  |
| Tuesday<br>2/13           | Moral courage & whistleblowing                    | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 6<br>Waytz, Dungan, & Young, <i>The whistleblower's dilemma and the fairness–loyalty tradeoff</i><br><b>Extra credit:</b> <i>The Informant!</i> (video)   |
| Thursday<br>2/15          | Moral courage & whistleblowing (design solutions) | Eichenwald, <i>He told. He suffered. Now he's a hero</i><br>Higgins & Summers, <i>If only they had listened...</i><br>Waytz & Kilibarda, <i>Through the Eyes of a Whistleblower</i> (case study)  |
| Thursday<br>2/15          |   | <b>**Screening of Enron: Smartest Guys in the Room, 6-8pm**</b>   |
| Ethical cultures          |   |   |
| Tuesday<br>2/20           | The design of an unethical culture: Enron         | <i>Enron: Smartest Guys in the Room</i> (video)   |
| Thursday<br>2/22          | Ethical cultures                                  | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 7<br>Gino et al., <i>Contagion and differentiation in unethical behavior: The effect of one bad apple on the barrel</i>   |

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|---------------------------------|---|---|
|                                 |   | <b>Extra credit:</b> Smith, <i>Why I Am Leaving Goldman Sachs</i>   |
| Tuesday<br>2/27                 | Ethical cultures (design solutions)                 | Goldstein et al., <i>A room with a viewpoint: Using social norms to motivate environmental conservation in hotels</i><br>Nolan et al., <i>Normative Social Influence is Underdetected</i>   |
| Thursday<br>3/1                 | <b>In-class midterm</b>                             |   |
| Leadership                      |   |   |
| Tuesday<br>3/13                 | Status & power                                      | DeCelles et al., <i>Does power corrupt or enable?</i><br>Piff et al., <i>Higher social class predicts increased unethical behavior</i>  |
| Thursday<br>3/15                | Reputation  | Fiske, Cuddy, & Glick, <i>Universal Dimensions of Social Cognition</i><br>John et al., <i>Hiding personal information reveals the worst</i><br><b>Extra credit:</b> Cohn, Fehr, Marechal, <i>Business culture and dishonesty in the banking industry</i>  |
| Tuesday<br>3/20                 | Reputation in crisis                                | Schweitzer et al., <i>The Organizational Apology</i><br>Southwest Airlines Flight 1248 (case study)<br>Unintended Acceleration: Toyota's Recall Crisis (case study)   |
| Corporate social responsibility |   |   |
| Thursday<br>3/22                | The responsibilities of business                    | Frank, <i>What Price the Moral High Ground?: How to Succeed without Selling Your Soul</i> , Chapter 4<br><b>Extra credit:</b> Radiolab, <i>Ponzi Supernova</i> , Feb 10, 2017 (podcast)   |
| Tuesday<br>3/27                 | The responsibilities of business, pt. 2             | Bonnefon et al., <i>The social dilemma of autonomous vehicles</i><br>Merck & Co, Inc (A): The Business Enterprise Trust (case study)<br><b>Extra credit:</b> Radiolab, <i>Driverless Dilemma</i> , Sept 26, 2017 (podcast)  |
| Thursday<br>3/29                | Decisional myopia (design solutions)                | Bazerman & Tenbrunsel, <i>Blind Spots</i> , Chapter 8<br>Bower & Paine, <i>The Error at the Heart of Corporate Leadership</i>   |
| Tuesday<br>4/3                  | Cross-cultural ethics                               | Haidt, <i>The Righteous Mind</i> , Chapters 5 & 6<br>Fadiman, <i>A Traveler's Guide to Gifts and Bribes</i>   |
| Justice                         |   |   |
| Thursday<br>4/5                 | Wealth and resource distribution                    | Norton & Ariely, <i>Building a better America—One wealth quintile at a time</i><br>Sandel, <i>What Money Can't Buy</i> , Chapter 3<br><b>Extra credit:</b> Cohen, <i>Owner of a Credit Card Processor is Setting a New Minimum Wage: \$70,000 a Year</i>  |
| Tuesday<br>4/10                 | Ethical gaps: Implicit prejudice, sexual harassment | Kunstman & Maner, <i>Sexual overperception: Power, mating motives, and biases in social judgment</i><br>Bertrand & Mullainathan, <i>Are Greg and Emily More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination</i><br><b>Extra credit:</b> Monin & Miller, <i>Moral Credentials and the Expression of Prejudice</i> |
| Doing good and feeling good     |   |   |
| Thursday<br>4/12                | Happiness and morality                              | Dunn et al., <i>Spending Money on Others Promotes Happiness</i><br>Grant, <i>In the Company of Givers and Takers</i>  |
| Tuesday<br>4/17                 | Happiness, by design                                | Dunn et al., <i>If money doesn't make you happy, then you probably aren't spending it right</i><br>Kahneman & Deaton, <i>High income improves evaluation of life but not emotional well-being</i><br><b>Extra credit:</b> Norton et al., <i>The 'IKEA Effect': When Labor Leads to Love</i>   |
| Thursday<br>4/19                | Values, habits, and character                       | Cohen, Panter, & Turan, <i>Guilt Proneness &amp; Moral Character</i><br>Rogers & Milkman, <i>Reminders through association</i><br>Sachdeva, Iliev, & Medin, <i>Sinning Saints and Saintly Sinners: The Paradox of Moral Self-Regulation</i>   |
| Tuesday<br>4/24                 | Wrap-up   | Christensen, <i>How Will You Measure Your Life?</i>   |
| Monday<br>4/30                  |   | <b>**Final project due by 5PM**</b>   |